

money saver HQ



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Don't sit in the dark - you have the power

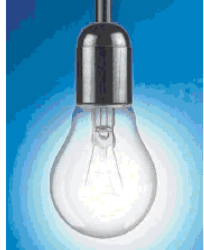
TIM MCINTYRE

CONSUMERS are in the dark when it comes to energy usage, with a survey revealing 50 per cent of Australian households find the explanation of costs on their bills confusing.

The survey of 1000 adults, carried out by comparethe market.com.au also found 31 per cent of respondents were shocked by their bills at the end of last winter, despite more than half warming their homes less than they would like in order to rein in rising costs. This number was highest among seniors, with 62 per cent of those aged over 65 enduring cooler than ideal temperatures.

Those aged 55 to 64 were most confused (56 per cent) about the explanation of their bills, just ahead of 55 per cent of 35 to 44-year-olds.

Comparethemarket.com.au



spokeswoman Abigail Koch said the confusion made it hard for many consumers to better understand their usage and choose the most suitable provider. Instead, they were tempted by introductory offers and advertised discounts.

"Typically, an energy bill is a raft of numbers...and it's hard to keep track of what means what," Ms Koch said.

"If you want to compare, look at the kilowatts per hour rate and compare that to your own usage, which will be on your bill," she said.

"You also need to understand the service charge, which is the cost of actually getting power to your home in the first place. Discounts usually apply to usage charges but the service charge is always the same."

Ms Koch said steer clear of one-off offers, unless they are suitable long term.

"You have your meter read every three months and providers require an up-to-date reading, which means switching could take up to three months depending where you are in the cycle," she warned. "You also want to check there are no termination fees (in your current agreement)."



Cheaper medicines help ease the pain

ANTHONY KEANE

CHEAP drugs! That's not something you'd want to shout out in a crowd, but it's worth thinking about privately as many consumers waste money by sticking to old habits when paying for medicines.

A price analysis by Chemists' Own has found generic pharmacy brands can be up to a third cheaper than big-name brands. Generic painkillers cost up to 33 per cent less, antihistamines up to 35 per cent less and cold sore cream is 23 per cent cheaper, it found.

It says consumers can also save by keeping a well-stocked medicine cabinet, which prevents overspending on expensive "distress purchases" when feeling unwell, and they should avoid buying pharmaceuticals at convenience

stores or super-markets where buying without a pharmacist's advice can waste money on ineffective medication.

Chemists' Own business manager Daniela Priekopa said consumers should feel confident with generic brands "as they have the same ingredients and meet the same quality standards as the big brand names you see advertised".

Pharmacist Anastasia Tomeo said consumers should speak to pharmacists, who could help prevent them from doubling up on medications and dosages that could cause higher costs.

"Be comfortable to talk to your pharmacist - we are ready, available and we are free of charge," she said.

Chemist Warehouse Group chief operating officer Mario Tascone said prices for the same common antibiotic could range from \$5 to \$15 so it was worth comparing costs online before buying.

"Pricing is pretty transparent, so you can get on a website, type in a product and find out where to get it the cheapest," he said. "Question everything and shop around."

Mr Tascone said consumers should look for pharmacies that offered \$1 discounts on prescriptions for both general patients and pensioners, after the government allowed these discounts from January last year.

"A lot of pharmacies started giving that \$1 discount but don't do it any more," he said.

Making your money go further pays off

↑ 21.7%

Readership of Money Saver HQ has increased by 21.7% over the past year

SERVICE: Anastasia Tomeo, at Better Health Pharmacy, Fulham, says pharmacists can cut costs by stopping any duplication. Picture: BIANCA DE MARCHI

Flirt with your cash

Sticking loyally to the one bank might actually be costing you money, writes

Sophie Elsworth

LOYAL banking customers sticking with the one financial institution for all their products could be doing themselves more financial harm than good.

About half of the population (47 per cent) admit to sticking to what they know and keeping all their banking in the one place, while 34 per cent of people have at least two banks, new figures

from financial comparison website Finder.com.au has shown.

But the old adage, "don't put all your eggs in one basket" rings true with financial experts and Finder.com.au spokeswoman Bessie Hassan said "loyalty doesn't always pay off in the financial world." "Being loyal to a single

provider may be convenient but more often than not it won't get you the best deal," she said.

"Generally it's more cost-effective to cherry pick your financial products."

"Whether it's your home loan, a car loan, broadband, or even a mobile phone plan - shopping around and comparing products based on

price and features will ensure you wind up with a product that actually suits your needs."

Banks often work hard to lure customers in to signing up to multiple products. "They may offer package deals to potential home loan customers, for instance, which usually include an everyday banking

account and a credit card.

Sometimes customers are given heavier discounts on signing up to package deals for "bundling" multiple products together, but Rising Tide Financial Services' Chris Browne urges consumers to "hand-pick" their banking products.

"Make sure you shop around because there are some fantastic deals out there at the moment; it's such a competitive marketplace," he said.

"It's highly unlikely that a single bank would have the best product in every area."

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