

## **BILLS**

### **Competition and Consumer Amendment (Australian Energy Regulator Separation) Bill 2024**

#### **Second Reading**

Mr TED O'BRIEN (Fairfax) (18:41): Context counts. Right now, Australia is amidst an energy crisis. As a result, the Australian people are becoming poorer, the Australian economy is becoming weaker and, as a country, we are becoming increasingly dependent on foreign powers when it comes to our energy security. This is important when we are discussing the Competition and Consumer Amendment (Australian Energy Regulator Separation) Bill 2024, which is before the House. Its purpose is to separate the Australian Energy Regulator from the ACCC.

On prices, let us not forget that Australians are right now paying among the highest prices in the world. They were promised a \$275 reduction in their household power bills by the Albanese government, but they are paying up to \$1,000 more than they were promised. Every single week since this government has been in power, we have had an additional 600 families go to their energy retailers and sign up for hardship arrangements. This is how bad it is right now due to energy prices. We have also seen almost 25,000 companies go insolvent—businesses having to close their doors—and one of the reasons that are driving their insolvencies is the cost of energy. We have seen an enormous drop, of about 6.4 per cent, in productivity in this country, again, in part, driven by the exorbitant cost of energy. Prices just keep going up. This is part of the context in which this bill is put before the parliament.

Then we look at the issue of reliability. The Albanese government promised a secure electricity grid and supply of resources for industry, but what we have is ongoing warnings, including in the last few days, from the Australian Energy Market Operator, saying that we are looking at looming blackouts. Indeed, today we have blackouts. In Wagga Wagga, there are about 6,000 households today where electricity's gone out. There are blackouts. This is the condition of the electricity grid today. This is part of the context in which this bill is being debated in this parliament.

It's only going to get worse. We found out only 2½ weeks ago, from the independent analysis by Frontier Economics, that the government's purported electricity grid transformation to net zero is actually going to cost five times as much as the minister had been telling the Australian people. He'd said it was going to cost \$122 billion. It's going to cost \$642 billion. That's a \$500 billion black hole. Things are only going to get worse and more expensive. At the same time, this government says that it plans to close 90 per cent of baseload power in this country within the next 10 years. At the very same time, they are suffocating the supply of gas. At the very same time, we see stalling investment in renewables and we wonder why the grid is unreliable. We wonder why industry is screaming out for energy. This is part of the context for this bill.

Then you look at emissions. By the end of the week, we'll find out the trajectory of emissions and what's really happened, but the minister has already confirmed that they're not going to reach their 43 per cent target by 2030. We knew that last year and we knew that the year before. Already we've had the minister come in and legislate in this parliament—embed in law—a target they cannot meet. They've had 2½ years, and still to this day, even their rosier scenario of achieving everything they possibly wanted from all of their new policies they've sprinkled on the Australian people without a mandate, they will not achieve their 43 per cent emissions reduction target. This is part of the context of the bill we speak about today.

Why this context counts is because we are in the final sitting of parliament for this year. We do not know if indeed this is the final sitting of the parliament in this term of government. Amidst an energy crisis—where literally the lights are out, prices are soaring and regional Australians are crying because they feel as though they have been treated with reckless indifference through a rollout of utility-scale infrastructure without any social licence—this government's decision is to table one piece of legislation in this portfolio. Does this legislation go to prices? No. Reliability? No, not that either. Emissions reductions, maybe? No. How about social licence? No. All of the most pressing priorities of this portfolio are completely ignored by the one piece of legislation this government decides to table in the parliament in the final sitting of the year—possibly the final sitting in its term of government. Instead it goes to a matter of bureaucratic restructuring, an organisational restructure to separate the Australian Energy Regulator from the ACCC. This is not the priority.

You say to the people of Wagga Wagga today, who are in the dark, that the federal government is in here talking about a restructure of a part of the Public Service, implying that's the priority. Do the Albanese government not question why they are getting feedback from major independent think tanks and pollsters that they're not focusing on the priorities that are important to the Australian people? This is a perfect example of why the Australian people are looking at the Albanese government and saying, 'Things are tougher now than they were a few years ago, and this government is not tackling the real issues in the real economy, in real households and in real businesses.'

One may well argue that there are logical merits to the bill that the government has put on the table here in this parliament, but this bill goes to an organisational restructure. This week, the minister himself put out a media release announcing:

The Albanese Government has commenced a review into how Australia's largest electricity grid and market will operate in the coming decades ...

Let's think about this. The responsible minister has just announced a full review of the electricity market. Anybody who has had any experience whatsoever in doing reviews of markets and of businesses knows full well that there's a rule: structure follows strategy, and the strategy comes from such reviews. So, if indeed the minister is appointing this panel to do a review on the National Electricity Market—the NEM—that review would be saying, 'Here's how the NEM

needs to work in the future.' In order to execute a strategy to deliver that future vision, you need an organisational structure. The organisational structure is meant to be established to enable that plan. But this minister is doing it the other way around. The minister is now wanting to restructure the Public Service to deliver on a future market design when he doesn't even know what it looks like yet. He is doing it the wrong way around. You do not have structure leading strategy unless you are a big government and your mindset is just entirely focused on the ins and outs and minutiae of Public Service bureaucracy in big government. Maybe that is a hint as to why we have such a problem when it comes to our energy system.

And so I am here to confirm that the coalition will be opposing the amendments to this bill, and we do so asking this government to think very clearly about what is happening in the real Australia and what is happening in households, in businesses and in regional Australia. Their focus should be on taking urgent action to help those in need and fix a crisis of their making, not restructuring a part of bureaucracy. On the extent to which such restructuring might be necessary, get your plan, vision and review done. Do any restructuring based on what the future design is, not the other way around.

Debate adjourned.