



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

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MINISTERIAL STATEMENT

National Competition Policy

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (9.42 a.m.), by leave: On numerous occasions the Premier and I have outlined this Government's concerns about the direction Australia is taking with the implementation of the National Competition Policy. We have repeatedly expressed our concern about the National Competition Council's reluctance to accept the rigorous application of the public benefit test, and the NCC's trenchant stance on community service obligations. In short, this Government is not prepared to sacrifice our communities— particularly in regional Queensland—at the altar of scorched-earth economic rationalism.

I am now pleased to advise the House that Queensland is leading the fight to neutralise the excesses of competition policy. At a meeting of State and Territory leaders in Canberra last Thursday, the Premier and I successfully urged the creation of a working group to begin the process of reviewing the Competition Principles Agreement, which is due by April 2000. All the leaders agreed on the need to conduct a thorough review, and Queensland, New South Wales and South Australia have been appointed to prepare a paper for consideration at the next Leaders Forum in Sydney in July.

Queensland will be pursuing a number of ideas about how to bring an unbridled National Competition Policy back under control. One key aim is the abolition of the National Competition Council. In its place, we intend to establish a secretariat, funded jointly by the States and operating under the Office of the Prime Minister and Cabinet. This secretariat will be answerable to the Council of Australian Governments, COAG. This will bring the oversight of competition reform back where it belongs: under the umbrella of a truly representative body, rather than an omnipotent and unaccountable Star Chamber.

As it stands now, the National Competition Council appears determined to run an agenda of competition at all costs. In Canberra last week, the Premier and I drew the attention of other leaders to the guidelines document—this one here—for the legislation review process recently released by the NCC. It reads like a how-to guide for economic reform zealots. For example, in a section on obstacles to implementation, a poor quality review is defined as one that has "no clear evidence for the need to change". This is an outrage.

According to the NCC, if a review does not find evidence that supports deregulation, it is not a good quality review. Their answer to overcoming the obstacle where the case for change is not proven is to do another review. Given this stance, one can only presume that the NCC does not even contemplate the possibility that the reason a review finds that there is no evidence of the need for change is that there may actually be no need for that change.

We need to look closely at the absolutism of the current principles. At the moment, the reform zealots have reversed the onus of proof. They have put in place a presumption of guilt, so that the onus of proof is now on existing industries to defend their current arrangements. We are already beginning to see that deregulation does not always produce lower prices for consumers. There has to be a clear demonstration that competitive reform will truly yield a net benefit, and no significant detriment, to the community.

I will be urging the other States to do what Queensland is already doing in making the public benefit test a more meaningful analysis of community impact on the ground. People and plain commonsense must come before rigid economic models.