

Media Release

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Consumer confidence in energy market plummets as bills begin to bite

Consumer confidence in Australia's energy system has suffered its steepest decline since measurement began in 2016, as Australians respond to rising energy prices.

The latest 'Pulse' survey from Energy Consumers Australia reveals confidence levels in the system and perceptions around the value for money of electricity and gas have plummeted during the month of August.

Energy Consumers Australia instituted three-monthly 'Pulse' surveys as extensions of its twice-yearly Energy Consumer Sentiment Survey – the nation's leading indicator of what Australians think and feel about energy issues and the energy system.

The monthly surveys were commissioned after events including significant retail price rises for electricity and gas.

"These results show the collapse in consumer confidence we saw in June was not a blip but a serious and ongoing concern," Energy Consumers Australia Chief Executive Officer Lynne Gallagher said.

The survey shows sentiment fell sharply in June, amid rolling media reports of an 'energy crisis'. It stabilised and even rebounded slightly in July as the issue receded from daily headlines and consumers waited to see the hip-pocket impact of rising prices.

"Now we have seen confidence start to freefall again," Ms Gallagher said.

"In the past month, many Australians will have either received a bill from their electricity or gas retailer or an advice notice telling them how much their bill is likely to rise.

"Consumer concern has moved from something that is abstract to something that is extremely real and is based on actual increases to actual bills."

The survey, released today, shows:

- Confidence that the market is working in the long-term interests of consumers decreased from 44% in July to 37% in August.
- Positive perception around the value for money of electricity fell from 62% in July to 53% in August.
- Positive perception around the value for money of gas fell from 66% in July to 57% in August.

"These results are truly alarming," Ms Gallagher said.

"Confidence that the market is delivering for consumers has dropped 9% since June of last year and is at its lowest level since 2020.

"During the past month, we have seen a number of strong actions from Energy Ministers directed at achieving a fast and orderly transition towards 100% renewables in our system.

"While Australians support the pace of change, they cannot see how the actions taken so far are going to help them with the very real concerns they have about the size of their energy bills right now, and into the future."

Rising prices are not only causing concern among consumers, but they are also driving increased confusion and uncertainty, according to the survey.

Confidence that consumers have access to the information they need to make decisions about their energy services has dropped from 57% in July to 51% in August, the lowest this measure has been since 2018.

Ms Gallagher said there was a strong need for both direct financial assistance and better information and tools to help consumers navigate what was clearly an affordability crisis.

“The factors driving high prices are going to be in play for the foreseeable future but just because prices stay high doesn’t mean bills have to,” she said.

“The best way to deliver lower bills is to provide practical assistance so that Australians can use energy smarter and more efficiently without impacting their quality of life.”

Ms Gallagher said assistance should include financial incentives to help all Australians make their homes more energy efficient as well as support with making the switch from gas powered appliances to electrical ones.

She said consumers also needed greater access to credible information from trusted sources to assist them in making energy-saving changes to their homes and businesses that can help reduce bills while ensuring they remain comfortable.

“These are urgent needs, and they aren’t being met with the same focus on targets and measures at the moment that we see in the National Energy Transformation Partnership,” she said.

“We don’t see consumer confidence in the system rebounding until consumers can see practical action in these areas and that should be a concern for all decision makers across the energy system and in government.”

The August Pulse survey will be the last of its kind. The Energy Consumer Sentiment Survey will now revert to reporting twice each year, with the next ECSS report due in December.

Full details of the Pulse survey and all previous ECSS reports can be found at <https://ecss.energyconsumersaustralia.com.au/>

About Energy Consumers Australia

Energy Consumers Australia is the independent, national voice for residential and small business energy consumers. We enable residential and small business energy consumers to have their voices heard by the sector by working with other consumer groups to gather evidence-based research with a national perspective, distil it to key viewpoints, and feed it back to the market to influence outcomes.

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