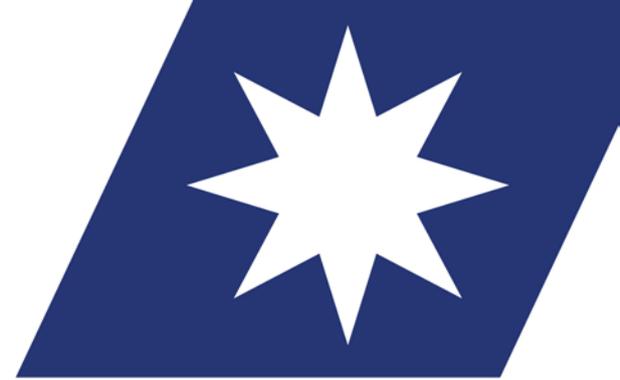


BOB KATTER

Katter's Australian Party

Federal Member for Kennedy



MEDIA RELEASE

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Katter moves divestment amendment preventing privatisation

To prevent state owned energy asset privatisation KAP Federal Leader and Member for Kennedy, Bob Katter today circulated an amendment to the *Treasury Laws Amendment (Prohibiting Energy Market Misconduct) Bill 2018* (The Divestment Bill) which ensures Government owned electricity assets cannot be privatised, forbidding the sale of any electricity assets to anyone except another State or Commonwealth owned utility. George Christensen MP agreed to second this amendment.

Mr Katter said this has opened the way for a protected path to 'cost only' electricity, as it used to be before privatisation took over the industry.

"Negotiations with the Treasurer has resulted in the Government enthusiastically embracing protection from state owned asset privatisation. For the first time ever no privatisation is possible as a result of the amendment.

"When the Governments of Australia agreed to privatisation and deregulation, within a short few years effectively four people owned the entire electricity industry of Australia (China's ownership appears to be between 35% and 62%) with only four people controlling the market they don't compete against each other - they compete with each other.

"So while it may have touched off a race to the bottom for their employees' pay, it also touched off a race to the top for their profiteering and CEO salaries. The price of electricity had remained at \$670pa per household for 11 years. By 2002 privatisation (or corporatisation) was completed and over the next 11 years the price exploded from around \$700 to \$2400 per household. The old saying is free markets mean - *'free to mark-it up to whatever you feel like'*.

"I thank the Treasurer and I thank George Christensen for playing a key role in this amendment. We wish the Government well in their endeavours to create a proper competitive market place. There needs to be 12 or 15 competitors in each of the 3 components of the industry – generation, transmission and reticulation. I doubt if the government will be able to achieve this, but at least they're trying, the government must be applauded for showing some real sanity, living in the real world instead of the fantasy land of free market ideology.

"The KAP political party I belong to, is determined to seize the balance of power, and all profit and so called 'returns on invested capital' will be abolished, price of electricity will go back to where it's always been - operating costs, maintenance and replacement. This was a system for 90 years in Qld that gave us the cheapest electricity prices in the world and we are determined that we will be returning to those prices.

The Divestment Bill and Mr Katter's amendment protecting state owned assets from privatisation will be debated when Parliament returns in the new year. -ENDS-

For more information or a comment from Bob Katter, please contact the media phone: 0418 840 243

