



Lights out for more homes and businesses

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“Regional Queensland is on track for a 30% increase in the disconnection of electricity to small businesses this financial year,” said Jennifer Brownie, Coordinator of the Queensland Electricity Users Network.

“This is worrying since small business employs around half the workforce.”

“People need a job to pay their power bills and other household expenses such as their mortgage and rent.”

This alarming trend is contained in retail statistics released by the Australian Energy Regulator last Friday.

“The Queensland Government is continually telling us they are putting ‘*downward pressure on prices*’ yet power bills are not affordable to around 50% of homes and businesses in regional Queensland.”

“Nearly 19,000 households in regional Queensland have had to commit to a payment plan with Ergon Energy.”

“That’s a massive jump of 44% in just 12 weeks.”

A payment plan is an agreement with an electricity retailer to pay off an existing electricity debt.

“Some households just can’t find the money and their electricity is cut off.”

“Ergon Energy disconnected nearly 3,500 homes in March Quarter, an increase of 16 % in 12 weeks.”

Ergon Energy referred over 6,000 households to an external credit collection agency. This was the third highest national referral rate behind the large retailers of Origin and AGL.

Ergon Energy is wholly owned by the Queensland Government and has a near monopoly in regional Queensland. Ergon Energy is only allowed to charge the electricity prices stipulated in the Queensland Government Gazette.

At any point in time the Queensland Government can choose to lower electricity prices.

“Lowering electricity prices can be achieved in two ways; lowering fixed and variable charges on all existing tariffs and introducing new tariffs, in particular a specific Food, Fibre and Manufacturing Tariff.”

“By charging the electricity prices allowed by the Queensland Government, Ergon Energy more than doubled its profit last year to \$263 million.”

“The continuous use of regional Queensland as a cash cow is causing job losses.”

“Last week’s announcement by the Queensland Government of a 12 month extension of transitional tariffs for around 30,000 business customers in regional Queensland is a bandaid measure.”

“Without real tariff reform, more jobs will be lost and the economy of Queensland will slow further,” Ms Brownie said.

For more information on electricity pricing and supply please visit the QEUN website www.qeun.com.au or contact Jennifer Brownie, Coordinator, QEUN on 0740 312 865.