




Speech By
Robbie Katter

MEMBER FOR MOUNT ISA

ENERGY AND WATER LEGISLATION AMENDMENT BILL

 **Mr KATTER** (Mount Isa—KAP) (5.42 pm): I wish to contribute to the debate on the Energy and Water Legislation Amendment Bill. This is undeniably the right measure. The scheme has run its course. It has served its purpose. It drove some investment in gas fired power generation throughout the state, delivering it to the grid. The big problem that we need to consider, and which is presumably why this bill that we are debating was introduced, is the drastic impact that the LNG industry is having on the dynamics of gas supply in this state.

At the moment, every little bit of gas that we produce is needed desperately to put through those LNG plants to make them viable, which creates an enormous problem in this state in terms of energy supply. It is a matter that we should be debating and addressing a lot more in this place. I fear that it is an enormous problem that the minister needs to confront, because the domestic industry along the east coast of Australia is about to become a train wreck.

I have had direct contact with people who are trying to get forward contracts on gas and they tell me that it is not pretty. It is questionable whether they will even get that gas supply. It is no wonder that we need to free up gas and consider dropping schemes such as this one, because every bit of gas that we produce is now needed in those plants to keep them viable. That is regrettable. Certainly, it is the result of a lack of foresight when decisions were made.

Gas fired power generation is clean. It is good to have. To date, it has been cost-effective, but it will not be beyond 2015. Earlier, I heard a member refer to competitive pricing. I think that was an ill-informed comment. After 2015, gas fired power generation will not be competitive by any means. So, yes, we need to free up our gas supply. On that basis I am left with no alternative but to support this bill, because I do not want to be responsible for pushing up power prices on the people in Queensland. So, yes, this scheme needs to be scrapped, but I again raise the point that there has to be some consideration given to a gas reserve policy. It is a big problem. I understand the counterarguments to it, but it is a massive problem that needs to be addressed. The issue needs to be debated in this House. It is the real elephant in the room. On that basis, I will be supporting this bill.