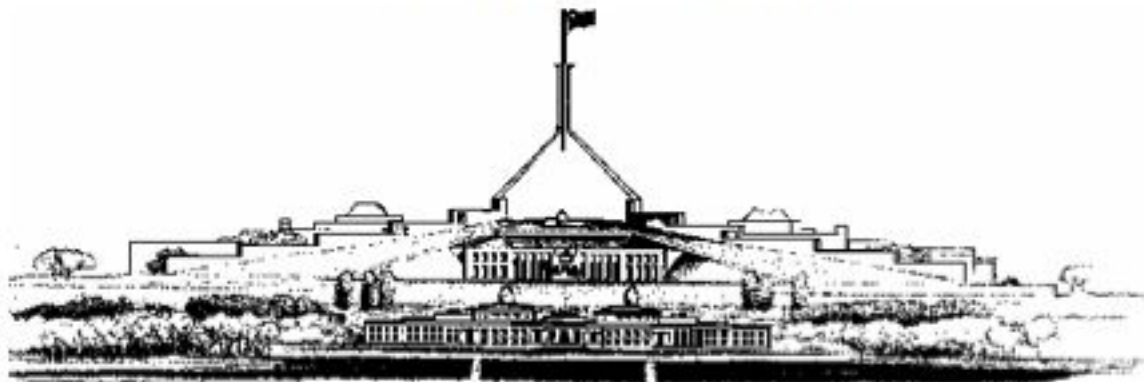




COMMONWEALTH OF AUSTRALIA

PARLIAMENTARY DEBATES



HOUSE OF REPRESENTATIVES

PROOF

**RENEWABLE ENERGY (ELECTRICITY)
AMENDMENT BILL 2009**

**RENEWABLE ENERGY (ELECTRICITY)
(CHARGE) AMENDMENT BILL 2009**

Second Reading

SPEECH

Monday, 17 August 2009

BY AUTHORITY OF THE HOUSE OF REPRESENTATIVES

SPEECH

Date Monday, 17 August 2009
Page 14
Questioner
Speaker Thomson, Kelvin, MP

Source House
Proof Yes
Responder
Question No.

Mr KELVIN THOMSON (Wills) (1.37 pm)—I was rather surprised by the contribution from the member for Groom, as last week we had the Leader of the Opposition saying that the Labor government must decouple the Carbon Pollution Reduction Scheme from the renewable energy legislation and ensure that the renewable energy legislation is passed so that renewable energy projects are able to proceed. The member for Groom is foreshadowing amendments to the renewable energy legislation now that it is here. People in the renewable energy sector and people in the community, who are interested in these things, will be very troubled by this. If it is the case that the opposition proposes to insist on these amendments in the Senate, we have the risk that the renewable energy legislation will be delayed and those renewable energy projects, which we would like to see get up and running as soon as possible, will also be postponed.

The Renewable Energy (Electricity) Amendment Bill 2009 and the Renewable Energy (Electricity) (Charge) Amendment Bill 2009 implement a key climate change election commitment from the Labor government. We said that if a Labor government were elected we would lift the share of renewable energy in this country to 20 per cent by the year 2020 from around 10 per cent where it languished during the period of the Howard government. It is regrettable that Australia, going back 20 years and more, had a very promising renewable energy industry but, during the course of the last couple of decades, that renewable energy industry has languished. Implementing our election commitment is going to drive the renewable energy industry in this country and make it the part of Australia's future that it needs to be.

Our legislation will bring the mandatory renewable energy target and the state and territory schemes into the one national scheme. That of course avoids the inefficiencies and the administration and compliance costs of having multiple schemes operate around the nation. Most importantly, it helps answer the question: how are we going to tackle climate change while maintaining our standard of living and maintaining economic prosperity? There are a number of answers to this question, but a critical answer is moving to renewable energy. We need to meet our energy needs with technologies such as solar energy, wind energy and geothermal energy, which meet our energy needs without putting the carbon, which is heating up the

planet, into the atmosphere. I have long advocated an increase in the renewable energy target and I am delighted to see this legislation being debated in the House today.

People who claim that action on climate change will cost jobs keep forgetting that renewable energy will create jobs, especially in regional Australia. I point out to the House that there are a number of renewable energy projects in each state just waiting for this legislation to be carried. For example, there is the Collgar wind farm in Western Australia, the Waterloo wind farm in South Australia, the Musselroe wind farm in Tasmania, the Macarthur wind farm in Victoria and also the Solar Systems north-east Victoria project. In New South Wales there are the Crookwell and Silverton wind farms, and many other renewable energy projects around Australia are just waiting for this legislation to pass.

In the absence of this legislation we have seen renewable energy investments going elsewhere. California has 250 megawatts of PV panels being installed on six million square metres of industrial roof space in a billion dollar initiative announced in March 2008. I note that in May this year Pacific Hydro announced a deal for construction of 111 megawatts of hydropower in Chile, essentially using Australian superannuation fund money through industry funds management. I hope with this legislation passing that that kind of investment will be going on and driving an increase in renewable energy in this country.

I understand that this target will drive around \$19 billion in renewable energy investment in the period to 2020, accelerating the deployment of a broad range of renewable energy technologies. It will facilitate industry development, create green-collar jobs and build the kinds of industries that we need for a faster more appropriate response to climate change. It will create the low-pollution jobs of the future in solar energy and wind farms and jobs using new technologies like geothermal energy.

Treasury modelling released last year shows that the renewable energy target along with the Carbon Pollution Reduction Scheme will see the renewable energy sector grow to 30 times its current size by 2050, creating thousands of new jobs. If we do not act, Australia's economy will be left behind and we will not create the low-pollution jobs of the future. We do have

strong natural advantages in areas like solar power and wind power; we have great opportunities for growth in green industries. I strongly support this legislation and I commend the bills to the House.