

31 May 2013

# MEDIA RELEASE

## Newman Government must take responsibility for massive 22.6% electricity price increase.

Today the Newman LNP Government fails to deliver on a key election commitment to protect Queensland from cost of living pressures and electricity price increases.

The announcement by the Queensland Competition Authority (QCA) of a 22.6 percent increase to take effect on 1 July 2013 in only a month's time represents a gross breach of trust between the Government and Queensland communities.

The Services Union Acting Secretary Jennifer Thomas said "Our union members are in a state of absolute shock at the size of the increase. Many workers and families will simply not be able to cope with this enormous increase. We are wondering how Campbell Newman has let this happen. Queensland has been let down badly by the LNP Government."

"The QCA published a draft price increase on 22 March 2013, so the Government has had plenty of time to avoid this increase. There were multiple options at its disposal to protect consumers such as changing the way prices are calculated or provided financial assistance and rebates directly to consumers to offset the increase."

"Instead it has chosen to do nothing and stand by and watch as consumers take the full brunt. To add insult to injury this mean spirited Government is actually cutting planned electricity rebates from next week's budget." said Ms Thomas.

Predictably the LNP refuses to accept any responsibility and has attempted to lay the blame for the increase on the carbon tax and green schemes, but these factors were well known prior to the last election when the LNP had all the answers and promised to address cost of living issues.

The Government cannot pass the buck on power pricing, particularly when the Queensland Electricity Act\* is explicit in giving the Energy Minister the power to set electricity prices. In fact, the Government used this power last year when the Minister used that power to freeze residential electricity prices for 12 months up to 30 June 2013.

"This the real reason we are seeing such a large increase in 2013 because we are effectively having two years worth of increases at once" said Ms Thomas.

"It almost seems impossible for the Government to have gotten power pricing more wrong, but the reality is it will probably get even worse in the future. LNP plans to sell our electricity generators, outsource network maintenance and allow private sector firms to buy equity in public power companies like Energex and Ergon will only drive prices up even further and lower reliability and safety."

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ABN 13 540 483 194

TRADING AS  
THE SERVICES UNION

SECRETARY:  
Kathrine Nelson  
ASSISTANT SECRETARY:  
Jennifer Thomas

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\* Extract Queensland Electricity Act (1994)

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Deciding prices for non-market customers

(1) *The Minister must, for each tariff year, decide (a price determination) the prices, or the methodology for fixing the prices, that a retail entity may charge its non-market customers...cont.*

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