




Speech By
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MEMBER FOR CHATSWORTH

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ELECTRICITY AND OTHER LEGISLATION AMENDMENT BILL

 **Mr MINNIKIN** (Chatsworth—LNP) (10.27 pm): I rise to contribute to the debate of the Electricity and Other Legislation Amendment Bill. This time last year we saw the Palaszczuk government transfer more than \$4 billion worth of debt on to government owned entities. This included our state owned electricity companies. Now the government wishes to facilitate the merger of electricity distribution companies Ergon and Energex under a parent company.

While we could half applaud the government for possibly following through on an election commitment, we must first look at the history behind it. While in opposition the ALP announced that they would merge the five government owned electricity businesses into two. However, they abandoned the idea after the Australian Competition and Consumer Commission chair, Mr Rod Sims, said that would drive up electricity prices. You did not need to do Finance 101 next door at QUT to see that possibility. However, as part of the 2015-16 Mid Year Fiscal and Economic Review, the government instead announced their intention to merge Ergon and Energex together, with an implementation date of 1 July 2016. Here we are, looking at Labor breaking a promise of a broken promise. This is certainly starting to get pretty confusing. As a result, I wish to be very clear in what I have to say in my contribution this evening.

Should this merger go through, the government owned corporation declarations which currently apply to Energex and Ergon will be transferred from the shareholding ministers to the parent company—the new Parent Co. This will result in Energex and Ergon becoming subsidiaries in Parent Co, a new government owned corporation.

Master Electricians raised a number of concerns with the creation of a new energy service business model as a subsidiary. Essentially, we will see the new services business able to compete against independent mum-and-dad electrical contractors for unregulated electrical work. This new government owned company will be able to pilfer work and ultimately jobs from many local small businesses. As a member of parliament I am greatly concerned by the lack of scrutiny and oversight of a merger which will create the largest electricity distribution business in Australia. This bill will facilitate the creation of Parent Co which will have an asset base worth more than \$20 billion.

I am further concerned with how little consultation took place to coincide with this bill and how the Transportation and Utilities Committee had just one hearing to scrutinise this legislation. Apparently, less than one hour was taken to question public officials and other interested parties about this bill—this all-important bill. Meanwhile, as part of the ALP's open and transparent style, my colleagues on the committee were blocked in their attempts to do the committee process justice with this bill. They were blocked in their attempts to extend the time frame for considering the bill. They were not allowed to hold regional hearings and thus could not consider the far-reaching impacts of these changes and what they would mean in regional Queensland. They were unable to get representatives of these companies to properly explain in detail the impacts and costs of this merger. They were unable to reopen the submission process so that stakeholders like Master Electricians could be given a proper and decent say. They were even blocked in finding out who the committee asked for submissions from.

This is poor treatment of members in what is meant to be a bipartisan committee system. So much for the Premier's much vaunted promise to run parliament in a more transparent and professional way. It is arrogant and pandering to their puppet masters. I ask: who is really running the government? To be frank, it is simply not just about our mum-and-dad electrical contractors having to compete against a government run monolith for work. This bill, if passed, will lessen job opportunities for Queenslanders as outlined in a speech on this bill earlier this evening by the member for Gregory at a time when the Treasurer is trying to spruik a budget which supports jobs, jobs, jobs. Master Electricians CEO Malcolm Richards said with regard to the impacts of the new government owned company—

Mum and dad businesses would never be able to afford to borrow money or sustain losses in the same way the State Government can.

The only possible result from head-to-head competition would be small businesses being sent to the wall.

It flies in the face of the fundamental beliefs of a free enterprise society—that people who invest in businesses will not find themselves competing with the government.

Mr Richards is not the only one with concerns, with countless numbers of contractors worried about their future livelihoods. Contractors have come to me in my own Chatsworth electorate. The CCIQ also expressed grave concerns about what impact the creation of the new business would have on independent sparkies, saying the government should be supporting small businesses and not competing against them. I am baffled why the Labor government would be so hasty in pushing through legislation—a bill—which will so greatly impact Queenslanders and their futures when it is already making life so hard for them with the increased costs of living. In concluding, who is really running this great state—the ALP or the ETU?