




Speech by

Darren Grimwade

MEMBER FOR MORAYFIELD

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ELECTRICITY (EARLY TERMINATION) AMENDMENT BILL

 **Mr GRIMWADE** (Morayfield—LNP) (12.26 pm): I rise to participate in the debate on the Electricity (Early Termination) Amendment Bill 2012. This bill will support the government's commitment to lowering the cost of living, something that I have spoken increasingly about since being elected into this place some time ago. I am very proud to be part of a government that has made the commitment to lower the cost of living. We are delivering on cost-of-living reductions for the people in my electorate.

Let me touch on some things that we have done since being elected and then I will get to the bill. As I doorknocked throughout my electorate during the election campaign, I found that cost of living was something dear to the many people to whom I spoke. Cost of living was actually one of the most significant, if not the most significant, issues that people spoke to me about when it came to the No. 1 issue of managing family budgets. I will touch on a few things that the Newman government has already done to lower the cost of living before moving on to the importance of this bill in further alleviating those cost-of-living pressures for our residents.

We have already frozen motor vehicle registrations, which is fantastic news for those around the electorate. We are lowering the cost of water. As members heard this morning, we are already implementing some of those measures. We reinstated the stamp duty concession, giving \$7,000 to those who are entering the property market. More importantly, we have introduced weekly discounts on public transport fares. The member for Indooroopilly visited my electorate throughout the campaign and spoke about that. Of concern to commuters was the increased cost of using public transport, in particular trains, in my area. It was jumping 15 per cent per year with no end in sight. This measure, as I have spoken about in this place before, will provide regular, loyal commuters with a discount of between \$350 and \$400 a year, depending on which train station they depart from on their way to Brisbane Central.

Last night in this House I spoke in relation to this government's commitment to repeal the waste levy, a job-destroying waste levy on business that I was most passionate about. I am glad to see that we have removed it.

Mr Berry: Labor hates business.

Mr GRIMWADE: I will take the interjection because Labor does hate business. It always interests me to hear the Labor members get up and talk about small business and how to create jobs.

A government member: Because they have so much experience in small business!

Mr GRIMWADE: I will take that interjection, too. They do not have any experience in small business, yet they want to stand in this place and tell us what is important when it comes to helping those in small business and increasing employment et cetera. It always makes me grin when someone stands in this place, talks about something that they have no idea about and just waffles on.

The recent behaviour of some retailers in increasing prices despite the government's tariff freeze has been outrageous. I think we all acknowledge that and it has been publicly acknowledged. This bill will move to assist small and residential customers in leaving retail electricity suppliers without suffering the early termination or exit fees that retailers use to lock people into outrageous price hikes.

I will put very simply how the bill will assist my electorate: this bill is going to make it unlawful for retailers to charge customers an early termination fee if they inform them that their charges are rising above the notified regulated tariffs. This is about offering families, small business and pensioners the opportunity to shop around and make an informed decision on a new supplier where their existing supplier chooses to whack their prices above the notified tariffs. We have already seen that substantial savings can be made when we shop around. In fact, a few days ago the Premier announced that his wife had shopped around and was able to save their family budget around \$500 a year. Therefore, an important aspect of this bill is to ensure that, where residential customers have been put on notice from their electricity supplier that the rate will rise above the notified regulated tariff, they have the ability to get out of the contract, shop around and make significant savings to ensure that they get the best deal for the family budget.

The second most important part of the bill is that it paves the way to take steps to adjust the price freeze subsidy to ensure retailers that charge a domestic customer above the notified tariff 11 price do not receive the price freeze subsidy for that customer. After making many representations on behalf of my constituents over the past few weeks, it is my understanding that those electricity suppliers are supplied with a subsidy from the government to compensate for any lost revenue due to our government's arrangements in freezing tariff 11. Effectively, by offering those subsidies we are paying for the loss of revenue that they would suffer from the freezing of tariff 11. It is the government's funds that are paying—

Mr Ruthenberg: It is good public policy.

Mr GRIMWADE: I take the interjection; it is good public policy. It is about ensuring that we can implement our policy when it comes to freezing tariff 11 and ensuring that retailers are not suffering any decrease in their revenues as a compensation payment. It is only fair that, where retail suppliers choose to lift their charges above the notified tariff 11 price, we do not use taxpayers' money to subsidise those electricity suppliers. That was not the agreement that the government struck and, therefore, we should not be wasting taxpayers' money by providing subsidies to those retailers that choose to go beyond what the regulated price is.

As I see it, the only increase in the electricity bill for tariff 11 should be from the dreadful job-destroying carbon tax that those on my right, the Labor Party, cheer on and still cheer on as I debate this bill today. The loony left are more concerned about their relationship with the Greens and doing preference swaps to get themselves re-elected than they are about the people of Queensland. This side of the House will continue to work hard to lower the cost of living for all Queenslanders. We will work on a day-by-day basis to look after Queenslanders, not ourselves and our own parliamentary careers or preference deals with other minor parties.

Although my time is limited, I will touch briefly on the carbon tax. As I was speaking I heard a comment that compensation is being paid to low-income earners and that compensation will help them to offset their being hit with the carbon tax on their electricity bills. I think there is an important point to note with the compensation. I get around the traps a fair bit, which might surprise a few on my right. People ask me whether the government has considered the carbon tax impact on things like the small business owner down the road who owns the cafe. Someone asked me, 'Has the government thought about the consequence on our local cafe, which has freezers, fridges, ovens and other cooking equipment?' That business is run by a mum and dad who are trying to get ahead in life and they have to pay bills, as do other retail customers. People ask me whether the government has thought about that small business owner and the impact of the increase in their electricity costs, which will be subsequently passed on to their customers. People have asked me whether the government has thought about businesses such as my local swim centre, Burpengary Aquatics, and the impact of electricity price increases on a business such as that. The swim centre has a large heated pool and the electricity costs to heat the water are massive.

Mr Powell interjected.

Mr GRIMWADE: Of course not; I take the interjection from the Minister for Environment and Heritage Protection. Of course they have not, because they have massive electricity bills. They operate a community service for people who are learning to swim. People pay fees which are dictated by the outgoings of the business. Therefore, those increased costs will be passed on to the customer. I could give many more examples. The local football club uses lights so that children can play at night. It is a not-for-profit organisation. Again, the increased costs of the electricity to light up the training facilities and the playing fields will be passed on to members. Those things are not considered when talking about compensation.

Today I am glad to support this bill and its urgent passage through the parliament to ensure that people in my electorate and people all over Queensland will have the benefit of ensuring that they can get the best deal for their electricity. As a government, we will offer the lowest cost of living we can to ensure that people can manage their family budgets and have the lifestyle that we all expect in Queensland. For those reasons, I commend the bill to the House.