

Fact Sheet – IPART 2015 household survey – Concession cards and rebates

20 September 2016



WHAT

This fact sheet discusses our 2015 household survey's findings on concession cards and rebates.

We asked households:

- ▼ whether they had certain concession cards
- ▼ whether they were aware that this made them eligible to claim rebates on their energy and water bills and, if so, whether they claim the rebates
- ▼ whether they were aware of, and claim, the Family Energy Rebate and medical rebates on energy bills.



WHY

Our household surveys include questions about concession cards and rebates to help us understand the context of our decisions on water and energy. The information discussed in this document could also help to inform policy on rebates and other assistance measures.



WHERE

We commissioned Roy Morgan Research to conduct the survey. It interviewed 4,404 households in five areas:

- ▼ Sydney Water Corporation's area of operation (Sydney)
- ▼ Hunter Water Corporation's area of operation (Hunter)
- ▼ Gosford City Council area (Gosford)
- ▼ Riverina region, mainly Wagga Wagga and Albury (Riverina), and
- ▼ Mid-North Coast and Northern Rivers regions (North Coast).



FINDINGS

- ▼ North Coast households were the most likely to have a concession card, and Sydney households the least likely.
- ▼ Most older households had a pensioner concession card (59%), while a much smaller proportion had a health care card (8% to 14%). Households across all age groups had a health care card.
- ▼ Most low income households and around a third of lower middle income households qualified for rebates on energy and water bills.
- ▼ Most households that qualified for rebates claimed them.
- ▼ Among households that had difficulty paying their energy bills, those with concession cards were far more likely to have used payment assistance vouchers than other households.
- ▼ Around 10% of households claimed the Family Energy Rebate.



WHAT ELSE

The information paper with this fact sheet provides more detail on our findings on concession cards and rebates. We have also published:

- ▼ Other fact sheets and information papers on the survey, and its findings on energy and water usage, energy and water conservation measures, solar PV panels and payment difficulties,
- ▼ reports on water and energy usage (which include technical appendices), and
- ▼ output tables of the survey responses (Excel files).

These documents are available on our [website](#).

IPART 2015 household survey – Concession cards and rebates



1 Why we asked about concession cards and rebates

Households that have certain types of concession card, or meet other criteria, may be eligible for rebates on their energy and water bills (see Box 1). Information on which types of household are eligible for, and claim, these rebates helps us understand the context of our decisions on water and energy. This information can also help to inform broader policy discussions on energy and water rebates and other assistance measures.

We asked households what concession card(s) their account holder had. If they said one of the pensioner concession or health care cards that makes them eligible for a rebate (eligible concession cards), we asked them whether they were aware that they qualified for rebates and if so, whether they claimed them.

We also asked households whether they were aware of the Family Energy Rebate, and if so whether they claimed this rebate. If they were not aware, we asked them whether they thought their household might qualify for the rebate. We also asked households whether they claimed an energy rebate for medical reasons.

Box 1 Who qualifies for rebates on their energy and water bills?

Households that have certain types of concession card are eligible to claim a rebate on their energy and water bills.

Rebates on energy bills

The NSW Government provides rebates on energy (electricity and gas) bills if the account holder has one of the following pensioner concession or health care cards:^a

- ▼ Pensioner Concession Card issued by Department of Human Services or the Department of Veterans' Affairs.
- ▼ Department of Veterans' Affairs (DVA) Gold Card that is marked with either War Widow or War Widower Pension, Totally and Permanently Incapacitated, or Disability Pension, issued by Department of Veterans' Affairs, or
- ▼ Health Care Card or Low Income Health Care card issued by Department of Human Services.^b

Depending on the household's circumstances, the rebates available include the Low Income Household Energy Rebate, NSW Gas Rebate, and Medical Energy Rebate.

The Medical Energy Rebate is for customers who have an inability to self-regulate body temperature when exposed to hot or cold environmental temperatures. This problem may arise due to certain medical conditions such as Parkinson's disease and Multiple Sclerosis. However, to be eligible for the Rebate a customer requires a separate diagnosis that they are unable to self-regulate their body temperature.^e

Other energy bill rebates are available to households that meet other criteria. These include:

- ▼ the Family Energy Rebate, which is available to account holders who received the Family Tax Benefit, and
- ▼ the Life Support Rebate, which is available for the use of approved life support equipment in the household.^a

Rebates on water bills

NSW water utilities provide rebates on water bills to households that meet the following criteria:

- ▼ own and live in their home, and
 - ▼ the account holder has a Pensioner Concession Card or DVA card as described above.^c
- The value of these rebates varies between utilities.^d

