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POOR AND COUNTRY CONSUMERS FARE WORST FROM POWER PRIVATISATION: REPORT

Poor and country consumers fare worse from Victoria's privatisation of electricity than their city and big business counterparts on almost every measure considered in a new report to be launched today by the Consumer Law Centre.

Co-authored by Monash University's Centre for the Study of Privatisation and Public Accountability, the report, *Electricity Reform in Victoria: Outcomes for Consumers*, reveals:

- Price savings have gone to high-volume business and city customers rather than poor, country and small-business customers;
- Poor and country consumers have less access to choice of energy supplier;
- Consumers generally have experienced more momentary interruptions, but where improvements in service quality have occurred, poor and country customers tend to miss out; and
- There has been an increase in market misconduct, especially misleading and deceptive marketing of energy contracts.

"While there have been some benefits from privatisation, too many people are missing out. Where consumers are big or rich enough to flex some market muscle, they can take advantage of choice and competition but this should not be at the expense of those currently excluded from the energy market", said Executive Director of the Consumer Law Centre, Catherine Wolthuizen.

"Leaving access to such an essential service to be determined by market forces means some consumers are left behind. This report makes recommendations to address this problem which we urge the Victorian Government to consider.

"As a start, the Essential Services Commission should track the performance of market offers over time against pre-privatisation performance, monitor the nature and availability of market offers across different consumer groups and check whether consumers fully understand associated terms and conditions", concluded Ms Wolthuizen.

Catherine Wolthuizen, Executive Director of the Consumer Law Centre Victoria (CLCV) and Professor Graeme Hodge of the Centre for the Study of Privatisation and Public Accountability, Monash University will launch the report. **Details of the launch** are as follows:

Date: Monday 13 February 2006
Time: 10.30 am
Place: Consumer Law Centre Victoria
Level 9, 91 William Street
Melbourne

***For comment, contact Catherine Wolthuizen on (03) 9629 6300 or 0417 440 722
Copies of the report are available from www.clcv.net.au***

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