



MEDIA RELEASE

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PLANNED ELECTRICITY PRICE RISES GO AGAINST THE INTENT OF REFORM

WACOSS are concerned about the planned 4% increase in the cost of household electricity beyond 2009 and urge the State Government to consider the impact such a move would have on vulnerable consumers.

For low income and disadvantaged Australians the costs associated with accessing essential services already consume a disproportionately high percentage of their income. Many people find paying utility bills difficult.

WACOSS believe that the possible 4% increase in the price of electricity will have severe ramifications for both low income and middle income Australians.

WACOSS Executive Director, Ms Lisa Baker said "For many families this means about a \$10 increase in the amount they have to pay each bill. This could spiral those who are just managing to make ends meet into debt and make financial hardship and disconnection a reality. Households are already feeling the pinch and a price increase will only make it harder for consumers to afford what is an essential service".

The possible, 4% increase in the price of household electricity is inconsistent with the governments past assurances that electricity reform would reduce the cost of electricity for consumers.

"It was misleading to say that electricity reform would place downward pressure on electricity prices only to follow it up with a proposal to increase prices by 4%", Ms Baker said.

WACOSS calls for the State Government to introduce a Utility Rebate Scheme to assist those struggling with utility debt.

"If the Government intends to increase electricity tariffs by 4% it is imperative that they also introduce a Utility Rebate Scheme to assist those currently struggling with utility debt and those who will join them when faced with larger electricity bills", Ms Baker said. "The negative impacts of utility debt and disconnection put families under extreme pressure and contribute an enormous social cost to the State. It is a responsibility of governments to ensure that all citizens have access to affordable essential services".

For further comment:
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