




Speech By  
**Trevor Watts**

**MEMBER FOR TOOWOOMBA NORTH**

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**ELECTRICITY AND OTHER LEGISLATION AMENDMENT BILL**

 **Mr WATTS** (Toowoomba North—LNP) (10.01 pm): I rise to oppose this bill tonight. There are several reasons why I believe this bill should be opposed. One that needs to worry this parliament the most is that scrutiny of legislation coming through this place is paramount. This bill went through a process and was guided through that process by a government that promised to be open and consultative and yet this process was far less than that. This will greatly affect the regions as this is a utility that is fundamental to operating a business, living your life and so on. To have a couple of hearings in Brisbane and not go out into the regions and explain to people how their lives will be affected by this bill is very poor form from a government that claimed it would be consultative.

The bill itself supposedly relates to the 2015 election commitment by Labor to merge five government owned electricity businesses into two—CS Energy combined with Stanwell and Ergon, and Energex and Powerlink merged together. To suggest that this is an election promise is wrong. The election promise was an ill-thought-through thought bubble at a desperate time to try to rally the ETU troops out on the ground waving their placards for fear that their depots and workshops might close. That was the thought bubble. Then afterwards, the advice was clear: Labor had to scrap their plans because the ACCC said, 'You can't do it.' There is thought bubble No. 1, 'We want to create a statewide monopoly. The ACCC says, "No, you can't." Now what are we going to do?' Then there is this talk about savings. The savings all come from the Australian regulator and have nothing at all to do with the merger. I urge the minister to stand up and detail clearly exactly where these savings are coming from under this merger. It would appear that the business plan has not even been done yet.

**Mr Bailey:** It is in the parliamentary committee report. Read the report.

**Mr WATTS:** Several speakers in here have said, 'Mum-and-dad electricians don't need to worry about anything.' The minister does not know that they have nothing to worry about. Unless he has already consulted with who is going to be appointed to the board of this, he does not know what the business plan will be. What we will have created is a monolithic structure that can outcompete anybody else in the marketplace. Every single independent contractor who has a desire to provide service can be outcompeted by this organisation.

The member for Hinchinbrook made some very, very interesting points about why the government would take a controlled utility and merge it into a massive monopoly which would enhance its price to a private organisation and yet claim that there is no thought at all that this might be getting this asset ready for sale. He made a further good point that there are lots of people sitting in the cabinet room of this Labor government who have great form for selling assets.

**An opposition member:** Coal trains.

**Mr WATTS:** Certainly the coal trains would be one that would affect people in my area. I think it is also very misleading for all those ETU workers—and I had lots of them coming to chat to me during the election campaign in Toowoomba North. They were very enthusiastic to come and see me. Do

honourable members know what their main concern was? Their main concern was about cuts and losing their jobs. They were very worried about what might happen if a private business came in and started being more efficient and competing with them.

**Ms Grace:** No, they were more worried about selling your assets.

**Mr WATTS:** They were very worried about their jobs.

**Ms Grace:** They were worried about selling your assets.

**Mr WATTS:** I take the interjection from the member for Brisbane Central. Clearly she was standing next to me when I was talking to the ETU members on many occasions throughout the election campaign! If she had been standing there she would have had the conversation I had, which related to them being fearful for their jobs. What is most interesting about that is that when the Public Service was cut these people were 'sacked'. They are the words that those opposite all use. Interestingly enough, when these ETU workers lose their jobs—

**Ms Grace:** They aren't going to lose their jobs.

**Mr WATTS:** I take the interjection. I am talking about Labor Party members losing their jobs. They are going to be made redundant, which is somehow different to what we did. I understand that there are 366 potential job losses coming their way—volunteers. Let me tell members opposite that if they go out to some of these depots in some of the remote and regional parts of Queensland they will find out if these people are really enthusiastic about volunteering or if they are just worried about losing their job as this merger goes ahead and this monolith is created. If they pick up the Yellow Pages when they are there or do a quick search on their phone if they can get reception, they will be able to tune in and find someone who provides electrical services, someone who has built up a business in their regional area who has provided the service, who is a local in that community, who goes around and helps businesses and homes have the facilities they would like to have—a private contractor. These are the people who are very worried about their jobs. They are very worried about what is going to happen to their jobs as this monolith is created, this organisation that is getting ready for an asset sale if ever I saw one.

Members opposite always say that we on this side of the House love big business. However, we cannot get a bigger business than this in Queensland. This is an enormous business that the government is creating. It will be very interesting to see what particularly many members of the backbench think as time goes on and someone says, 'Oh the budget does not add up. It might be time to get that state monopoly we created and we might just have to sell a bit of it off.' If that is the minister's plan, why is he not up-front with the people of Queensland? Why does he not tell us all here tonight that that is the plan, that he wants to get it ready and see what happens?

There was also some talk about budgeting and how we cannot afford things if we do not do this and that. The member for Bulimba spoke about her daughter getting a job and wanting to teach her about budgeting. I put it to her that one thing that maybe she should do if she wants to teach her daughter about money is suggest she puts money away for her future, that she makes savings for her superannuation, and that that money is protected in some way to make sure that nobody can grab it and spend it when they cannot do their own budgeting. Whilst we appreciate the advice on how to run businesses and other things, I think that not paying superannuation, giving yourself a holiday for five years from paying any and raiding other people's contributions are probably not the way to do it. I will get back to this bill.

**Government members** interjected.

**Mr WATTS:** The reason this would not be relevant to the bill is because there are no savings. You are saying that we have to do this because we need to make these savings, but there are no savings. The reason the financial advice is relevant is because this bill does not achieve any savings. I look forward to hearing the minister explain in detail where these savings come from. Please outline clearly for us where the Australian Energy Regulator's determinations are actually driving the financials here.

I think the most important thing for me is that out there in the community of Queensland there are many businesses that have been established which have worked very hard to build their business up, to get a client base, to be able to service the various customers they have and to provide a good income stream for the people who work for them. This organisation is a threat to that because of the imbalance of market power. The ACCC recognised it with the original proposal, but how can any individual contractor compete with a monolith who will be able to dictate terms about how things will be done? Eventually in small communities competition will disappear, and I think whenever competition disappears we are all the poorer for it. I think it is very important that before we go ahead and create this monolith we clearly understand the savings that are being alluded to—because there seems to be no evidence for it—and we think very clearly about the private contractors whose jobs this will cost.