

Easing the cost of living

Significant initiatives

- [Bringing back the SEC](#)
\$24m in 2023-24 (\$44.5m/2 yrs), plus a \$1bil equity investment, to establish the State Electricity Commission (SEC) to accelerate investment in renewable energy in partnership with industry, deliver benefits to households through lower energy bills, and assist in meeting Victoria's renewable energy targets.
- [Cheaper public transport fares for the regions](#)
\$41.1m in 2023-24 (\$179.9m/4 yrs) to reduce the cost of regional public transport across Victoria. From 31 March 2023, regional fares are capped at the same price as metropolitan zone 1+2 fares. Regional myki passes are capped at the metropolitan prices.
- [Driving down bills with 100 neighbourhood batteries](#)
\$5.2m in 2023-24 (\$42.3m/4 yrs) for 100 neighbourhood batteries across the state, targeted to provide the greatest value to customers, communities and the electricity system. Funding rounds will be open to community organisations, local councils and other electricity market participants.
- [Zero interest loans for solar home batteries](#)
\$16m in 2023-24 for Solar Victoria to provide interest-free loans to eligible households to install solar battery storage systems in their homes.
- [Community participation and support](#)
\$7m in 2023-24 (\$7.5m/2 yrs) for a range of initiatives to support community wellbeing and resilience, including funding for food relief through FareShare.

What's good

- This Budget introduces new revenue measures to repay COVID-era debt. These measures are squarely targeted at businesses, investors and higher-income earners, with lower-income and more vulnerable Victorians largely spared the pain. VCOSS notes that some landlords, who are reaping windfalls from an over-heated private rental market, are threatening to pass on the cost of land tax increases to renters – a real risk given landlords are already passing on the costs of interest rate rises. VCOSS suggests this is an opportune time for the Government to consider the introduction of further regulation to curb unaffordable rent increases, as the ACT has done.

What's missing

- This Budget discontinues funding for public transport concessions for the 25,000 unpaid carers who hold a Carers Card. While cheaper public transport fares for the regions will reduce the sting for some, this measure impacts a section of the community already struggling with the cost of living. The cut to this concession comes on top of recently-gazetted cuts to three energy concessions, due to take effect in December, which VCOSS continues to urge the Government to overturn. Looking ahead, VCOSS is keen to ensure that – at a minimum – Victoria **maintains** the value, scope and eligibility of our existing concessions system, and invests in measures to improve take-up amongst the most vulnerable concession card holders

- The revival of the State Electricity Commission will advance Victoria's pathway to net zero and, along with the new state-wide investment in neighbourhood batteries, can help to put downward pressure on power bills. For example, the combination of further renewable generation and deft Government involvement in the energy supply chain will reduce costs to households by supporting innovation during the energy transition, as well as increasing wholesale supply to replace retiring coal-fired stations.
- The \$250 Power Saving Bonus (PSB) has been a welcome cost-of-living measure across the Victorian community. The funding in this Budget is for the current round of the PSB and includes investment in community outreach to drive up awareness and take-up amongst vulnerable households, including those who would otherwise miss out on the payment because of digital exclusion or language or literacy barriers.
 - (this would be achieved by providing ongoing funding for Energy Assistance Programs delivered by community sector organisations).
- The Budget makes smart investments in the Solar Victoria home batteries stream. Looking ahead to the next Budget, we'd like to see further initiatives to help low-income households access a range of household energy efficiency upgrades and live in healthier homes.
- In particular, VCOSS would like to see a re-launch of a refined *Home Heating and Cooling Upgrades* program. Under a reimagined program, the value of the rebate available to low-income households to upgrade to energy-efficient heaters and air-conditioners would cover the full cost of purchase and installation.
- VCOSS welcomes a short-term investment in food relief through FareShare. However, we are disappointed that the Budget doesn't invest in a long-term, whole-of-government Victorian Food Security Strategy. We need a long-term blueprint to create a food system that supports health, sustainability, equity and resilience for all Victorians.
- As demonstrated by [media reports](#) of a 10% increase in supermarket food prices, Victorian households facing rising bills don't always get a straight answer on why their day-to-day costs are increasing (and what can be done). VCOSS will continue to advocate to Government to [create an independent Cost of Living Commissioner](#). With a broad mandate to look across state services, private markets and national factors, this Commissioner would lead collaborative work on challenges that sit across multiple areas of government, such as food security, concessions, telecommunications affordability and accessibility, and housing.
- VCOSS has previously called on the Government to provide a [one-off Debt Demolition payment](#) of up to \$2,000 to help clear accumulated utility debts. The case for this additional measure continues to grow, as seen in the budget papers [anticipating over 106,000 applications for Utility Relief](#)

[Grants in 2023-24](#), an increase of nearly 10,000 from the expected outcome in 2022-23. While Utility Relief Grants are an essential part of the Government's cost-of-living toolkit, and help low-income Victorians experiencing unexpected hardship to pay **some** of their overdue energy and water bills, a one-off Debt Demolition Payment would have helped people clear COVID-era utility debts once and for all.