Renters are not eligible for rebates on water bills as they do not directly pay the fixed charges for water, sewerage or stormwater and are not the account holder.

a <https://www.service.nsw.gov.au/transaction/energy-rebates>,

b <https://www.dss.gov.au/about-the-department/benefits-payments/concession-and-health-cards/health-care-card> and <https://www.humanservices.gov.au/customer/services/centrelink/low-income-health-care-card>

c <https://www.sydneywater.com.au/SW/accounts-billing/paying-your-bill/pension-rebates/index.htm> and <http://www.hunterwater.com.au/Your-Account/Managing-Your-Account/Pension-Rebates/Pension-Rebates.aspx>

d https://www.adhc.nsw.gov.au/individuals/financial_support_-and-_concessions

e <http://www.resourcesandenergy.nsw.gov.au/energy-consumers/financial-assistance/rebates/medical-energy-rebate>

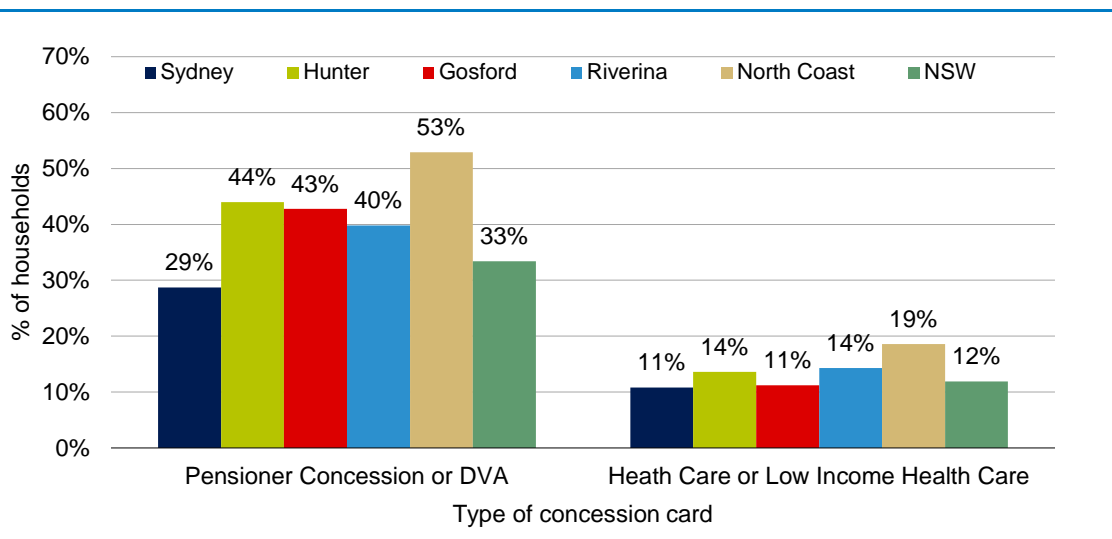
2 Households with eligible concession cards

North Coast households most likely to have eligible concession card

Around one-third of all households in our survey said they have a pensioner concession or DVA card, and around 12% said they have a health care card (Figure 1). Households in the

Sydney area were least likely to have one or more of these cards, while in those in North Coast were most likely.

Figure 1 Households with concession card that makes them eligible for rebates, by survey area (% of households)



Note: The data for each area are weighted by area weights. The data for NSW are weighted to represent the NSW population. This means that respondents in Sydney receive a higher weight than respondents in the other survey areas, as Sydney residents make up a higher proportion of the NSW population (see IPART, *IPART 2015 Household Survey — About the survey*, September 2016).

Source: 2015 Household Survey.

(Our findings on households with other types of cards, such as Commonwealth Seniors Health card or a NSW Seniors card, are available in our output tables.)

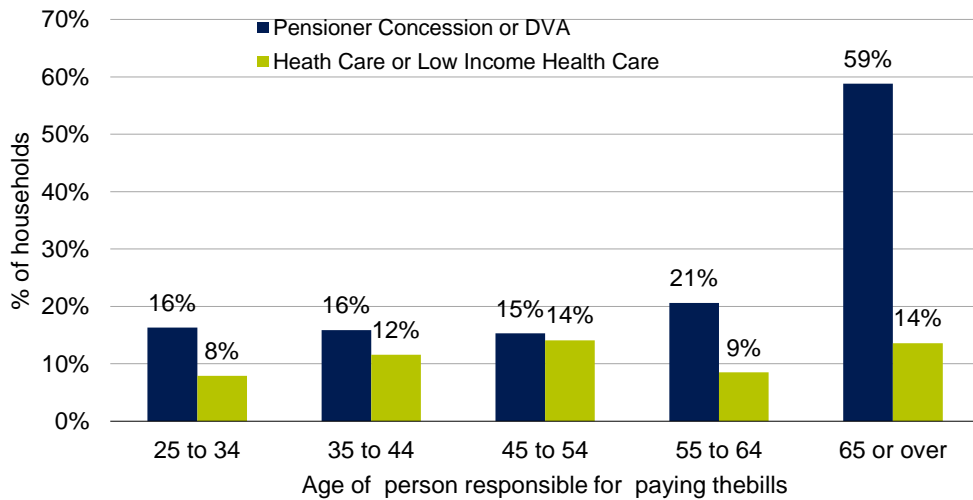
Most older households had a pensioner concession card

