



Speech by
**Hon. BRIAN
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MEMBER FOR WESTERN DOWNS

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BUDGET 2000

Hon. B. G. LITTLEPROUD (Western Downs—NPA) (5.06 p.m.): I welcome the opportunity to take part in this debate on the Appropriation Bills and to speak about the State Budget. For the last two weeks I have read the Courier-Mail and watched the TV and seen what has been released by the Government. Today I have seen a response, first of all from the Leader of the Opposition, who cut aside some of the spin and told some of the reality of it. I also listened intently to the Leader of the Liberal Party when he was speaking about the basic economics of the state of the Queensland economy.

I still have memories of when the coalition came to power after the Goss Government. We had conducted the independent commission of audit and obviously we discussed around the Cabinet table the sorts of things that the Leader of the Liberal Party spoke about today. I can recall those things. We were advised about the excesses of the Bannon Government, the Burke Government and the Cain Government and how the state of the Queensland economy was showing the same symptoms. It was a struggle for a couple of years to try to change that around and it has not been completely fixed yet. I think the opportunity will present itself when we come to terms with exactly what comes out of the GST; then we will have to reorganise the revenue raising of the State.

It was interesting to see that Dr Watson, who has so much expertise in economics, said that a macro understanding of this Budget shows that the Government is, once again, costing more to operate, yet the outcomes are slipping. That really worries me. Plenty of comparisons have been made by previous speakers about job creation slipping, that Queensland used to hold the Australian performance record in that, and also that unemployment levels are increasing. It is a worry for us.

I have written down a couple of one-liners I thought of: Labor follows light on the hill; coalition realises you need money in the till. Labor talks about intergenerational equity; the coalition believes in paying your way.

Mr Pitt: Don't give up your day job.

Mr LITTLEPROUD: It is the best I can do.

The Labor Party talks about social justice and of course we in the coalition have always believed in the importance of good financial management. In reality, what we need is the right mix of both. All Governments suffer from excesses from time to time, but the trend of successive Labor Governments around Australia is that they cost too much to operate and that not enough attention has been paid to the overall finances of the State.

Yesterday I was intrigued to read some comments by Lord McAlpine, which has had an influence on what I will speak about in this debate. Lord McAlpine referred to the need to populate the north of Australia or perish. He did not indicate that we were going to come under attack from armed forces; it would just be from the sheer rate of migration of those people to our north who are short of food and space. I think that he is pretty right. That area of Queensland has some similarity with the part of Queensland that I represent, which is an inland area located behind the Great Dividing Range. Unless we pay enough attention to that area, it is going to perish. We need to have a meaningful presence out there. I know that, to date, all sorts of efforts have been made by all sorts of

Governments, and I think some of those schemes have been successful. Unfortunately, other schemes have been allowed to lapse because of a change of Government.

I believe that the vast majority of people in rural Queensland are very realistic. We understand that we have to embrace technology. I want to give a couple of examples that illustrate why we are getting this population drift from rural areas to the cities. Back in the 1950s, Quilpie was then—and still is—a pretty important place for trucking cattle. A steam train would take about 10 wagons out there, put about 14 bullocks or 16 bullocks in each wagon, and bring about 140 or 150 bullocks to Brisbane. There would be a crew of three. They would change drivers at Charleville. They would also change drivers and the total crew of three at Roma, Chinchilla, Toowoomba and Brisbane. Today, a train loads up at Quilpie with 1,400 cattle with a crew of two, not three. The crews are then changed at Roma, Toowoomba and Brisbane. Those trains are carrying 10 times as many cattle and using fewer people. That is the way in which the beef industry can stay economically viable. So we have accepted the way things have changed in the rail industry and that there are no longer so many people needed in rural areas to provide the rail service.

My own area of Chinchilla comprises small farming areas. Back in the 1950s, a dairy farm supported two families: the owner's plus the share dairyman's. Today, in the same district, one farmer would own three farms, have no staff, produce much, much more with fence-to-fence cultivation, high technology, big injections of capital, and do so using fewer people. That is the reality of the marketplace. If farmers are going to survive, they have to produce more and involve fewer people in their operations.

For a long time we have been looking for options, and on quite a few occasions in this House I have spoken about those options—perhaps to some degree ad nauseam because some people think that it is a bit boring. Other people realise that it makes sense. However, I will go through those options again. We have been looking at new industries and new options for rural areas, and there are not very many. The rural areas have natural resources, such as minerals and water. We could try to value add to those things that we have. However, value adding has not proved to be very successful, because most of the people who are into value adding want to do that in the cities where the work force is rather than do it in the rural areas.

Large reserves of gas have been found in south-west Queensland and also in the Roma district. It could be a source of new industries out there. It could stop the population drift. However, the exploration people went out there, then other people set up the pipes and built a pipeline that brought all the product to Brisbane. So those jobs were exported to Brisbane. The resource may be out there, but the reality is that it creates jobs in Brisbane. Instead of having an industry in the Roma area, such as a nitrogenous fertiliser plant at Wallumbilla, we have Incitec, which is based at Lytton, and other companies that use the same sort of natural gas products.

The same situation has occurred with the oilfields that are located in the south-west around Roma and Tara. There was an injection of money into those oilfields and new personnel hired. Exploration was undertaken, reserves were discovered, and then a pipeline was built. Where did we create jobs? In the city! I have often listened to the member for Mount Isa speak about the great mineral resources of the north-west. We keep on finding enormous reserves in that region, but the reality is that, in more recent times, there is some sort of holding pattern in Mount Isa, although Cloncurry has probably grown a bit. In reality, the staff for those reserves are being flown in and out. Those people are out there for three weeks and then they come home. So the disposable money is being spent by the families of those people who live in Brisbane or Townsville. The wives of those staff probably have jobs in the city and their children are being educated in the city. That employee goes out to that area for three weeks, says "Thanks very much for the pay cheque", and then deposits that cheque in his bank account at a branch that is located along the coast. So once again the opportunity of doing something to stop this population drift from the rural areas is lost.

