



HOUSE OF ASSEMBLY

QUESTION TIME

TUESDAY 08TH AUGUST 2017

ELECTRICITY PRICES

Mr PEDERICK (Hammond) (14:33): A supplementary to the Minister for Regional Development: what modelling has the Minister for Regional Development commissioned on the impacts of exorbitant power price increases on regional businesses like Golden North?

The Hon. A. KOUTSANTONIS (West Torrens—Treasurer, Minister for Finance, Minister for State Development, Minister for Mineral Resources and Energy) (14:33): It is obvious that those types of price increases are unacceptable. It is obvious to anyone that that type of price increase hurts business. That's why all the states, including the Prime Minister, commissioned Dr Finkel to lower power prices. That's why all the states awaited his report for a national response. That's why all the states want to see all 50 recommendations implemented but, unfortunately for us, the conservatives in the commonwealth government will not allow it to occur, so we have to wait. We have to wait until 2020.

So while you are complaining about Golden North and the impacts, or any other business in South Australia, perhaps, just perhaps, you should speak to your commonwealth colleagues about implementing the recommendations of their own report that says the only way to lower prices is by having a market mechanism and, when you have that market mechanism in place, you will get better outcomes.

In the absence of a national market mechanism, we will bring in our energy security target, which is a price mechanism to get more generation into the market. What has been the outcome? AGL announced new generation, despite members opposite saying they wouldn't, and they did. As soon as we mentioned the energy security target, what did we get by the largest retailer? Brand-new investment in new generation.