Almost 60% of households in the 65 years or older age category¹ had a pensioner concession or DVA card. A far lower portion of households in other age groups had this type of card. (between 15% and 21%). And a lower portion still had a health care card (between 8% to 14% across all age groups).² (See Figure 2.)

¹ We recorded the age of person whose name appeared on the household’s electricity, gas or water bill.

² The Health Care Card is available to government benefit recipients selected other customer groups (eg, foster children) who do not qualify for a pensioner concession card. An income test applies. See <https://www.dss.gov.au/about-the-department/benefits-payments/concession-and-health-cards/health-care-card> (extracted 4 June 2016).

Figure 2 Households with a concession card that makes them eligible for rebates, by age (% of NSW households)



Note: The 18 to 24 years old age group is not shown due to a small sample size. The data are weighted to represent the NSW population as a whole. This means that respondents in Sydney receive a higher weight than respondents in the other survey areas, as Sydney residents make up a higher proportion of the NSW population (see IPART, *IPART 2015 Household Survey — About the survey*, September 2016).

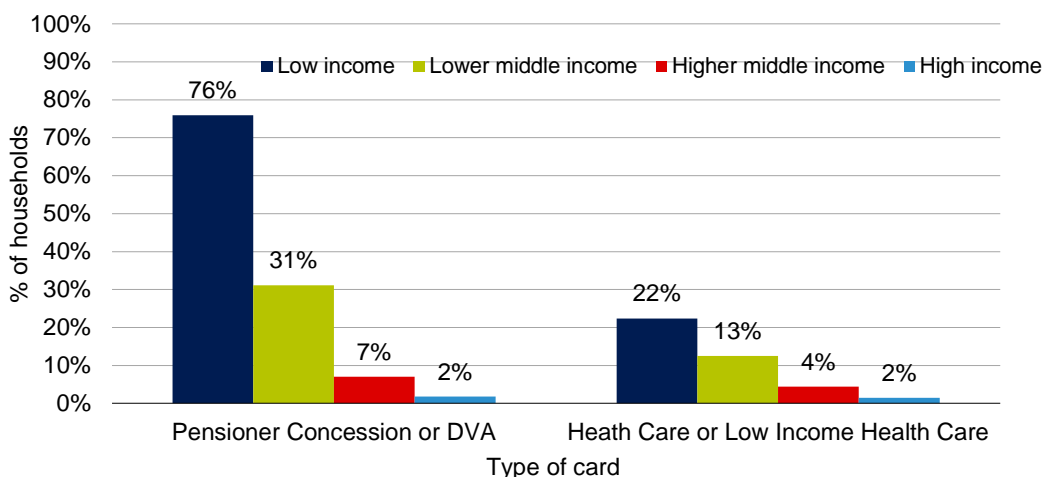
Source: 2015 Household Survey.

Most low income households had a pensioner concession card

Around three-quarters of low income households, and around one-third of lower middle income households, had a pensioner concession or DVA card. Far smaller proportions of low income and lower middle income households had a health care card (22% and 13% respectively). (See Figure 3.)

Box 2 explains how we defined income groups.

Figure 3 Households with concession card that makes them eligible for rebates, by income (% of NSW households)



Note: The data are weighted to represent the NSW population. This means that respondents in Sydney receive a higher weight than respondents in the other survey areas, to reflect their higher proportion of the population (see IPART, *IPART 2015 Household Survey — About the survey*, September 2016).

Source: 2015 Household Survey.

Box 2 How we defined the household income groups

We asked survey respondents to provide their total household income from all sources (before tax) in one of nine categories. To simplify our analysis, we consolidated these categories into four groups:

- ▼ Low income (up to \$41,600 pa)
- ▼ Lower middle income (more than \$41,600 up to \$78,000 pa)
- ▼ Higher middle income (more than \$78,000 up to \$156,000 pa)
- ▼ High income (more than \$156,000 pa).

