




Speech By
Dale Last

MEMBER FOR BURDEKIN

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STATE DEVELOPMENT, NATURAL RESOURCES AND AGRICULTURAL INDUSTRY DEVELOPMENT COMMITTEE

 **Mr LAST** (Burdekin—LNP) (3.20 pm): I rise to speak to the Auditor-General's report No. 9 for 2018-19 titled *Energy: 2017-18 results of financial audits* and in so doing I want to take this opportunity to highlight the ongoing concerns and issues around skyrocketing power prices, particularly in Queensland. Families, small businesses and primary producers throughout Queensland have highlighted the need to reduce the cost of electricity, especially in regional Queensland where households, farmers and industry have no choice of electricity provider.

While the government claims that tiny dividend payments and suggested decreases are the answer, the truth can be found in the report from the Queensland Audit Office titled *Energy: 2017-18 results of financial audits*. The audit report shows that there are 4.1 million electricity customers in Queensland and that the news for those millions of customers is bad news. While they struggle to pay their electricity bills, each and every one of them paid a hidden tax of over \$560 in the 2017-18 year.

In fact, this hidden tax would have been even higher were it not for the work of the independent Australian Energy Regulator. The AER took action to rein in the transmission and distribution costs—action that actually has an impact on the electricity bills that Queensland households and businesses pay. Meanwhile, this government continues to rip between 80 per cent and 100 per cent of the profits from these entities and expects Queenslanders to be grateful for the pittance they return via the energy dividend scheme.

The Audit Office report shows that the dividends paid to the Queensland government in 2017-18 more than doubled compared to the previous year. Especially in regional Queensland, we are paying more. The government is increasing its hidden tax, and guess what? We are seeing less spent on infrastructure.

Compared to 2015, we have seen over \$1 billion slashed from capital expenditure. Paying more and receiving less is what consumers can expect from this government when it comes to electricity. Then of course we have the Palaszczuk government's transfer of over \$1.5 billion from energy companies to general revenue. Queenslanders are quite right to ask if there is a link between the Treasurer ripping money from energy companies and expenditure being slashed.

Mr Bailey interjected.

Mr DEPUTY SPEAKER (Mr Weir): Order! Minister, I have had to caution you already since I have been in this chair. If I have to call your name again, you will be warned.

Mr LAST: Will we see reductions in reliability or upgrades delayed simply because this government cannot manage Queensland's economy or will we see electricity prices increase even further? Either way, Queenslanders will be let down. This government and this minister oversaw service

charges increase by 17 per cent in one year. How can anyone justify an increase of more than eight times the rate of inflation while expenditure on infrastructure decreases? That is a question the minister should answer.

Unfortunately, there does not seem to be any light at the end of the tunnel going forward. The Palaszczuk government announced a business case for hydro on the Burdekin River would be completed by July 2018 and, subject to the outcome, construction would begin in 2020. Almost a year after the report was due and two years after \$100 million was set aside, there is still no business case.

The development of solar farms was touted as a great way to bring down power costs in Queensland. This obviously has not happened and, instead, small businesses throughout the state, including in the Burdekin electorate, have been left unpaid by these projects that have gone bust. This government's plan to deal with electricity costs is not generating a result for Queenslanders; it is just increasing the resistance. A perfect example is a business in my electorate that relied on a diesel generator for their power in the aftermath of Cyclone Debbie. That business is now off the grid because generating their own power via diesel power is more cost-effective than Queensland's overpriced power.

The LNP has given a commitment to regional Queensland to provide choice in their electricity provider. We understand that, just as we have seen in other states, competition reduces electricity costs for both households and businesses. I urge the minister and the government to do the right thing by regional Queensland and immediately implement the Queensland Competition Authority's recommendation to allow competition in regional areas. Until this is done, Queensland will continue to be kept in the dark on fair electricity prices and our farmers in particular will continue to suffer with these crippling power prices, which are having a significant impact on their businesses.