



Speech by

**Hon. T. McGRADY**

**MEMBER FOR MOUNT ISA**

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Hansard 22 October 1998

**APPROPRIATION (PARLIAMENT) BILL APPROPRIATION BILL**

**Committee (Cognate Debate)**

**Estimates Committee E**

**Report**

**Hon. T. McGRADY** (Mount Isa—ALP) (Minister for Mines and Energy and Minister Assisting the Deputy Premier on Regional Development) (12.34 p.m.): I am pleased to be able to participate in the debate this afternoon. I will mention a couple of issues raised during the Estimates process.

Some criticism was levelled at me for being slow in setting up the fly-in, fly-out task force and for the fact that we had not involved the Federal Government. In Opposition I was forever and constantly calling upon the former Minister and the former Government to do something about the mining industry and to see what we could do to get the key players in this industry together to work out some strategy to defend the industry against the downturn in the Asian economy. That Minister and that Government refused on every single occasion. Within weeks of the Beattie Labor Government coming to office, a task force was convened in Moranbah.

I note some of the claims made by the shadow Minister. I inform the shadow Minister that, when in Government, his Minister and his Premier had a stance on the fly-in, fly-out practice. That was that the decisions of the mining companies were commercial decisions and as such the Government had no role, nor did it propose to take any role in trying to change the views of the mining community. In fact, the former Minister made a comment that the days of the Mount Isas and the Dysarts of this world are over—they have gone; they are finished.

I inform the House today that a task force will be established. I will be making some announcements regarding this issue in Mount Isa on Sunday or Monday. I am sure the shadow Minister will come out in a blaze of glory and support the initiatives of this Government.

I refer again to the comments of the shadow Minister about the Boulia scheme. I have had the opportunity on two occasions this week to rebut comments made by the shadow Minister. I put the facts on the table. The shadow Minister and some of his colleagues have been requesting that the \$5m the former Government had in its proposed Budget should have remained and that I should have continued the scheme.

There are 1,700 properties in Queensland which should qualify for some assistance with regard to grid power. I have been getting constant requests from Boulia and Barcoo. I had a meeting yesterday with the Mayor and the chief executive officer of Boulia Shire. They understood the situation. The taxpayer contribution towards such a scheme would be \$94m. The previous Minister placed \$5m in the coalition's Budget. There was nothing in recurrent funding.

When I asked the department, "What is this \$5m?", the response was, "Tom made some sort of a promise." I said, "What's happening next year? What do I do with \$5m when the scheme is going to cost \$94m?" We have left \$1m there. We have set up an Office of Sustainable Energy. If people in this Parliament think that I am going to start playing games or lead the 1,700 potential customers up the garden path by making these promises, they are wrong. I do not work that way.

This is one of the things the new Office of Sustainable Energy will look at. The people out there in voter land are sick and tired of the slick politicians who promise the earth five weeks before election

day and then say that, when the figures are studied, there are no dollars in the bin. There was to have been \$5m this year, nothing next year and nothing the year after.

Time expired.

**Mr SLACK** (Burnett—NPA) (12.40 p.m.): In relation to the Mines and Energy portfolio, I wish to refer to some points that were made by the Minister during this debate on the Estimates committee's report. One aspect that I found very disturbing was the Minister's admission of a lack of policy in relation to incentives for the provision of power in this State. The Minister referred to that again this morning when he answered a question about major project development in this State. If the Government is to maintain that line without any policy in this direction, obviously that is going to throw uncertainty on major projects for power generation within this State.

I ask the Government to address this problem as a matter of urgency, because we cannot have a situation in which the success of a proposal—whether or not the Government is going to support it—will depend on who comes through the door and what proposition is put forward. In a commercial market where would that leave the individual private companies which will be providing the power for this State in the future? There is no doubt in my mind that the Minister has left in the minds of power generating companies a position of uncertainty for the future which needs to be addressed.

Obviously, jobs and reliable power supplies in this State are interdependent; jobs are dependent upon industry developing, and that is dependent upon reliable power and the provision of power at a reasonable cost. Unfortunately, under the Goss Government we started to lag behind the other States in relation to the cost of power to industry. That needs to be urgently addressed by this Government.

Another point that the Minister raised at the Estimates committee hearing related to the possible sale of the power generating providers within this State. The Minister made allegations that the previous Government was thinking of selling AUSTA and the power generating providers. I make the point that we had not discussed that in Cabinet. We did not select a chairman of a committee with that in mind. We looked for the independent provision of advice to our Cabinet and to ourselves on the future of the industry in this State.

The Budget brought down by this Government contains an increase in the provision for capital expenditure and an increase in some areas of recurrent expenditure. This Labor Party Government is locking itself into a position whereby, at some time in the future, it will probably have to think seriously about selling additional assets. In addition to what the former Government was going to privatise in the marketplace, this Government is proposing to sell off more of Suncorp-Metway than we had proposed to sell. That will inject more funds into the system. The Government is also proposing to sell the Government's shareholding in the Bank of Queensland in the not-too-distant future.

There is an inconsistency in all this. I have read in the newspapers that the Government is selling down all the shares of Suncorp-Metway. It defends that on the basis that it is not going to make any difference to Suncorp-Metway's headquarters—wherever they may be. Yet I understand that the Government is going to retain 10% to 15% of the Bank of Queensland because it wants its headquarters to stay here. So there is definitely a degree of hypocrisy in the arguments that are being advanced.

At the end of the day, when the Government's private investments are being sold to private industry, at some time in the future this Government will be looking for the money to maintain the level of expenditure that is going to result from the sale of those Government assets. I would like to hear from the Minister where that money is going to come from in the future because, to me, that is inconsistent with the Government's commitment not to privatise. At the end of the day, it cannot have the extra services or the extra capital expenditure, and it cannot maintain them, without increasing taxes or further privatisation.

Time expired.

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