

Letters Ed  
The Australian

6/112 Millswyn St  
South Yarra 3141

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Dear Sir

You rightly say that “if government want to ease cost-of- living pressure on households, the solution is more complex than reining in direct spending” (Editorial 11/8). One specific mentioned is the failure of state governments to secure domestic gas supplies.

But government failure (as economists describe it) is occurring across the entire energy pricing sector. Your editorial of 9 August suggested lower priorities be given to emission reduction imperatives, which would help reduce electricity prices. The case has been enhanced by analysis published by climate experts showing that temperature estimates by the Bureau Of Meteorology do not warrant emission reductions as they have been targeted by governments.

We also now learn that electricity retailer AGL has benefitted by using the government controlled pricing sector to achieve a 14 per cent increase in profit. How did the Australian Competition & Consumer Commission or the electricity regulators themselves allow this to occur? How come that as a customer of AGL I was advised a day before it announced its profit surge that I had been “mistakenly” receiving additional discounts on my bill and that these would be “corrected” on 17 August?

The reality is that the government regulated market has allowed customers to be subjected to quasi-monopolistic pricing while, with the other hand, governments have been forcing prices up by imposing policies which are now shown as faulty. My bill should increase my discounts, not reduce them.

Des Moore

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