




Speech By
Curtis Pitt

MEMBER FOR MULGRAVE

**APPROPRIATION BILLS: STATE DEVELOPMENT, INFRASTRUCTURE AND
INDUSTRY COMMITTEE**

 **Mr PITT** (Mulgrave—ALP) (5.57 pm): Firstly, I want to thank the committee and the chair, the member for Gympie, for allowing me to attend the estimates hearing and ask questions of the Minister for Energy and Water Supply. I also take the opportunity to wish the minister, the member for Caloundra, well in the coming weeks in terms of his health.

Let me start by saying that this government has consistently refused to accept any responsibility for the decisions that it makes and what happens on its watch. It was therefore disappointing, but not surprising, that the minister refused to accept any responsibility for delivering a massive 22.6 per cent increase in electricity prices this year—the largest yearly increase in electricity prices on record. For those opposite who are actually putting in these increases, let us talk about the fact that, if there were no other contributing factors to electricity price rises other than the green initiatives, the price rise would have been three per cent, not 22.6 per cent. When the LNP was in opposition it routinely blamed the Labor government for increases in the price of electricity. But now it seems it is not willing to accept any responsibility for the 22.6 per cent increase, even when it explicitly promised Queenslanders that it would lower their electricity bills by \$120 per year. Since March 2012, instead of delivering two \$120 yearly savings, amounting to \$240, so far the LNP has delivered price increases of \$140 last year and \$260 this year. That amounts to a combined increase of more than \$400 since the government was elected on its promise to lower bills by \$120 per year.

The opposition questioned the CEOs of Energex, Ergon and Powerlink about the number of staff and contractors that had been lost in the past year. I am disappointed to report that in the past year 460 jobs have been lost at Energex, 690 at Ergon and 63 at Powerlink. This amounts to 1,213 job losses in Energex, Ergon and Powerlink in the past year. This is a massive figure and comes on top of the 14,000 jobs lost in the public service. It is no wonder that this government is presiding over the highest level of unemployment in Queensland since October 2003. We hold grave concerns for the ongoing safe and efficient operation of the electricity network in light of these massive job losses.

Unfortunately, there is a likelihood that these will not be the last job losses that we see in the energy sector under this government. When asked about the government's proposal to merge Ergon and Energex and the impact that such a proposal would have on jobs, the minister could not guarantee that jobs would not be lost, or even that electricity prices would go down. The minister was also unable to guarantee that the government would not sell off small remote generators with between eight to 15 employees. The impact that the loss of these jobs could have in remote and regional centres would be enormous. The opposition will stand up and fight for these communities to ensure that secure local employment opportunities are not destroyed by this callous and heartless government.

At the hearing I asked the minister about a significant underspend in the capital budget for 2012-13 in the energy generation, transmission and distribution sectors amounting to \$300 million. This question was taken on notice and the minister's response revealed that the capital underspend was actually worse than anticipated. The five energy government owned corporations spent \$578 million below the budgeted capital expenditure for 2012-13. There are legitimate questions still to be answered about whether this capital underspend will have any future impact on reliability.

I also asked the minister about media comments that he had made regarding the reliability of the electricity network and Queenslanders' expectations of reliability of supply. The minister has suggested that Queenslanders would be happy to accept lower standards of reliability for a lower electricity price. In his answer the minister seemed to imply that major centres such as Brisbane and Cairns might warrant a higher standard of reliability of supply than other more remote regions. I am deeply concerned that any review of reliability standards might have a disproportionate impact on regional and remote Queenslanders as well as impact on those who require a reliable electricity supply for medical reasons. The opposition will keep a watching eye over policy changes from the government regarding reliability of electricity supply.

When it comes to water, once again the government has been caught out promising more than it can deliver. At the election they promised a yearly saving of \$80 for every Queenslanders on their water bill. In reality they have delivered a one-off \$80 rebate that will never be repeated and was only paid to residents in South-East Queensland. And now bulk water charges are rising by \$49 a year, which means households will pay more for water not less, which is what the LNP promised them. Whether it is electricity or water prices, this government simply cannot be believed when they say they will do whatever they say they are going to do. When it comes to the cost of living—

Mr Nicholls interjected.

Mrs Frecklington interjected.

Mr PITT: Mr Deputy Speaker, I will say it again for the benefit of the Treasurer and the member for Nanango: this government cannot be trusted on the cost of living. They promise one thing and they deliver another. They promised bills would go down and they have gone up. It is that simple, Treasurer.