

QUESTION ON NOTICE

No. 337

asked on 2 May 2013

MRS SCOTT ASKED THE MINISTER FOR ENERGY AND WATER SUPPLY (MINISTER McARDLE)—

QUESTION:

Will the Minister detail what discussions he or his department has had with the Minister for Communities, Child Safety and Disability Services or her department regarding the potential social impacts of a 21 per cent increase in electricity prices for vulnerable Queenslanders on tariff 11?

ANSWER:

The Queensland Government is committed to exploring all avenues for buffering the impact of electricity costs and consumption on households – especially vulnerable groups. There is regular discussion between officers from the Department of Communities, Child Safety and Disability Services (DCCSDS) and the Department of Energy and Water Supply. These Departments share responsibility for a number of concessionary and assistance schemes for vulnerable Queenslanders including the Electricity Rebate, the Home Energy Emergency Assistance Scheme and two medical assistance schemes. These schemes are designed to assist Queenslanders reduce the cost of regular household bills and access essential services.

On 29 April 2013, officials from my department met with their counterparts from DCCSDS. The significance of the price increase outlined in the Queensland Competition Authority's draft price determination for 2013-14 was discussed. The appropriate targeting of assistance measures in the electricity sector was also discussed. This meeting is just an example of the ongoing discussion between our Departments that has occurred over the past year through an inter-departmental working group.

There is now an opportunity to develop and deliver long-term solutions to reduce the cost of electricity for Queenslanders. Addressing rising electricity costs is the key focus of electricity sector reform. The Inter-Departmental Committee (IDC) on Electricity Sector Reform was appointed to undertake a comprehensive review of the sector and provide recommendations to Government.

The IDC on Electricity Sector reform is due to deliver its recommendations to Government by mid-2013, and these findings will underpin a 30 Year Electricity Strategy (Strategy) for Queensland's electricity sector. A Discussion Paper on the Strategy is due to be released for public consultation in mid-2013. The Strategy will examine ways to achieve benefits in both the short-term and long-term for low income and vulnerable consumers in the Queensland energy market.

The Government not only welcomes suggestions and debate regarding concessions as part of its commitment to alleviating cost-of-living pressures in Queensland, but actively pursues this through the Consumer and Industry Reference Group. At these meetings, I engage directly with industry representatives and consumer-based organisations on retail and consumer related issues.