



MEDIA RELEASE

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ENERGY INFORMATION CAMPAIGN A START BUT WON'T STOP MASSIVE MARKETING PROBLEMS

Consumer Action Law Centre today said the Victorian Government's new energy information campaign was a good initiative but did not address the upcoming removal of price regulation or the serious marketing problems affecting Victorians.

Nicole Rich, Director – Policy & Campaigns, praised the Government for sending information about choosing an electricity or gas contract to all Victorian households, but said it had failed to mention the most significant issue, that price regulation is being removed from 1 January.

“As of next year the Government will no longer be regulating electricity and gas pricing, so consumers will be at the mercy of the market and retailers, who are free to set whatever prices they choose,” Ms Rich said.

“The onus is being placed on consumers to review their electricity and gas bills to understand what they're paying. Energy is complex and a large number of consumers will struggle to understand energy pricing.”

“Competition will only work to keep electricity and gas prices reasonable if consumers have access to information to compare energy prices and contracts. We are pleased to see the Government is launching a website to provide this information, but it really needs to be up and running now that the information campaign has been launched.”

Ms Rich said that unethical and, sometimes, unlawful door-to-door marketing of energy had become a massive problem in Victoria.

“We are worried that poor marketing practices are driving much of the current activity in the energy market, not consumers making informed decisions about which energy contract to choose.”

“Marketing problems are only going to increase unless the Government gets serious and cracks down on the problems with legal action, not just more information to consumers.”

Ms Rich said consumers should be aware they are entitled to refuse door-to-door sales and can post a ‘Do Not Knock’ sticker on their premises. ‘Do Not Knock’ stickers can be obtained by contacting Consumer Action.

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