



Speech by

**Dr DAVID WATSON**

**MEMBER FOR MOGGILL**

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Hansard 8 November 2000

### **ELECTRICITY INDUSTRY**

**Dr WATSON** (Moggill—LP) (Leader of the Liberal Party) (6.10 p.m.): I rise to second the motion moved by the member for Callide. It is hard to get the numbers against the AWU; people have to be parachuted in.

The Beattie Government stands condemned for its approach to many things in Queensland, but its neglect of maintenance in the electricity industry borders on the criminal. It is ironic that for a breach of the Electricity Act which may result in a fatality the fine is just \$1,500, but for stealing electricity one can be fined up to \$75,000. I put it to this House that Mr McGrady, Mr Hamill and Mr Beattie should all be fined, because in effect they have stolen the profits of the electricity industry and they have left the electricity industry fatally underfunded. Genghis Khan himself could not have raided more from the electricity industry in Queensland than Beattie, Hamill and McGrady.

These people were warned by the directors of those enterprises that they could not go on taking 95% of the after-tax dividends from public trading enterprises without consequences. The directors of those companies recommended that the level be 70% or 75%, but not 95% of after-tax profits. We have all the documentation here. They said to the Treasurer and to the Minister for Mines and Energy, "You cannot go on taking dividends out at that level. You have to leave us some money to fund capital expansion and maintenance." They left them very little.

What were the corporations forced to do? They were forced to borrow, just to fund some of the capital expansion and maintenance. Secondly, they recently had to raise prices by 3%, which the Government tried to slip in under the guise of GST.

**Mr McGrady:** How about the GST?

**Dr WATSON:** That is what the Government tried to have people believe, but we caught it out. The third thing the corporations had to do was simply cut costs. How did they cut costs? They cut costs by cutting maintenance.

Early last year a special audit committee advised the previous Energex board that it would cost about \$13m for pole replacement and another \$15m to clear the dangerous overhangs. Apparently Mr McGrady did not like what he was hearing from the Energex board about the need to spend more money on maintenance, so what did he do? He sacked the entire board. Talk about shooting the messenger! That audit commission report showed that 159 kilometres of powerlines in south-east Queensland were dangerously overgrown. The report also showed that there were around 8,000 badly leaning poles, some of which were associated with over-tensioned service wires to houses and sagging mains that had become dangerous.

Energex and the Labor Government tried to bury this report. They did not want the people of Queensland to know the truth. But thankfully there are some people in our community who would not be kept silent on this issue. In the process of door-knocking for the next State election, two of our Liberal candidates have had so many people express concern to them about dangerous power poles that they asked me to come out and personally inspect some of the worst affected areas.

The former member for Mount Ommaney and our candidate for that seat in the next State election, Bob Harper, showed me one power pole, on the corner of Yallambee Road and Sinnamon Road at Jindalee, that was leaning 20 to 25 degrees off the perpendicular. It was a major pole carrying

high and low tension wires, located next to a bus stop and just feet away from a service station's gas tanks. No doubt this would have been one of those 8,000 poles referred to in the audit commission report. It is interesting to note that nothing had been done, but after I went out there and we made an issue of it, of course the pole was replaced. This is one of those poles that no-one would do anything about before.

Another one of our candidates, Andrew Edwards, who will stand for the seat of Greenslopes, has had so many concerned citizens talk to him about the issue that he has done some extensive research. Andrew invited me to inspect one of the worst affected areas in Camp Hill. Official figures show that in that suburb in the last two years Energex has replaced just nine power poles. Across the suburbs that make up the electorate of Greenslopes just 84 poles in total have been replaced.

The current member for Greenslopes, Mr Fenlon, is understandably quite sensitive about the issue. He made big noises in the House in August 1998 about how he was going to fix the problem of rotting power poles in his electorate. He has done precious little. In fact, to cover up just how little he has done he claimed to the South-East Advertiser last week that 241 poles had been repaired in the electorate since the change of Government. The fact is that only 84 poles have been replaced. I trust that Mr Fenlon was better at counting up the numbers in the dubious preselection contest he ruled over as branch chairman—the one mentioned in dispatches at the Shepherdson inquiry. The issue here—

Time expired.

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