



Speech by

Dr DAVID WATSON

MEMBER FOR MOGGILL

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CAPITAL WORKS EXPENDITURE

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (12.09 p.m.): Its contempt for this House and the taxpayers of Queensland has been demonstrated once again by the Labor Government and the 12 Ministers of Mr Beattie's Cabinet who have misled this House. On 3 March 1999, my shadow Cabinet colleagues and I submitted a number of questions on notice to all members of the Beattie Cabinet that were designed to ascertain the true state of play on capital works expenditure and job creation. We asked for the estimated quarterly capital expenditure forecasts, the actual monthly expenditure figures and, finally, the associated person-hours of employment generated from the said capital expenditure. However, instead of getting the answers expected from the Premier and his Cabinet, which espouses open and accountable Government, the Opposition received 12 responses that stated, "Detailed information of person-hours impacts for Capital Works Projects is impossible to calculate." What I personally found astounding in this response were the words "impossible to calculate".

I turn my attention to the Treasurer's Budget Speech from last year in which he informed the House that the Beattie Government's Capital Works Program would fund approximately 65,000 jobs. How does he know that? How did he calculate it? The Treasurer used the generally accepted formula within Government to calculate person-weeks of employment. As a rough rule of thumb, that works out at approximately \$1,400 of capital works expenditure to one person-week of employment. It does not take a Rhodes scholar to do the simple mathematics to multiply person-weeks of employment by the industry standard of 38 working hours per week to derive person-hours of employment.

I turn now to a specific response by the Minister for Health, in which she stated—

"Detailed information of person-hours impacts for Capital Works Projects is impossible to calculate. However, the Queensland Health Capital Works Program will create 9,000 jobs."

Again, how would the Minister know that unless there existed some sort of calculation or formula?

More interesting than the response of the Minister for Health was that of the Education Minister, Mr Wells. The Education Minister toed the line and gave the now infamous "impossible to calculate" response. However, as the Opposition has proved this morning during question time, there exists within Education Queensland a simple formula to calculate person-weeks of employment from capital expenditure. This formula was used by the department in its preparation of the Government's 1998-99 Budget. I know that you, Mr Deputy Speaker, will be particularly interested in this, because it will have an impact down the line.

When one looks at this document, one sees quite clearly the total capital works outlay for the 1998-99 year. Then one sees that the document gives a figure less the value of non-employment generating outlays to leave the value of employment-generating capital outlays. That is clearly shown in the Education Department's budget documents. Of course, it then uses that calculation of \$1,400 per week to generate the number of person-weeks. Therefore, it is quite simple to go from the number of person-weeks multiplied by 38, the standard number of hours in an award week, to reach the calculation of person-hours. It is interesting that in the documentation, a footnote to the figure of \$1,400 states—

"The default amount has been entered and will need to be changed if it is different to that of the Department."

It is quite clear that there is an accepted way of moving from capital works to employment weeks and, of course, to employment person-hours. If an award was to be presented to the Minister who provided the best "impossible to calculate" claim while having the most examples of such calculations on the public record, it would have to go to the Minister for Public Works and Minister for Housing. I refer the Minister to the ministerial statement that he delivered in this House in March, in which he stated—

"Approval has been given to 103 tenders for capital works projects worth more than \$144m. This translates to more than 100,000 weeks of employment—the equivalent of 2,090 full-time jobs."

Again, how can the Minister calculate the person-weeks of employment generated from the capital works expenditure associated with 103 approved tenders, but be incapable of multiplying the person-weeks of employment by 38 to determine the person-hours of employment generated? How can he translate 100,000 weeks of employment to the equivalent of 2,090 full-time jobs if he does not have a formula to do the calculation? Being the understanding person that I am, I was prepared to allow this little oversight by the Minister to go——

Mr Gibbs: Very sporting of you.

Dr WATSON: As the Minister knows, I am a reasonable person. I was prepared to let the oversight go until I saw copy of the Minister's press release dated 29 January 1999, in which the Minister claimed that \$6.3m worth of housing projects throughout Queensland will create the equivalent of almost 4,500 weeks of employment. Was this an isolated claim? No! In another press release, the Minister announced \$15m worth of major public housing projects on the Gold Coast and claimed that those projects will create the equivalent of almost 3,500 weeks of employment. What is more interesting to note about that particular press release is the date of 24 March 1999, which is just eight days before the Minister responded to the Opposition's question on notice by stating—

"Detailed information of person-hours impacts for Capital Works Projects is impossible to calculate."

However, it also appears that while the Minister was unable to provide the Opposition with the impossible-to-calculate figures, he provided the now-possible-to-calculate figures to the member for Lytton. In the Wynnum Herald of 7 April, an article titled "Public Housing Units Planned" stated that the member for Lytton, Mr Lucas, said that the Pine Street project would be built by Iezzi Constructions Pty Ltd and was expected to generate almost 440 weeks of employment. The Minister for Public Works and Minister for Housing was unable to provide employment figures to us, but he was able to provide those figures to an ALP backbencher. The Minister and his colleagues have treated this House with utter contempt by falsely telling coalition members that the figures sought were impossible to calculate.

Mr Roberts: Maybe they didn't ask the right question.

Dr WATSON: There is no doubt that we asked the right question and we have the figures to show that it was. We have witnessed a calculated and deliberate attempt to mislead the Parliament.

Mr McGrady: That's not true and you know it.

Dr WATSON: Twelve Ministers provided precisely the same answer to our questions, even down to the non-placement of the hyphen in "person-hours"—and the Minister was one of them. We have witnessed a calculated and deliberate attempt to mislead the Parliament by the Ministers of the Beattie Cabinet, or should I say Beattie's Dirty Dozen. The Dirty Dozen have made a mockery of the Premier's supposed parliamentary standards and claims of open and accountable Government.

It is my belief that those 12 Ministers, including Deputy Premier Elder, Treasurer Hamill and Ministers Edmond, Wells, Barton, Schwarten, McGrady, Gibbs, Bligh, Rose, Spence and Welford, have misled this House through their responses to the questions on notice.

Mr Gibbs: That's a shocking personal attack.

Dr WATSON: I know that the Minister is hurt by that remark, but the record speaks for itself. Later, I will ask the Speaker to refer this matter to the Members' Ethics and Parliamentary Privileges Committee.
