



Speech by

**Mr ROB MITCHELL**

**MEMBER FOR CHARTERS TOWERS**

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Hansard 22 October 1998

**APPROPRIATION (PARLIAMENT) BILL APPROPRIATION BILL**

**Committee (Cognate Debate)**

**Estimates Committee E**

**Report**

**Mr MITCHELL** (Charters Towers—NPA) (12.29 p.m.): I rise to address the report of Estimates Committee E, particularly the section of Estimates devoted to the 1998-99 budget for the Department of Mines and Energy. All members of this Chamber should agree that the former Borbidge Government did indeed produce an excellent and widely acclaimed Budget for the 1998-99 fiscal year. It was so good that in most instances the current minority Labor Government has reproduced it.

One has to wonder why it took the Beattie administration three entire months to plagiarise the coalition's Budget—a three-month Budget freeze of huge proportions. The Budget was not plagiarised in its entirety. In actual fact, during those three months the minority Labor Government made some significant and highly questionable changes to the coalition Budget. Mines and Energy is one portfolio in which the Minister and his Cabinet colleagues fiddled with the books, and the Estimates process enable this fiddling to be highlighted.

Undoubtedly the most questionable change uncovered by the coalition was the Beattie administration's interference in the electricity market. A ministerial direction issued jointly by the Minister and the Treasurer was aimed at slowing down the Callide C project in favour of other projects. In fact, the committee's discussion on Callide C, the presentation of the budget forecasts for this project and the responses to the questions taken on notice during the Estimates led the coalition members to the conclusion that the Minister sought to mislead the committee as to the Government's actions and intentions towards this project. There has been such inconsistency between the Budget papers, Mr Jardine's response and the replies to the questions on notice that non-Government members can have no faith in the veracity of this budget.

Further, the Minister could not recall issuing the directive to CS Energy and could not give a definitive answer as to whether he had issued a directive at all. In fact he still cannot, and nor can the Treasurer. Given the requirements of the Government Owned Corporations Act 1993 and the significance normally associated with a ministerial directive, this reply was and is extraordinary.

The folly of the ALP Government's claim that it would reamalgamate the electricity industry has also been revealed. The Minister claimed to support both the establishment of a competitive electricity market and the reamalgamation of the industry. He cannot have it both ways, and the ACCC has recently advised that the ALP's claims have now been exposed as the cheap political stunt they always have been. The Minister misled the committee by implying that the coalition supported the closure of district departmental offices, and the budget documents contained no detailed costings of the relocation of the regional departmental office from Townsville to Mount Isa.

During the Estimates hearing it was also made plainly obvious that the minority Labor Government is taking little if any action to progress the Century Zinc project, despite significant delays in relation to the provision of power and restricted access to the mine site because of delays over the construction of the Gregory River bridge. The minority Labor Government's Budget has denied the people of the Boulia and Barcoo Shires access to the remote area electricity supply trial. \$5m was

provided in the Borbidge Government's Budget. An inadequate \$1m has now been provided for the trial. There has been no planning as to exactly what the trial will involve and where it will be used.

It has also become apparent that there has been no meaningful contact with the Federal Government at any level by the Department of Mines and Energy or the fly-in, fly-out task force. Given the importance of taxation policy to the fly-in, fly-out practice, the lack of contact indicates that the task force will operate in isolation, limiting the Government's ability to address the problems associated with the fly-in, fly-out policy.

I thank my committee colleagues and the chairman, the member for Mackay. I thank the Minister and all the public servants. There was a good roll-up of public servants in the areas of Mines and Energy and Health. I thank the staff of the parliamentary committee office, who ably assisted the committee and put the report together, and all those who contributed to the Estimates hearing.

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