




Speech By  
**Hon. Mark Bailey**

**MEMBER FOR YEERONGPILLY**

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Record of Proceedings, 16 August 2016

**APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL**

 **Hon. MC BAILEY** (Yeerongpilly—ALP) (Minister for Main Roads, Road Safety and Ports and Minister for Energy, Biofuels and Water Supply) (11.24 pm): I take this opportunity to thank the committee for its efforts, congratulate the member for Kallangur for his work as chair and acknowledge all members and staff involved. I would like to address the issues raised by the opposition in their statement of reservation—or perhaps regurgitation—a lightweight document devoid of accuracy, research or any understanding of the modern energy market.

The Queensland public elected us and gave us a mandate to keep our assets in public hands and to operate them commercially and efficiently. Part of that mandate was to merge these businesses and to generate savings. Last year, the Treasurer and I directed Energex and Ergon to not appeal the Energy Regulator's revenue determination to lock in price stabilisation. That direction meant that fixed charges reduced for the first time in nine years, and it locked in that price stabilisation after the 43 per cent electricity price increases under Tim Nicholls in Queensland.

New South Wales consumers are now facing double-digit price increases this year due to privatised power companies' legal appeals and gaming the system—exactly what Tim Nicholls wanted and still wants for Queensland. Stabilisation of electricity prices is working in Queensland. The average annual increase for Ergon households has been only 1.2 per cent over the first two years of the Palaszczuk government—below the inflation rate.

I can confirm that the merger of Ergon and Energex into Energy Queensland will save \$562 million over the next five years. This, along with efficiency savings from Powerlink and our generation businesses, will save Queenslanders around \$680 million over the same period. The new Energy Queensland board and interim CEO are establishing organisational structures for the merged entity which are necessary to finalise staffing arrangements during the transition. Opposition criticisms of no staff are simply puerile and juvenile.

It is a matter of public record that the focus of the energy services business will be on new and innovative products and services, creating greater value in solar, batteries and other emerging technologies. It would be irresponsible given the massive change that is about to happen in the energy market for us to do anything else. Those members opposite showed their absolute ignorance of the energy market and the trends that are occurring. It will create more opportunities to meet future demand. Again, all we hear from the LNP is distortions, trying to scare small business owners and bringing public ownership of our power assets into disrepute.

We are already seeing the benefits of deregulation in South-East Queensland with savings of \$100 to \$400 per year for consumers. Experience in other states has shown that savings can only be maximised when consumers are active in the market and regularly shop around and know how to do so. The Newman-Nicholls government did not lay that groundwork. They ignored the concerns of vulnerable consumers, as evidenced by the concerns of QCOSS, the Queensland Consumers'

Association and National Seniors. They ignored them. We work with them to ensure that we piggybacked off the offers that were put into the marketplace.

It is absolutely irrelevant and ridiculous to suggest that you should have a community education campaign before the private market actually put their offers out. What the opposition are actually suggesting is that we should put our campaign out there and, when they go online to compare offers, they will find no offers. It is illogical. It is nonsensical. Those opposite do not listen. They do not understand. They messed energy up for three years. That is why they are on that side of the chamber. They really should have learned their lesson by now. Amazingly, the member for Burleigh did not even realise that the comprehensive campaign across multimedia channels had started more than two weeks before the estimates hearing. He had no idea. His was an extraordinary performance—not exactly someone with their finger on the pulse.

We saw nitpicking over the accelerated works package when in fact 14 of the 21 projects had been accelerated by more than three months. In an amazing performance, we saw the opposition members have a fundamental misunderstanding of cooperative intelligent transport systems. They actually think that the government is investing in technology to directly compete with the likes of Google and BMW—a bizarre contribution from the member for Glass House, who went on to remind us about the horse and buggy era. That was a sage contribution, to the amusement of most of the people in the room. What an amazingly 20th century view! In closing, this government is delivering on stabilising electricity prices, getting ready for the tech revolution coming in battery storage—

*(Time expired)*