




Speech By
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MEMBER FOR MIRANI

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CHEAPER POWER (SUPPLEMENTARY APPROPRIATION BILL)

 **Mr ANDREW** (Mirani—PHON) (8.58 pm): I rise to speak on the Cheaper Power (Supplementary Appropriation) Bill 2024. The purpose of the bill is to provide almost \$2.3 billion in additional appropriation from consolidated revenue to provide funding for rebates for power bills to support the cost-of-living relief in Queensland households and businesses. The energy rebate provides \$1,000 to Queensland households and \$325 to small businesses, all of which will be applied automatically to eligible electricity accounts. I sincerely hope that 'eligible small businesses' include sole traders as well. Also, why small business was not given the full \$1,000 rebate is anyone's guess.

The bill's documentation states, 'Queensland families are experiencing a higher cost of living due to global pressures.' I have talked to people in my electorate. They are going backwards \$300 to \$400 a week. I do not know how far this is going to go for some of them. According to Queensland Treasury, cost-of-living support is a key priority for the Miles government, all of which is good to know given Foodbank Queensland's announcements earlier this year that more Queenslanders than ever were now reaching out for support and access to food relief.

The charity said it is finding people in secure rental accommodation, dual-income families and mortgage holders who are experiencing food insecurity sometimes going hungry, missing a meal or going whole days without eating. One lady in my electorate said she had not eaten for three days. The soaring cost of electricity is putting an extra burden on families and small businesses in my own area, most of whom were already doing it tough. This is a small sugar hit to the community. If the government were doing its job we would have an affordable cost of living so we would have this all the time.

I remember that for two years at least farmers in my area were telling me they had been forced to dip into their super to pay their soaring electricity bills and had to change what they eat and how they cook to keep bills down. Other people I have spoken to recently have taken to eating cold food so they do not have to use electricity or gas to heat it up. They are sitting in the dark at night-time and do not watch television. Having grown up in the Queensland of the 1980s and 1990s, it reminded me of the South Sea Island communities—

Honourable members interjected.

Madam DEPUTY SPEAKER (Ms Lui): Members, there is too much noise going on in the chamber.

Mr ANDREW: Reasonably priced electricity is an expectation. That is what should be provided. Let's not pretend it is just electricity costs that are skyrocketing. Rents and interest rates have skyrocketed and insurance costs have increased up to 30 per cent per year. Water costs, fuel costs—the lot, they are all skyrocketing. The fact is that Queenslanders now pay some of the highest electricity costs in the world. Thanks to the Queensland Labor government and its fast-tracked green energy policies, like some of the hydro they are putting in our area, electricity prices are not going down any time soon. If the Queensland government was serious about sorting out the cost-of-living crisis—

Honourable members interjected.

Madam DEPUTY SPEAKER: Members, can I please ask you to take your chitchat outside the chamber.

Mr ANDREW:—they would have been fighting harder on these issues every single day for the past four years, but we have not seen any of that. After all, these cost-of-living pressures did not arise overnight. Labor has had many opportunities to address the issue and has consistently failed to do so. It is a sugar hit before an election. With regard to electricity, it is about getting suppliers to deliver lower prices quickly. The critical short-term key element is to get an increased supply of wind power working towards cutting prices—not, as is the case today, cutting the supply of base load power, which then forces prices higher.

The stakes of this rebate are high, not only for the households benefiting from new policies but also politically for the Queensland government. The prospect of power outages during a cost-of-living crisis is not what you want when you are facing an already unhappy electorate. Stakeholders raised issues in relation to the broad nature of the payment, recommending that the payment be more targeted to assist vulnerable households and those facing financial hardship. That would be difficult, as firstly the government would have to identify who is and who is not facing financial hardship. That is something that could prove highly embarrassing, since I am quite sure there are far more Queenslanders in dire straits financially than anyone in the government will admit.

Stakeholders also raised concerns that the payments would worsen inflation. As a cost-push influence, this is very doubtful. The amount will hardly be noticed by most middle to high income earners, and I consider it unlikely to have an impact on their spending or inflation. Besides, the inflationary impact can only really be judged by how it was financed, and amid the massive overall increase in spending we are seeing in Queensland that is impossible to dissect. Paradoxically, the government claims its universal rebate payments will reduce inflation. To say that more spending reduces inflation seems a bit absurd to me.

Meanwhile, the Queensland government is no closer to fixing the worsening price of electricity, which just keeps pushing interest rates, rents and energy costs higher. This is all courtesy of Labor's vision for transitioning Queensland into a renewable energy superpower while pouring billions of taxpayer funds into new economy industries. According to the Treasurer, the rebates will be funded by our coal royalties, which last year amounted to some \$19 billion. Queensland is fortunate indeed to have a coal industry that allows it to be so generous to its population. It does, however, beg the question: what will future Queensland governments do?

According to a working paper by the ANU's Tax and Policy Transfer Institute, royalty revenue from coal will never be replaced by royalties from renewable energy. What would be the point of extracting royalty payments from an industry that would not even exist if it were not for massive subsidies from the government? The paper lists alternative options for other revenue-raising options which include: carbon pricing, electronic road user pricing, wider use of progressive royalties, the use of industry levies as applied to Australia's agricultural sector and the generation of revenue from government co-investments. There is a lot to unpack in all of that, but let's just say it is highly unlikely that any future state government will be nearly so willing or able to dish out billions of dollars in electricity cost rebates to future struggling Queenslanders.

Treasury also advised that the bill was introduced on 2 May 2024 to ensure funding for this cost-of-living initiative can be appropriated in a timely manner, promoting transparency for this significant expenditure. It is strange they make such a feature of promoting transparency for this significant expenditure. It is almost an admission that transparency has been missing in action when it comes to all the other billions of dollars of significant expenditure the government has taken on in recent years. The phrase 'timely manner' also raises questions.

There are two questions every Queenslander needs to ask themselves (1) what and who has caused Queensland's electricity prices to skyrocket; and (2) would the Miles Labor government be handing out \$2.2 billion worth of electricity rebates if it were not up for re-election in a few months? Apart from all that, I have no doubt Queenslanders will gladly accept the help they can get from the government at this time. Far be it from me to begrudge them receiving a helping hand, so I do not oppose the bill. I think the government can do better across the board. This is going to really hurt people in the future when it all comes home to roost. Good governance all of the time makes everything affordable, right across the board. It needs to be targeted in that respect as well.