3 Households that qualify for and claim energy or water rebates

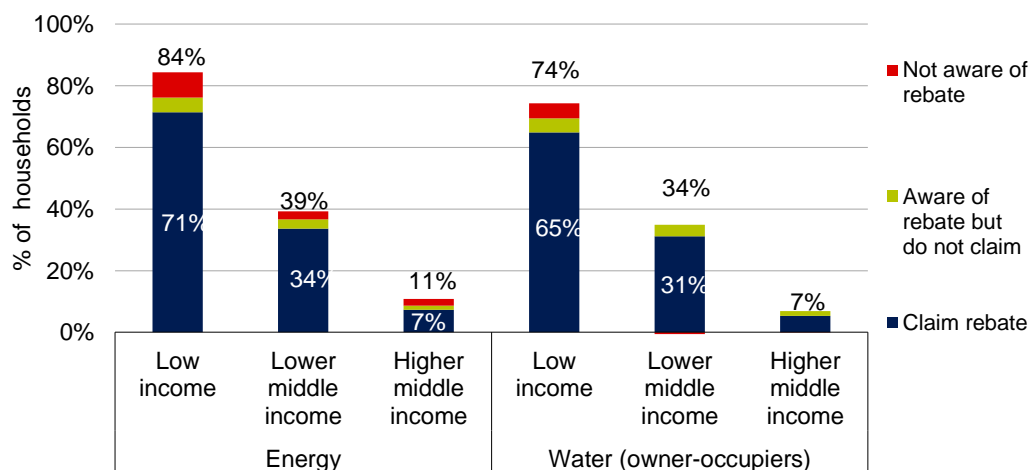
Most low income households qualify for rebates and claim them

Nearly 85% of low income households and almost 40% of lower middle income household in NSW had an eligible concession card and so qualified for rebates on their energy bills.³ Similar but lower proportions of low and lower middle income households that were owner-occupiers had an eligible concession card and so qualified for rebates on their water bills. (See Figure 4.)

In addition, most of the households that qualified for energy bill rebates said they were aware of them (around 90%) and claimed them (around 85%). Responses were similar across the survey areas.

Most of the households that qualified for water bill rebates also said they were aware of them and claimed them. However, responses differed somewhat across the survey areas. For example, around 90% of qualifying households in Sydney said they claimed the rebate compared with only 84% in Hunter and 72% in Gosford.⁴

Figure 4 Households that are eligible for rebates and claim them, by income (% of NSW households)



Note: The data are weighted to represent the NSW population. This means that respondents in Sydney receive a higher weight than respondents in the other survey areas, to reflect their higher proportion of the population (see IPART, *IPART 2015 Household Survey – About the survey*, September 2016).

Source: 2015 Household Survey.

³ Some account holders said they had a health care card as well as a pensioner concession or DVA card.

⁴ Also see IPART, *IPART 2015 Household Survey - Output tables - All areas*, September 2016.

4 Payment assistance vouchers

Concession card holders are more likely to use EAPA vouchers

The NSW Government funds community welfare organisations (such as St Vincent de Paul and the Salvation Army) to distribute vouchers to help people in emergencies or crisis situations pay their utility bills. Energy Accounts Payment Assistance (EAPA) vouchers are available to help with gas or electricity bills,⁵ and Payment Assistance Scheme (PAS) vouchers are available to help with water bills.⁶

Among households that had felt financially unable to pay their energy bills over the previous three years, those with an eligible concession card were far more likely to have used EAPA vouchers than those without one of these cards – around 25% of those with an eligible card compared with less than 10% of those without. However, there was very little difference in the use of PAS between households that did and did not have an eligible card.

Our information paper on payment difficulties provides more information on our survey's findings on the use of payment assistance vouchers.⁷

5 Family Energy Rebate and medical rebates

About 10% of households claim the Family Energy Rebate

Around one-third of households said they were aware of the Family Energy Rebate, and around 10% said they claimed this rebate. A further 5% said they were not aware of the rebate but thought they may qualify for it.

