




Speech By
Michael Berkman

MEMBER FOR MAIWAR

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CHEAPER POWER (SUPPLEMENTARY APPROPRIATION BILL)

 **Mr BERKMAN** (Maiwar—Grn) (7.16 pm): I rise to address the Cheaper Power (Supplementary Appropriation) Bill and say at the outset that the Greens will absolutely be supporting this bill. Cost-of-living relief is needed now more than ever in Queensland. Every Queenslanders should have access to cheap or even, I would argue, free electricity as an essential service for our community. To be honest, it is a shame that the government's proposal is just a temporary solution. It is a bandaid on a semi-privatised, inflated energy market with no long-term answers for struggling Queenslanders. It is a shame. I do not want us to forget also that, despite being a theoretically universal payment, not every Queenslanders will benefit from this rebate. For the people sleeping rough, living in tents and living in cars there is no relief. For anyone who is having to sleep on the couch at their friend's house or their parents' house because they cannot afford increasingly expensive, exorbitant rentals, there is no relief. For the students and the other low-income folks renting rooms with bills included because they cannot afford a place of their own, there is no relief. For everyone dealing with record-high transport costs, grocery prices, rents, mortgages, school fees and health care—everything other than our power bills—there is no relief to help with these expenses.

No doubt, for many households this will mean there is some temporary relief on at least their power costs. Where is it coming from? One would think from the way countless Labor members are speaking that we were finally in fact making multinational mining corporations pay their fair share. Sadly, one would be wrong because that is the Greens policy—not Labor's. In 2020—four years ago now—we released our Fair Share Plan to raise mining royalties so we could properly fund public services and infrastructure. Of course, I was absolutely thrilled when I heard the minister talking about implementing it. That is of course until we realised that they were not doing anything of the sort. Over the last 10 years, big mining corporations have exported \$634 billion worth of Queenslanders' resources but paid only nine per cent of that back to us in royalties. Queenslanders pay more GST on a cup of coffee than what miners are paying on resources that belong to us all—nine per cent returned on royalties compared to the 10 per cent GST we pay on pretty much everything.

It is instructive though that, when Labor partly implemented the Greens' policy to raise royalties, coal royalties specifically, it worked. Queenslanders got a better share of our enormous mineral wealth which meant they could fund things like this rebate. Sadly the rug is about to be pulled out from underneath us. Under Labor, and no doubt under the LNP, we will see the amount coalmining companies pay in royalties for Queensland resources fall by around three-quarters over a two-year period. That is a drop from \$15.4 billion in the 2022-23 financial year to in the order of \$4.3 billion in 2024-25. Make no mistake: big coalmining companies are still making record profits, but Labor's plan relied on those abnormally high coal prices which are, predictably enough, now declining.

Labor's royalty changes will stop collecting any significant additional revenue as prices return to their long-term averages, as they could always have been predicted to do. They never even touched the big gas companies. I guess we should not be surprised though. Queensland's multinational gas exporters are huge donors to the Labor Party in Australia. They mingle with major party MPs at cocktail

parties and were even able to convince the federal Labor government that they deserve government support to 2050 and beyond. Meanwhile, big gas companies are the worst offenders when it comes to ripping off Queenslanders. Over 10 years they have sold \$120 billion worth of our gas but paid only around four per cent of that in royalties. LNG export revenue in Queensland has doubled from \$11 billion in 2022 up to \$22 billion in 2023.

When Labor MPs, such as the Treasurer and the resources minister, say that Queenslanders 'own the resources under the ground' and 'deserve their fair share', that does not include gas for some reason, nor does it include mineral and other resources, and nor does it actually include coal when you read the fine print. The fact is that no matter what rhetoric we hear from the government it never really did include coal. Labor's little play fight with the Queensland Resources Council is cute to watch. It might have been entertaining for a while, but it was really all just for show. They will always kiss and make up in the end. The only party in here that would actually be willing to genuinely raise mining royalties, to genuinely make coal and gas companies pay their fair share, is the Greens. We have proposed it before and we will propose it again.

Mr Sullivan: You want to tax something and shut down the industry at the same time.

Mr BERKMAN: Here we have the member for Stafford trotting out the coalmining industry's lines: if we raise royalties, we will shut down the industry. That is precisely the nonsense that the Treasurer has been actively fighting to shut down in recent years.

Mr SULLIVAN: Mr Deputy Speaker, I rise to a point of order. That is not what I said. I take personal offence and ask the member to withdraw.

Mr DEPUTY SPEAKER (Mr Lister): Member for Stafford, I did not catch what you said. Did you rise on a point of order?

Mr SULLIVAN: I did rise to a point of order. I said that that is not what I said. I take personal offence and ask the member to withdraw.

Mr DEPUTY SPEAKER: Member for Maiwar, the member for Stafford has taken personal offence. Will you withdraw?

Mr BERKMAN: Of course I will withdraw, Mr Deputy Speaker. The fact is that power would not be this expensive if Labor had not privatised electricity retail across South-East Queensland in 2006. We have heard since then from the architect, or the premier at least at the time of that change, that it was a bad move, yet they have done nothing to reverse that change. Since the privatisation of electricity retail, retailers have wasted money on marketing costs and executive bonuses. They have pocketed huge profits and they have billed us for it.

There is something deeply ironic about the fact that this rebate is the state government handing over more of our shared wealth—public money—to private electricity retailers because they sold off the ability to directly reduce power bills. We could have cheap, abundant, publicly owned electricity, but instead we have a one-off sugar hit that could in fact mean that bills are even higher once the rebate runs out.

While it is true that Queenslanders have benefited from public ownership of some parts of our energy system during the cost-of-living and inflation crisis, it looks like retailers might be taking advantage of that to bump up their profits under the cover of temporary bill rebates. The ACCC's December 2023 report on the NEM, the National Electricity Market, showed that, while retail margins fell nationwide, in Queensland they actually grew. Nationally, in 2022-23 retail margins averaged 2.3 per cent; in Queensland it was a whole two per cent higher at 4.3 per cent. Private energy retailers are price gouging more from Queensland customers, and the state it seems is happy to fund their extra profits.

On top of their margins, around 10 per cent of energy costs in Queensland went to 'retail and other costs', which includes debt collection, advertising and customer retention marketing costs. What hogwash! Why are we paying for that when we do not have to? Meanwhile, Labor still supports the national competition policy that forces even our publicly owned generators and networks to run like private corporations. They support this system whereby our publicly owned entities pay fees to artificially increase their operating costs so they do not outcompete providers. Recent research shows that our networks are ripping off customers by overestimating their operating costs and making off with billions in supernormal profits—around \$2.5 billion in Queensland since 2014. These are all things that only happen when you are running an electricity provider as a private, for-profit venture rather than as an essential service.

By actually raising mining royalties across the board, as the Greens have proposed, we could make cost-of-living relief the permanent right of every Queenslander instead of a lottery style handout before an election that you are planning to lose. By reversing the privatisation of electricity retail and bringing our whole system under a single public authority, we could permanently cut Queenslanders'

energy bills instead of having to rely on temporary rebates. For the Labor Party it is more acceptable to watch private energy companies and mining companies make off with huge profits while 46,000 Queenslanders languish on the social housing waiting list and while Queenslanders skip meals and live pay cheque to pay cheque. That is more acceptable than it is to actually challenge the grip that corporations and billionaires have on our economy.

(Time expired)