



Speech by

**Mr P. PURCELL**

**MEMBER FOR BULIMBA**

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Hansard 31 May 2001

#### **ELECTRICITY AMENDMENT BILL**

**Mr PURCELL** (Bulimba—ALP) (4.24 p.m.): I rise to support the Electricity Amendment Bill 2001. I will not be quite as long-winded as my two colleagues who spoke before me. I compliment the minister on exempting the 220 kV line that runs out of the power station at Mount Isa. I inspected that facility, along with the Public Works Department. I know the costs of running that line and the costs of running that power station. To apply competition rules to that facility is an impossibility. Because of the cost of running the line and the cost of generating that power, it is unfair to expect them to compete on a national scale.

I disagree to a certain extent with the member for Gregory's proposal to run powerlines all over the place. I know he is making that suggestion to support his constituency, which he represents very well, but he needs to have a bit more knowledge about developments in the power industry. Some very innovative power packs are being built. They will be run off a gas bottle. They are being developed at the moment. They are about half as big as a wheelbarrow. They run off gas and are very economical.

**Mr Johnson:** Well aware of them.

**Mr PURCELL:** The member says he is aware of them. They are not on sale at the moment, but they are under development. They will produce the power required by individuals on homesteads and for irrigation and those sorts of activities. If people want to run electric motors to irrigate or whatever they want to do, they can do so at a fraction of the cost of delivering mains power.

I cautiously support the competition rule being applied to government infrastructure. I do not totally disagree with that. However, I know the member for Gregory would agree with me when I say that competition in everything does not work. Infrastructure has been constructed and maintained at taxpayers' expense. The power is generated by taxpayers' dollars, and then we allow people to use those facilities without putting any dollars up front. We enable them to compete without having to outlay any money to put those facilities in place. I think we have to look cautiously at that. We have seen what has happened in California in its competitive market: there is no power. Power services are failing everywhere. Companies are standing down wholesale factories, and production has stopped. It is more advantageous financially for people who have locked in to deals with power stations to pay their workers to stay at home and stop production and sell their power back into the grid at enormous profits. It is more profitable for them not to supply power in local areas where industries need it to operate. Instead, it is sold back to those industries at enormous profit. We need to be very careful about where competition goes and how it ends up. I can see a lot of power stations and infrastructure being run into the ground in the name of competition. It is not in consumers' interests to see that occur. We need to cautiously keep an eye on this and ensure that competition works for the taxpayers of Queensland, who have put that infrastructure in place. We must ensure that they continue to receive a reliable source of power into the future.