

## Legislative Council

Thursday, 9 June 2011, Page 3092

### ELECTRICITY (MISCELLANEOUS) AMENDMENT BILL

**The Hon. A. BRESSINGTON** (12:42):

I rise to indicate my position on the Electricity (Miscellaneous) Amendment Bill, which was introduced in this place by the minister on the Thursday of the last sitting week of parliament. Like other members, in that time I have attended a briefing provided by the government and the forum hosted by the Hon. Mark Parnell at which the solar industry, the Clean Energy Council and the South Australian Council of Social Service was represented. At the outset, I would like to thank the minister and the honourable member for providing those opportunities to us.

The government briefing made plain the liability that the solar feed-in scheme has created for South Australians, a liability that, regardless of this bill, will continue to be borne by electricity consumers until 2028—some 17 years from now. I admit that I am partly responsible for that, because, along with the Liberal Party, on the information available at the time I voted in favour of the Hon. Mark Parnell's amendment to the bill establishing the scheme to extend the tariff for 20 years rather than the five years proposed by the government.

A key to that decision, at least, for me, was the expense at the time of PV units, the forecast limited uptake, the notion of a fair return on investment for those who did participate and the length of time that it would take for them to make some of that money back. After all, we are all being asked to provide an incentive for those in a position to cover the initial capital cost to do so. However, as we have seen, each element I relied on in coming to the decision to support those amendments was proven to be undermined by the significant capital subsidies and parallel incentives provided by the federal government.

This assistance to consumers, in addition to the falling purchase price of PV units, saw the rapid uptake of PV to the point where we are now facing well over 100 megawatts installed by the end of September this year, just over three years on from the scheme's commencement. This has, of course, led to consumers being financially unable or, for whatever reason, unwilling to install solar panels to cover the ever-burgeoning expense of the scheme and each power bill.

The cost of the scheme does not come from consolidated revenue—something I do not believe the majority of South Australians are aware of—but is burdened directly by electricity consumers, a solid percentage of which are residential premises. It was never at the cost to this government's revenue that the Premier was able to gloat to the former Californian governor, Arnold Schwarzenegger, former US vice-president, Al Gore, and renowned environmentalist, David Suzuki, amongst other climate warriors.

As a result, we have now seen the solar industry placed in a situation of boom and bust. I was interested to hear comments made the other day by one of the government members—I think it was the Hon. Paul Holloway—that it is a boom or bust situation and we just have to accept that this is the way things go. I have said before in this place that there are alternatives and there are better ways of doing things than literally breaking industries. We are going to see 1,500 jobs at stake if this goes ahead as the government is proposing.

I have seen the amendments of the Hon. Mark Parnell, and they do seem to tick all the boxes, but, like the Hon. Rob Lucas said yesterday in here on this bill, we are not experts and we do not really know. I am all in favour of all aspects of this being sent to ESCOSA for a review and for a written report to be handed back to this parliament of their findings on both the government bill and the amendments of the Hon. Mark Parnell.

I think we made a mistake in the first round. We have disadvantaged a lot of people and we need to make sure that, for the next round, we are all completely well informed and that we are making informed decisions on behalf of the people of this state. In saying that, I make my position clear that I would be one of the members who would support this being referred to ESCOSA. I would then be prepared to make decisions on how we move forward with this.

Debate adjourned on motion of Hon. C. Zollo.