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Media Release

30 May 2024

Industry slams light bulb red tape that will add to cost-of-living crisis

The Lighting Council Australia is calling on Energy Minister Chris Bowen to urgently intervene and stop proposed new red tape that will jack up the price of light bulbs by 35 per cent.

The Commonwealth Government is proposing Minimum Energy Performance Standards (MEPS) and labelling requirements for all light bulbs, including the most efficient on the market – LEDs.

Lighting Council Australia's CEO Malcolm Richards said the new regulations are not required and will place a further financial burden on households during a cost-of-living crisis.

"There is no need to add red tape to LED light bulbs, all this will do is place further financial pressure on businesses that will be passed onto consumers," Mr Richards said.

"Minimum Energy Performance Standards labelling works well for appliances such as fridges and washing machines, but there are over 150,000 different types of LED lights on the market. The scheme is completely impractical.

"LEDs are already awash in the market and vastly superior in energy efficiency compared to alternatives such as Halogen or CFL, so this scheme will not achieve anything.

"Most of the cost benefit analysis is also redundant as it's over a 5-year period and therefore irrelevant due to the massive uptake in LEDs during this period.

"Suppliers estimate this regulatory proposal will increase the retail price of LED light bulbs by at least 35% and add thirty to forty million dollars in costs to the new build market per year. Minister Bowen must come out and immediately squash this proposal.

"We've already got high inflation and a cost-of-living crisis and the Government is proposing to add to the problem. Such a steep price hike would place an undue financial burden on consumers.

"The added costs associated with this regulation will also stifle market innovation. Suppliers currently voluntarily improve the efficiency of their products every 12 months. Under increased costs, innovation will stall, and consumers will miss out on at least ten million dollars in electricity bill savings over the first five years of regulation.

“We urge Minister Bowen to intervene and remove LEDs from MEPS and the Department to go back to the drawing board and use current data to devise a more accurate cost benefit analysis.”

ENDS.

Inquiries: Mal Richards is available for interview. Please phone (07) 3221 9222 or 0467 792 013.