

A Suite 2, Level 14, 1 Castlereagh Street Sydney NSW 2000

T 02 9220 5500

W energyconsumersaustralia.com.au

@energyvoiceau

ABN 96 603 931 326

in /energyconsumersaustralia

f /energyconsumersaustralia

Media Release

19 December 2018

Only 1 in 4 say their homes are energy efficient

Energy Consumers Australia has released new data that underlines the important opportunity for improving housing quality as a way to tackle high energy bills.

Many Australian homes are expensive to heat or to cool because they are poorly insulated, a problem which is often worse for renters. Not only does this make energy unaffordable for some households but it also adds up in medical bills and hospital visits.

The Energy Consumer Sentiment Survey of more than 2000 household consumers (which is the largest of its kind in Australia) shows that only 26% of households say that their home is energy efficient with a further 36% saying they don't know whether they have a problem.

Nationally around half of all consumers (48%) support addressing the issue with a mandatory labelling scheme requiring sellers to disclose the energy efficiency rating of their house (with only 15% not supporting). Support for such a measure is reinforced by the 60% of consumers that say that energy efficiency would be a factor when buying a home.

In the survey, 60% back increasing minimum energy efficiency standards for rental properties with less than 1 in 10 (8%) not supporting this measure.

Energy Consumers Australia strongly supports calls across the energy sector to mandate higher energy performance standards in new homes, as well as undertaking to consider how to improve the performance of existing homes.

The results from this survey (December 2018) also show an increase in satisfaction and confidence in overall energy market outcomes, off a low base compared with the survey in the same period a year ago.

- Satisfaction with the value for money of electricity improved nationally to 47% (up 13%), with the highest levels of satisfaction in South East Queensland 54% (up 16%), NSW 48% (up 14%) and Victoria 46% (up 12%).
- This contrasts with **reliability**, where nationally 74% (up 4%) of consumers say they are satisfied with the reliability of their electricity supply.
- There were also improvements in satisfaction with competition nationally, reaching 49% (up 10%) the highest level over the six surveys. The improvement was particularly strong in South East Queensland where 61% of households said they were positive about the level of competition in the energy market (up 22%)..
- Consumer trust remains low, at 33% (up 10%) nationally. Consumers' confidence that the market is working in their interests is the highest in Queensland (35%) and WA (36%).
- Consumer confidence in their abilities, availability of easily understood information and tools have all improved, compared with the same period a year ago, but remain relatively flat across the six surveys. While more than half of consumers are confident in their abilities to make choices, less than half of consumers say they have the information or tools they need.

Quotes attributable to Rosemary Sinclair, CEO Energy Consumers Australia

"After ten-years of price increases, consumers are telling us energy is unaffordable and their biggest concern is to get better value for money outcomes from their energy providers."

"While prices undoubtedly have to get back down to more normal levels, households and small businesses are also prepared to be part of the solution."

"Improving energy affordability isn't just about energy prices, it's also about the quality of our housing and our ability to manage our energy use.

"Poor energy performance of our homes and higher energy prices means many people are living in homes that are damp, too cold in winter or too hot in summer.

"Households and small business are open to new approaches, particularly on the issue of improving the energy performance of their homes."

"We need to get markets working for us and currently a lack of information is a major market failure on the issue of housing efficiency.

"People say energy efficiency would be a big factor in their choice of home, but the absence of energy efficiency labelling for homes means there is an information gap leaving consumers with little information on which to base their decisions.

We must tackle the affordability crisis now to re-build confidence in the market and improving the housing stock by making more information available to consumers to inform their buying and renting decisions is a no-brainer.

Helping people manage their energy use through a smart energy labelling scheme for houses on the market and raising the bar on what landlords need to do for their tenants is good policy that makes sense.

Energy Consumers Australia's latest Energy Consumer Sentiment Survey December 2018 Report is available here.

Media contact: Tim O'Halloran 0409 059 617