




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

Record of Proceedings, 14 February 2017

MOTION: NORTH QUEENSLAND, ELECTRICITY SUPPLY

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (6.25 pm): After that effort those opposite have to get on the renewables bandwagon because the wind power that was coming out of the member for Whitsunday could fire up all of North Queensland. That is where we need to go. They are going down the wrong path. The whole motion is based on a false premise.

A government member interjected.

Mr PITT: I take that interjection: it was all hot air. I rise to support the amendment moved by the energy minister and express my support for reliable, cost effective, job creating energy generation in Queensland. That is exactly what we can do with our state's energy market. We have base load coal-fired and hydro generation, complemented by renewables such as solar—a diverse power system providing energy security for Queenslanders.

The Prime Minister might go on about outdated coal-only approaches to energy generation. The fact is the diversity of Queensland's power system is what makes it strong. We saw new records set in terms of overall load over the weekend and we may well see new records set in terms of demand, but our robust power system remains exactly that—robust. We held an independent review into the electricity market and it did not back another coal-fired power station in North Queensland. The LNP does not want to listen to independent reviews, just like they do not want to hear from the COAG Energy Council's Finkel review that their federal colleagues initiated. When we talk about the Finkel review, we are not pre-empting what is happening there. It has clear support from industry and business. COAG has already established a strong policy process for ensuring we deal with the energy market challenges and it is the Finkel review.

A joint media statement was released by the Australian Aluminium Council, the Australian Energy Council, the Australian Steel Institute, the Business Council of Australia, the Cement Industry Foundation, Energy Networks Australia, the Energy Users Association of Australia and the Australian Industry Group. Speaking of the AI Group, they have suggested that power prices for consumers could double, not fall, if new coal-fired power stations are built. That is obviously very interesting because as a very key lobby group they are working with energy experts talking about what could happen. They said—

This is not a recipe for guaranteed lower prices. In fact, prices would need to be sustained at very painful levels for the life of the project for that project to make its money back.

I do not think those opposite have the backing of the Australian Industry Group nor the business industry groups that were lining up to support the efforts being put into the Finkel review. The take-out message from that was that there is no room for partisan politics in energy. They want a mature, considered debate and clearly that is not what they would get if they came to this chamber tonight and listened to those opposite.

If those opposite really want a secure energy network, instead of grandstanding they should wait to hear the review outcomes. A key part of our strategy for energy security is keeping our coal-fired power stations in public ownership and keeping them running. The only plan of the Leader of the

Opposition is still a secret plan, but it will not be so secret later on. He wants to sell our power assets off to the highest bidder, abdicating any influence or control and losing valuable revenue streams. This is well-worn territory for the member for Clayfield. We know that he will not stop with his last effort with Campbell Newman.

Still he has not explained how he will fill the budget black hole that the loss of the revenue stream would create if he did that. Still he has not explained how he would guarantee a new coal-fired power station if all the state's power assets are sold. Under his asset sales plan, we know that there is no private sector interest in a new coal-fired power station, so he must be guaranteeing to build a new one. We can add that to another uncoded election commitment from those opposite. They are talking about building this, but they have no funds attached to it. Yet again, they are pushing it out as though it is part of their mantra to come back into the Treasury benches on this side of the House. It deepens the LNP black hole by another \$2 billion, which is pretty frightening.

At the weekend we saw just how diverse our energy mix is, as it provides security in terms of the electricity supply for households. We had record electricity demand at 9,369 megawatts and our network was up to the task. We have a significant base load power option in Queensland, so much so that we have to export into the national grid. We have been supporting the likes of South Australia and New South Wales if necessary, because that is how much we have. Those opposite want to create more base load power. We already have a gig in the pipeline. We do not need that. Of course, our mix, in terms of our approach to bringing in renewables, is great.

Being on this side of the House and being part of the previous Labor government that spawned the entire solar industry in Queensland is something that I am very proud of indeed. We put rooftop solar at top of mind and we created jobs, because we embraced the future instead of sticking only with the past. The answer is that we can have all of these things and we know that in Queensland we have a very reliable power supply.

(Time expired)