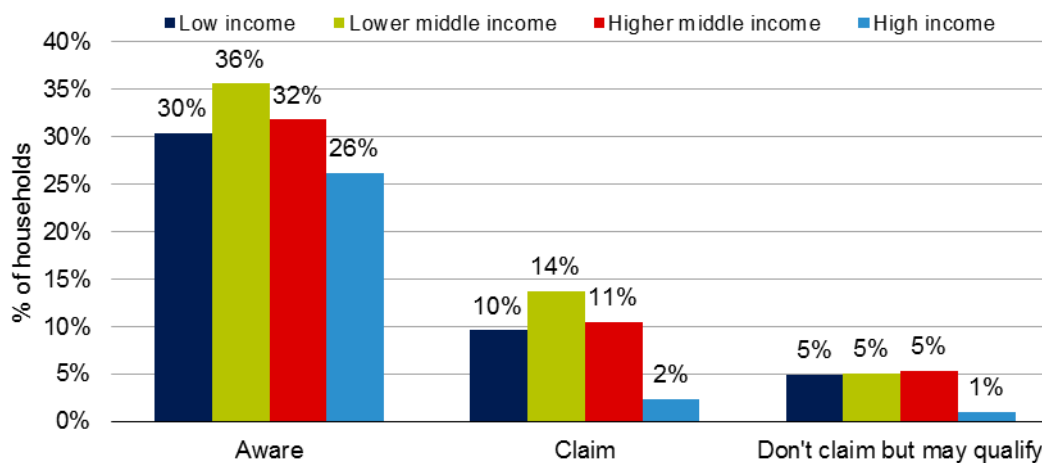
Households with high incomes were less likely to be aware of, or claim, the rebate than were those with lower incomes (Figure 5).

⁵ For more information on EAPA vouchers, see <http://www.resourcesandenergy.nsw.gov.au/energy-consumers/financial-assistance/stay-connected-through-financial-crisis> or <http://www.ewon.com.au/index.cfm/help-for-customers/help-paying-bills/eapa/> (extracted 30 June 2016).

⁶ PAS vouchers are available for customers of Sydney Water, Hunter Water and Shoalhaven Water. For more information, see <http://www.ewon.com.au/index.cfm/help-for-customers/help-paying-bills/pas/> (extracted 30 June 2016).

⁷ IPART, *IPART Household Survey – Payment difficulties*, September 2016.

Figure 5 Households that were aware of, claimed, or thought they may qualify for the Family Energy rebate, by income (% of NSW households)



Note: The data are weighted to represent the NSW population. This means that respondents in Sydney receive a higher weight than respondents in the other survey areas, to reflect their higher proportion of the population (see IPART, *IPART 2015 Household Survey – About the survey*, September 2016).

Source: 2015 Household Survey.

There were some differences across survey areas. Households in North Coast were the most likely to know about, and claim, this rebate (40% and 18% respectively), while Sydney households were the least likely (29% and 9% respectively).⁸ The difference between the survey areas probably reflects their different income profiles. (North Coast has the lowest median weekly income while Sydney has the highest.)⁹

Few households claim rebates for medical reasons

Medical Rebates on energy bills are available to low income households with certain medical conditions. To qualify for the rebate, the account holder must have a medical diagnosis that (s)he cannot self-regulate her(his) body temperature. Life Support Rebates are available to households for the use of approved life support equipment. Box 1 provides more information.

Less than 5% of all households said they receive these rebates. Across income groups, the proportion varied from 7% of low income households to 2% of high income households. Across survey areas, it varied from 3% in Hunter to 7% in North Coast.

⁸ See IPART, *IPART 2015 Household Survey - Output tables - All areas*, 2016.

⁹ IPART, *IPART 2015 Household Survey - About the survey*, September 2016, p 3.

Box 3 Further information on our household survey

We have published the results of the 2015 household survey in a series of fact sheets and information papers together with two reports that investigate our findings on water and energy usage. We have also published a set of output tables (Excel files) that report the detailed responses to each survey question.

Fact sheets and information papers:

- ▼ About the survey
- ▼ Water usage (fact sheet only)
- ▼ Energy usage (fact sheet only)
- ▼ Energy and water conservation
- ▼ Solar PV panels
- ▼ Payment difficulties
- ▼ Concession cards and rebates (this one)

Reports:

- ▼ Residential energy usage (electricity and gas)
- ▼ Residential water usage

Output tables:

- ▼ Each survey area and NSW as a whole (the latter weighted to represent the regional distribution of the population)
- ▼ Sydney, by income group and as a whole
- ▼ Hunter, by income group and as a whole

We cannot report on the other survey areas by income group because the sample sizes for some of the income categories are too small.

We engaged Frontier Economics (Frontier) to conduct statistical analysis of the survey data for our reports. Frontier analysed the energy usage data and produced a separate report on its findings. It also analysed the water usage data, and we have included its findings in our report on water usage. The reports include detailed technical appendices to allow other parties to conduct further research into residential energy and water usage.

You will find the information papers and output tables on our [website](#).