

Aussies hesitant to switch providers despite huge savings of up to \$1,086 a year on energy bills

- Nearly 60 per cent of Aussies concerned about July 1 power price hikes
- 4 in 10 households planning to cut energy usage to combat higher energy bills

Thursday 6 July 2017: With power price hikes to hit from July 1, Aussie households are three times more likely to cut back on their usage to deal with higher energy bills than switch to a cheaper plan, despite annual savings of over \$1,000 on offer for those prepared to switch energy providers, according to Mozo.com.au.

The comparison site surveyed 1,001 household bill payers and found that almost 60 per cent are concerned about the impact that upcoming power price rises will have on their household budget.

“Energy bills are one of the biggest household expenses after mortgage repayments and rent and with the ‘Big 3’ having already announced double digit price increases in some states, it’s hardly surprising that many households are worried about how they’re going to stretch their budget to cover these higher costs,” says Mozo Director Kirsty Lamont.

Of the states about to be hit with energy price hikes, South Australian residents were found to be the most concerned about the budget impact of higher power costs. This is almost double that of residents in the nation’s capital, where only about one third expressed concern about the imminent hikes.

Meanwhile, bill payers aged between 45 and 64 were more concerned about rising power prices than any other age group.

“Despite the high levels of concern among households, when asked how they are going to deal with higher energy bills, alarmingly almost 10 per cent said that they didn’t know,” says Lamont.

4 in 10 households said that they’re planning to reduce how much energy they use to combat higher power prices, while just 13 per cent would consider switching to a cheaper energy plan.

How will Australians deal with higher energy bills?

	Percentage
Cut back on how much energy they use	42%
Switch to a cheaper energy plan	13%
Haggle their energy provider for a better deal	12%
Reduce household spending in other areas	12%
Nothing, as they are able to cover the extra cost	12%
Don't know	9%
<i>Source: Mozo.com.au</i>	

“Turning down the heating or forgoing the electric blanket on some nights is bound to save you some money on your household energy bill but the biggest savings will be accessed by switching to a better value plan,” says Lamont.

“Our analysis found that a typical 3 person household could save up to \$1,086 on their electricity bill each year by switching from the highest priced plan to the most competitive on the market.”

Households can compare 723 plans from 27 providers online using Mozo’s energy comparison tool at <https://mozo.com.au/energy>.

Biggest annual electricity savings by state:

State	Average usage (kWh)	Highest annual bill	Cheapest available offer	Potential savings by switching
VIC	4,993 kWh	\$3,045	\$1,275	\$1,770
NSW	6,530 kWh	\$2,697	\$1,696	\$1,001
SA	6,107 kWh	\$2,931	\$2,062	\$869
QLD	5,731 kWh	\$2,426	\$1,723	\$703
National	-	\$2,775	\$1,689	\$1,086

Source: Mozo.com.au as at 4 July 2017.

-ENDS-

A survey of 1,001 Australian household bill payers aged 18 years and above in New South Wales, Queensland, South Australia and the Australian Capital Territory conducted by Pureprofile between 21 and 23 June 2017.

Notes on calculations: Bill calculations based on average electricity usage figures of a 3-person household for each state according to Australian Energy Regulator benchmarks. Where a state has more than one distributor, the average bill cost across all distributors was taken to give a state average.

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