



Speech By  
**Shane Knuth**


**MEMBER FOR HILL**

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Record of Proceedings, 24 March 2021

## MOTION

### Electricity Supply

 **Mr KNUTH** (Hill—KAP) (5.11 pm): I support the motion moved by the member for Traeger, and particularly the first point which states that this House ‘acknowledges that the Queensland government should maintain control of, and responsibility for, investment decisions regarding major electricity infrastructure, including in renewable generation, through regulation, ownership and operational roles’.

The purpose of the electricity industry is to drive economic development and jobs, not just profit for electricity businesses, either private or government owned. I would much prefer these businesses were government owned. At least the profits would then go back to schools, hospitals and roads, not to overseas companies. We want to ensure that the government does not bow down to corporate pressure but instead maintains control of the electricity industry through regulating, operating and, most importantly, owning the asset.

The economic rationalists will moan about the importance of the free market and how government intervention supposedly creates inefficiency. However, recent history does not support this view. We do not want a repeat of Queensland’s uncontrolled development of the LNG export industry which delivered a tripling of gas prices and the destruction of Queensland’s energy price competitive advantage and the manufacturing industry. In 2006 there was a bad decision by the Beattie government when they sold off the retail arm of our energy sector. The LNP cheered on the sale and they were also disappointed that they did not go further and sell off our energy generators, poles and wires. I table one of those speeches.

*Tabled paper:* Extract, dated 30 November 2006, from the *Record of Proceedings*, Queensland Parliament, speech by the member for Clayfield, Mr Tim Nicholls MP, titled ‘Electricity and Other Legislation Amendment Bill; Energy Ombudsman Bill’ [379](#).

We were told that electricity prices as a result of competition would decrease but, since then, electricity prices have tripled. Yes, there has been competition—after the electricity prices have tripled. The free market approach, asset sales and privatisation have led to nothing but higher prices for customers, less secure work for Queenslanders and bigger profits for overseas shareholders. The sale of Queensland Rail was another example of that.

We are strongly for renewable energy. There is a project that is very important to my heart because it is in my electorate. The Tully Millstream Hydroelectric Scheme was an approved project. A tunnel had already been constructed. It would have saved \$200 million in electricity generation losses coming from the south. It would have powered 100,000 homes. It would have been a massive job-creation project for that region. However, it was knocked on the head. I believe that if that project had taken place we would now be receiving cheaper power in North Queensland and clean energy.

In terms of regulation this is very important, because we are saying that the government needs to regulate. We are in support of cogeneration, as I have sugar milling companies in my electorate. It is about embracing that where they invest into cogeneration—the burning of the sugarcane bagasse which creates the energy which powers homes. It is a marvellous opportunity. I believe the government needs

to invest in this and support these sugar milling companies. The main thing is to regulate to ensure that the money flows back to the canefarmers and the community, which will give them the advantage of increasing cane supply agreements and more money will flow back to the community.

As I was saying, we are supportive of renewable energy. These are great projects. Our big concern is that we have renewable energy projects that are funded by the taxpayers, but they are overseas companies which create the power, the power goes back into the grid and then the money goes overseas. This needs to be regulated. We need to look after the state government owned energy assets before we look after overseas companies. Some of these solar farms and wind farms are pretty good, but we have to be very careful that it is not privatisation by stealth.

We want to avoid repeating the mistakes of the past where the government lost control of the industry to overseas companies. If that happened, shareholders and the Queensland consumers would again pay for it in higher electricity prices and lost jobs. I commend this motion to the House.