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## NO TIME TO DOUBLE DOWN ON FAILED GAS PRICE CAP EXPERIMENT

"The Federal Government's proposal to extend the gas price cap to 2025 will dramatically restrict gas supplies, increasing the likelihood of supply shortages, all while driving up energy bills for families and business," said Daniel Wild, Deputy Executive Director of the Institute of Public Affairs.

Revelations today that the Albanese Government is set to extend its gas price cap of \$12 per gigajoule until 1 July 2025 flies in the face of advice from industry and government bodies, such as AEMO and ACCC, which have called for urgent investment in supply capacity.

The announcement also comes on the same day as new Australian Bureau of Statistics inflation data **showing gas prices have skyrocketed 14 per cent since the gas cap was first introduced in December** last year, demonstrating the policy's complete ineffectiveness.

"Despite the Federal Government's claims that the gas price cap would lower prices, household gas bills have increased by almost one-fifth in just three months. Not content with this policy failure the Prime Minister has bizarrely chosen to lock in further price rises to at least 2025," said Mr Wild.

"The gas price cap extension means investment in expanding gas supply is crippled at the exact same time industry, the Australian Energy Market Operator and the Australian Competition and Consumer Commission are calling for urgent investment to ensure supplies do not run out."

The gas price cap extension follows recently legislated safeguard mechanism reforms, which are a yet another hammer blow to Australia's vital natural resources sector and regional Australia.

"This decision by the Albanese Government to extend this price cap is yet another example of the doubling down on failed energy and emissions reductions framework centred around net zero emissions by 2050," said Mr Wild.

"Rapid price hikes and supply shortages are a core feature of the net zero framework, which seeks to turn off Australia's reliable energy supply in the misguided pursuit of unreliable renewable energy supplies, the majority of which must be imported from foreign countries."

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