

## Scott Morrison waves ‘big stick’ at energy giants in Queensland



PM Scott Morrison in Question Time in the House of Representatives in Parliament House in Canberra. Picture: Kym Smith

Ben Packham, Political Reporter, 6:40PM December 5, 2018

Scott Morrison has warned state-owned electricity companies could be among the first targets of his “big stick” divestment powers, particularly those in Queensland where he accused Premier Anastacia Palaszczuk of “dividend stripping” from power companies to prop up the state’s budget.

The government’s proposed legislation to allow the breakup of big power companies for market manipulation looks set to pass the House of Representatives, after four key crossbench MPs sided with the government tonight in repeated votes as Labor attempted to stifle debate on the bill.

Independent MPs Bob Katter and Andrew Wilkie declared they would back the bill in the lower house, while crossbenchers Cathie McGowan and Rebekha Sharkie also appeared set to give their support after backing the government to bring on debate on the energy laws.

The bill also stands a chance of winning support in the Senate, but the government will face demands for the forced divestment powers to be extended to other sectors, including the food and grocery market, under proposed amendments by South Australia’s Centre Alliance senators.

Amid growing business anger over the powers, which energy companies warned could be unconstitutional, the Prime Minister declared his “big stick” would also be used to bring state-owned power companies to heel.

He singled out Queensland for its “gouging” of customers, warning the government could force the breakup of big state power companies into smaller state-owned competitors. “As the Queensland government has been dividend stripping out of the Queensland electricity industry to prop up their financial mismanagement, do you know who’s been paying for it? Queenslanders. “They’ve been jacking up power prices to strip that money away from mums and dads and pensioners and small businesses and family businesses.”

Nationals’ Keith Pitt backed the threat, saying the powers should immediately be used against Queensland generators. “Get the big stick out and point it straight at Premier Anastacia Palaszczuk and the Queensland Labor government,” he said.

Ms Palaszczuk hit back declaring: “If he wants to start a war with Queensland well he’s got one because we are not selling our assets.” Queensland Opposition Leader Deb Frecklington warned the federal government against the possibility of energy privatisation.

“The people of Queensland have spoken in relation to the sale of assets and there is no appetite for that,” she said.

But Treasurer Josh Frydenberg said the government would not use the “big stick” to privatise state assets. “Where there are government-owned assets and if you went to the last resort, which was a divestment, that would be into another government entity that could compete,” he said.

Centre Alliance Senator Rex Patrick said if the powers were available to fight market manipulation by power companies, they should be available in other sectors.

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