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Media Release

Electric shock! Gov't bungle to lead to higher prices

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"At a time when governments around Australia are fighting to keep the lights on, Commonwealth bureaucrats are proposing costly and needless regulations that will hurt Australian households." This is the verdict of Lighting Council Australia CEO, Richard Mulcahy, in relation to new proposed Commonwealth regulations which will damage the \$2 billion industry.

"The proposed Mandatory Energy and Performance Standards for LED lights represents the most extensive red-tape regime placed on the lighting industry anywhere in the world.

"As electricity costs keep rising, Australian consumers should be encouraged to look for ways to reduce their electricity consumption", explains Mr Mulcahy.

"Instead, the cost of more efficient, energy-saving technology will be driven up and up."

The lighting industry points to some staggering facts: up to 15 per cent of a household's electricity consumption is used for lighting. That figure can be halved with the installation of new generation, highly-efficient LED lighting. The repayment period for this investment is just 8 months for the average household.

However, this new proposal significantly increases the cost for lighting industry companies to release products to the market. If implemented, the additional testing and compliance regime will see Australian consumers paying more for quality lighting products, and have a reduced range of choice as some companies choose to take product lines off the shelves.

"These regulations are certain to push up the cost of lighting products, meaning the least fortunate in the community will delay investing in upgrading their lights at home."

"A household paying \$800 a quarter in electricity can easily save a couple of hundred dollars a year if they upgrade to new generation lights."

"At a time when so much federal money is going towards green technology investment and public information campaigns about energy efficiency, it is unbelievable that the government would pursue these proposed changes."

The lighting industry, which provides 4,000 jobs across New South Wales, Queensland, Victoria, Western Australia and South Australia, is one of the few remaining viable manufacturing industries in Australia.

Industry modelling calculates the cost of the Federal Department of Environment's proposed regulations at \$80 million over 10 years.

"It will certainly cost jobs. There is no doubt about that," said Mr Mulcahy, "and the overwhelming majority of the measures in the proposal have little to do with the environment."

Measures being developed will soon be considered by State and Territory Energy Ministers through COAG, and the industry vows to take its case to those Ministers in the coming weeks.

“Those State and Territory Ministers should take decisive action to call off these changes, else they will have to explain to their constituents why they didn’t take action to make more efficient lighting cheaper while consumers face a 20% rise in their power bills next year.”

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