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Submission to the Australian Energy Regulator (AER) Customer Price Information Review

The Federation of Ethnic Communities' Councils of Australia (FECCA) is the national peak body representing Australia's culturally and linguistically diverse (CALD) communities and their organisations. FECCA provides advocacy, develops policy and promotes issues on behalf of its constituency to Government and the broader community. FECCA strives to ensure that the needs and aspirations of Australians from diverse cultural and linguistic backgrounds are given proper recognition in public policy.

FECCA supports multiculturalism, community harmony, social justice and the rejection of all forms of discrimination and racism so as to build a productive and culturally rich Australian society. FECCA's policies are developed around the concepts of empowerment and inclusion, and are formulated with the common good of all Australians in mind.

FECCA welcomes the invitation to make a submission to the AER Customer Price Information Review.

Recommendations

FECCA recommends that:

- Specialised culturally and linguistically appropriate information be developed for vulnerable individuals such as older CALD Australians and newly arrived migrants.
- Culturally and linguistically appropriate energy information be distributed via ethnic community radio stations, ethnic communities' councils, and service providers catering to CALD Australians.
- Frontline AER and energy business staff are reflective of the diversity of the Australian population, and be trained in cultural competency.
- Low income CALD households be provided with specialised assistance and information regarding discounts.

- Energy Price Fact Sheets (EPFS) be designed in a way that is accessible and equitable for CALD consumers.
- An appropriately clear comparison rate or reference price is displayed on EPFS to simplify the process of comparing the cost of energy offers.
- Technological options be co-designed with CALD communities so as to improve equitable access to energy information.
- Alternative engagement methods be employed to provide customers with non-digital information about their options.

Key Message

The Customer Price Information Review is of interest and concern to FECCA because it will have an impact on how CALD communities engage with the retail energy market. Any reforms must adequately consider, and tailor responses to, access and equity issues regarding energy provision and service delivery. In addition, existing barriers must be overcome in order to achieve equitable outcomes for all Australians, especially households with financial or other vulnerabilities. Access and equity principles embody the notion that everyone can access essential services, regardless of their cultural or linguistic background, and have expectations of equitable outcomes.

FECCA commends the AER in its efforts to encourage all consumers to engage in the market, and make the best choice for their circumstances. It is important that CALD consumers in particular are able to play a growing role as participants in the energy system.

The 2016 Census showed that 49 per cent of Australians were either born overseas, or one or both parents had been born overseas.¹ This means that a significant proportion of Australia's population may require information about energy efficiency in a language other than English. FECCA encourages the AER to acknowledge and appropriately meet the needs of such consumers.

While CALD communities in Australia are extremely diverse in their financial and housing situations, many of them are marked by high rates of low income households.² This is due to significant financial vulnerabilities that have arisen from experiences such as: the settlement process, chronic unemployment or underemployment, larger family sizes, and low systems knowledge. Some CALD families live in older houses (due to their lower cost) or in public houses, both of which are often not energy efficient. As a result, the use and expense of heating and cooling systems can be disproportionately high, while knowledge of how to be energy efficient is low due to a lack of in-language information.

Groups such as the elderly, newly arrived refugees and humanitarian migrants, already face intersectional disadvantage as a result of language and cultural barriers, and this can lead to further inequality when confronted with rising energy costs. As a result, large sections of the CALD community are more vulnerable to financial hardship.

The AER needs to ensure that its frontline staff and those of the energy businesses it regulates, are culturally competent. This can be achieved through staff training in working with interpreters and CALD communities. AER and energy businesses should also employ bilingual and bicultural workers to engage in education and outreach to CALD communities. They should also work towards ensuring diversity within all levels of their staffing.

¹ The Australian Bureau of Statistics Media Release, 27 June 2017
<http://www.abs.gov.au/ausstats/abs@.nsf/lookup/Media%20Release3>

² Understanding Migrant Outcomes - Enhancing the Value of Census Data, Australia, 2011
<http://www.abs.gov.au/ausstats/abs@.nsf/latestproducts/3417.0main%20features22011?opendocument&tabname=summary&prodno=3417.0&issue=2011&num=&view>

In a recent media release, AER Chair Paula Conboy stated that “customers must be able to understand the key elements of an energy contract... This is central to building confidence in their ability to make the choice that best serves their needs.” In order to achieve this within the CALD community, AER must take steps to improve the clarity and accessibility of information about energy offers on the market. Complex information needs to be simplified so that CALD consumers can feel empowered to consider their options and make suitable decisions. This information also needs to be available in languages other than English, and distributed through formats amenable to CALD uptake such as: community radio and television, community centres and organisations, and settlement and migrant support services. AER has a responsibility to equip individuals and households to participate effectively in the retail market. It must also continue to protect those in vulnerable situations.

