

Media Release



SACOSS

South Australian Council
of Social Service

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Study backs calls to protect the energy poor

The South Australian Council of Social Service has today welcomed the release of a new study of energy poverty in Australia.

[Relative Energy Poverty in Australia](#) by Adelaide-based energy consultant Andrew Nance examined the Australian Bureau of Statistics 2009-10 Household Expenditure Survey in order to identify those households with the biggest energy bills but the least capacity to pay for them.

The analysis took housing costs into account in order to reveal those most at risk of being unable to afford to keep the power on.

Households most at risk include single parent households, renters and people living alone, especially aged and disability pensioners. The report also confirmed that even when corrected for household size, households who use mains or bottled gas have bigger bills than equivalent 'all-electric' households

Close to one quarter of those considered most at risk were wage and salary earners – a group largely ineligible for the state's energy concession.

SACOSS Executive Director Ross Womersley said,
"This report on energy bills and poverty raises the alarm for those households who are unable to pay their energy bills and at risk of being disconnected."

"We don't want to see anyone getting left behind in the effort to keep up with rising energy bills, let alone such a large group of consumers with very limited financial resources."

"The move to retail price deregulation and a national customer framework was supposed to protect the consumer interest. This report proves that there are categories of consumers who remain inadequately protected."

South Australian households are genuinely struggling with 'bill shock' when their power bills arrive - and this is worse for those who are more vulnerable. Thousands of people are having their power cut off in South Australia simply because they cannot afford to pay. SACOSS is calling for urgent action to be taken to keep the power connected.

Womersley continued,

"The energy concession paid to vulnerable households needs to keep up by being a percentage of the bill, rather than a flat rate – it is currently less than 10% of the average bill. An independent

umpire intervening before someone has their power cut off would also help negotiate better outcomes between retailers and consumers.”

For further information/comment contact:

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