

November 2015

New research suggests energy bills on the rise for majority of Australian households

Forty-four per cent of Australian households have experienced 'bill shock' after their last energy bill was higher than expected, with **60 per cent of Australian households** reporting that their energy bills have increased over the past twelve months.

Energy comparison service [iSelect](http://iSelect.com.au) today released the results of a national Galaxy Research study assessing the attitudes and behaviours of Australians towards energy affordability.¹

The survey also found that **23 per cent** of Australian households are having to cut back on other areas in order to pay their energy bills with the survey suggesting around **500,000 Australian households** have been on a hardship program during the past 24 months.

Low income households and renters are finding it most difficult to pay their energy bills and households with children are more likely to be cutting back in other areas to meet energy costs.

Laura Crowden, iSelect spokesperson, said it was concerning that **nine per cent** of Australians have put their energy bills on credit cards despite being unable to pay off the balance at the end of the month while **five per cent** had gone into debt for more than a month due to energy bills.

Laura said with an above-average summer forecasted, it is likely many Australian households will continue to feel the heat when it comes to energy bills this summer.

"Most of us are prepared for large winter energy bills but higher than expected bills during summer can often take us by surprise," Laura said.

"Keeping air-conditioners running around the clock and the extra energy consumed by kids at home using TVs, computers and air-con during the school holidays can result in summer energy bill shock."

Australian households nominated the ability to pay energy bills in installments – which helps avoid bill shock – as the most important factor apart from price when choosing an energy provider. Solar power options and customer service were also important to Australian households.

When faced with a higher than expected energy bill, **15 per cent** of Australian households have proactively switched plans or providers in the last 24 months in search of a better deal but an alarming **43 per cent** have simply done nothing at all suggesting many Australian households are paying more than they need to.

Laura said while it was encouraging that **18 per cent** of Australian households had used a comparison website to compare energy providers or plans in the last 2 years, not everyone has embraced the opportunities offered by increased retail energy competition.

¹ In October 2015 iSelect commissioned a nationally representative consumer research study with Galaxy Research to assess the attitudes of over 1,000 Australian household decision makers towards energy

"Millennials are more likely than Baby Boomers to use a comparison website to compare energy plans and providers while those in capital cities are **twice as likely** to shop around online for a better energy deal as regional Australians."

"The same goes for homeowners and renters, with tenants **less likely** to use a comparison website to compare energy providers and plans than homeowners," said Laura.

iSelect's top 5 summer energy saving tips	
1. Set the air-conditioner above 23 degrees:	23-25 degrees is comfortable while keeping costs down. Every extra degree can increase energy consumption by around 10 per cent
2. Use fans:	fans only cost 2c per hour to run and are a good alternative to air conditioning. They cool the temperature by 2-3 degrees and can move around the home with you
3. Keep the cool air in and the hot air out:	close curtains, blinds and awnings early in the morning to avoid the heat of the day. Open windows in the evening to let cool breezes in.
4. Turn off while on holiday:	don't leave appliances running while you are away on holidays – turn off hot water systems, phones, televisions & computers.
5. BBQ:	using the oven or stove on hot days will only heat up the house further. Instead, head outside & BBQ.

ENDS

For further information, please contact:

Laura Crowden

Public Relations Manager | iSelect Limited

Ph: +61 3 9276 8178 | Mob: +61 421 784 254 | Email: lcrowden@iselect.com.au

About iSelect

iSelect is Australia's leading multi-channel comparison service, providing Australian consumers with trusted product comparison and advice on more than 12,500 insurance, energy, personal finance and broadband products from over 85 partner providers. With a household brand that attracts over 7 million unique visitors to its website every year, iSelect now distributes 1 in 5 of all private health insurance policies in Australia. Owing to its digitally enabled and customer-centric advice model, iSelect continues to grow its market-leading position in health insurance, energy, life insurance and personal finance comparison.