Energy Price Fact Sheets (EPFS)

EPFS have a critical role in assisting customers make an informed decision about available offers. So that they are accessible and equitable for CALD consumers, EPFS should:

- present information in a clear and consistent manner with no unnecessary details
- be easy to read for those with low English literacy and numeracy levels
- utilise realistic examples together with simple language, graphics and images
- not be longer than one or two pages
- be available in languages other than English or provide a phone number for a free translator service
- ensure that CALD customers can understand key elements of price, terms and conditions
- include information about available concessions and impending price changes

A well designed EPFS will increase an individual’s confidence in the accuracy and comparability of offer details, and empower them to make the right decision for their situation.

Comparison Rates and Reference Prices

FECCA agrees that “an appropriately clear comparison rate or reference price, displayed on an EPFS, and potentially in advertising and marketing material, has the potential to simplify the process of comparing the cost of energy offers, and reduce one of the barriers to customers engaging with the market.” We encourage the AER and energy businesses to utilise information that is easy to understand, and accessible in languages other than English, in order to effectively facilitate meaningful comparison of different energy offers.

Technological Options

In 2016, FECCA published a report entitled ‘[Digital Access and Equity for Multicultural Communities](#)’. This discussed the impact of digital service delivery on CALD communities. It found that some migrant cohorts had high levels of digital literacy and frequent access to digital platforms, while others struggled to access online information and services. This is because these were not fully inclusive of a range of digital literacies or different English language proficiencies.

FECCA encourages the AER and energy businesses to utilise technology to increase the efficiency of searching for and comparing energy offers. However, digital services must understand user needs, have a user-centred process, and be accessible to everyone, regardless of their ability and environment. The needs of CALD users must be recognised and accommodated in all stages of design and delivery. In addition, non-digital methods should be available to CALD individuals with low digital literacy, or access to hardware and internet.

FECCA recommends that any technological options utilised by the AER and energy businesses be co-designed with CALD communities. Co-design enables a greater understanding of what is required by such communities. Engaging migrant and refugee clients—particularly those who do not speak English as their first language and/or with limited digital literacy or access—during the concept stage of design, ensures that linguistic and cultural factors are considered, and solutions embedded, within the structures and processes.

FECCA recommends that websites utilise clear and simple language together with symbols or images to facilitate effective and swift communication. Translated webpages or access to interpreter services should be easy to locate through the use of a prominently displayed symbol. Interactive technologies such as hovering over translatable texts and access to audio translations can also be used to improve the user experience for non-English speakers. Such measures would ensure that energy information is accessible to people with a range of literacies in English, and in their preferred language.

Offline Customers

Many CALD customers are not digitally engaged and so may not have enough knowledge or confidence to use information technology to compare different energy offers. Such individuals might be at risk of missing out on the benefits of engagement strategies that focus solely on technological solutions. FECCA recommends that alternative engagement methods be employed to provide offline customers with information about their options. Key information should continue to be included on bills or fact sheets. The AER and energy businesses should also have a free phone service, in languages other than English, available to assist CALD customers.

Conclusion

Like many other Australians, CALD communities can better engage with the retail energy market. Doing so will enable them to make informed decisions about what is best for their circumstances. The AER and the energy businesses that it regulates will have to ensure that the activities they are carrying out and the information they are providing, are accessible and equitable for CALD communities. Some CALD consumers will require further support before they can play a greater role as participants in the energy system. FECCA commends the AER in carrying out the Customer Price Information Review, and encourages further efforts to engage with CALD consumers

FECCA would be glad to contribute in more detail on this matter. For further information please contact FECCA Director, Dr Emma Campbell, on emma@fecca.org.au or 02 6282 5755.