

# THE AGE

INDEPENDENT. ALWAYS.

Prices alert

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to pass on the entire decrease if it were removed.

Mr Sims responded: "I think this is a bit exaggerated."

The government has said the repeal of the tax should lead to a 7 per cent fall in power bills and a 7 per cent drop in gas prices.

However, Mr Sims said it was important to remember there were ongoing factors impacting on electricity and gas prices that were unrelated to the carbon tax.

He said this was especially true in the gas sector, where Australian prices were rising sharply as they moved into line with the higher global price resulting from changes in the industry.

Australians spend less than half on gas than on electricity, where the news on prices is much better.

In the five years to September 2012 - just after the carbon tax was introduced - power prices rose almost 70 per cent, with the carbon tax contributing only a small fraction of that increase.

Consumers have responded to the blunt price signal by reducing their consumption of electricity, leading to only the second year-on-year decline in demand since 1904.

Partly as a result, electricity

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## Now that's a hat

Amberlie Anderson set the pace in Fashions on the Field in this Lisa Tan hat

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Photo: Simon Schluter

### Odd Spot

Deadly car exhaust fumes were not enough for a Chinese company to give office workers time off while faulty airconditioning was fixed - they got gas masks instead. Health inspectors in Nanchong agreed, saying there was no need to shut the office while the airconditioning was being repaired.



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