Today I read about the things that went on when previous Governments decided to allow the development of the bauxite reserves in the Cape York Peninsula at Weipa. I thought, "That is something that we should take notice of", because, as I understand it, at that particular time the resource was discovered and Comalco came along and developed the resource. However, there was a condition put on the development of that resource along the lines of, "You cannot take that bauxite and get a mining licence unless you value add in Queensland." Hence Gladstone was developed along with a deepwater port. Prior to that, Gladstone was a dying town. The Government of the time said, "Here is an area of Queensland that needs developing", even though it was located on the coast. The need for a port was a prerequisite, as well as access to electricity. So Comalco went to Gladstone.

I think that we should say to those people who go out to these rural areas of Queensland and find these resources, "You can get a mining licence, but you have to create the jobs in the area." Perhaps we have been a bit too easy and allowed the transfer of resources and flow-on industries automatically to the populated areas. The result is that we have a situation that desperately needs turning around.

I turn now to vision, which is something that the Courier-Mail said that this Budget was lacking. Going back a number of years to when the railway lines were built to decentralise Queensland, the money that the Government received in order to build the railway lines was obtained through selling all the land along the railway line. Right across the Darling Downs out as far as Roma the country was divided up and people could come along and select lots and pay them off over 30 years. That brought about the creation of the dairy industry in inland Queensland. That was visionary thinking. We incurred a debt, but there was a plan to open up that country. We needed transportation, and it was done that way.

In more recent years, during the days of Ron Camm and the Bjelke-Petersen Government, it was decided that we needed to get some money for the State out of our vast coal reserves. So what did the Government do? It made it pretty attractive for overseas companies to come in and develop the coal reserves in central Queensland. Look at what we have today: towns of 5,000 people or 6,000 people that were not even dots on the map; they were just cattle properties. These days, we need the same sorts of incentives to try to develop some of the other resources that we have in rural areas.

In terms of gas and oil, I believe that we have let things slip. In terms of the nitrogenous fertiliser plant in my electorate at Wallumbilla—or Pickaninnie, to be more correct—I believe that that is a viable project. The company is going around the world seeking a partner. However, if the Government could put in so many millions of dollars to give Virgin Airlines a bit of a start—and maybe it will stay here for only four years—why can it not offer a few inducements to get people to build a nitrogenous fertiliser plant at Wallumbilla that would use the natural gas that is available?

Of course, recently in my own electorate we had the great disappointment of losing the Kogan Creek power station. I have listened to all the economic arguments. I have talked to the proponents of the project. I have listened to what has been said by various Ministers in answer to questions. However, in my view it comes down to this: we had a local resource that could have been used, or there was going to be a focus on bringing gas in from Papua New Guinea. We could have used a natural resource that otherwise might have stayed in the ground and created jobs in that area. I wrote to the Minister for Mines and Energy and suggested that his energy policy was flawed, because not once in this Government's energy policy is there mention of how technology could be used much better to overcome the environmental problems involved in the burning of coal that the Minister for Environment seems to drag up all the time. That Minister is all about using gas to achieve better environmental outcomes.

Why is more money not put into investigating better use of technology with regard to the burning of coal? We have in that area the best burning coal in Australia. The development of that resource would create jobs in a part of Queensland that desperately needs some sort of assistance to stop the population drift. It would be a new industry rather than a traditional rural industry. Instead, what have we done? We have said, "We have to have the best environmental outcomes for Australia. We are going to go into gas. We will promote the gas that is going to come from Papua New Guinea."

I point out also that I notice that none of the major powers of the world such as the USA, the European Union and Japan have as yet ratified the Kyoto agreement. Yet we have a Government that holds up the Kyoto agreement and says, "This is it. This is the bees knees. This is the best in Australia. This is going to be equal to the best in the world." What is the good of that if we are not competitive? What is the good of that if we do not make the best use of what we have?

I do not want the development of the coal reserves in that area to be environmentally unsustainable, but I think that we have the technology to improve the way in which we use our coal reserves. Why do we not put a bit more money into that and do something about turning around what is a major problem?

Mr Mickel: Where is the money coming from?

Mr LITTLEPROUD: Private enterprise was putting together the money. No Government money was going into the Kogan Creek project until such time as CS Energy bought into the project. It bought into the project to look after itself, because it is lumbered with the Tarong Power Station at Nanango. The problem with the Nanango area is that, although there is plenty of coal in the region, it needs a mix of other sorts of coals to get the emission levels right. It can get those coals from the Surat Basin. That raises another issue of transporting jobs.

I represent an area that is desperately in need of a new industry. The Tarong Energy people came to us and said, "You've got the coal we want. We'll mine it, build a railway line across your farming land and export the coal to keep jobs in Nanango." Understandably, the people in my area, who want to add to the primary industries, say, "It is all very well to give us a few jobs in coalmining, but we would like to see the electricity generated at the mouth of the coalmine so that the jobs remain here." Rather than being critical, I am trying to be constructive and to make suggestions in relation to what we can do to turn around the malaise in rural Queensland.

I wish now to make a couple of suggestions with respect to the Public Service. Governments of all persuasions have done a fair bit in relation to regionalisation, but that does not mean we cannot do more. The Education Department has been to the fore. It always had regions and, in more recent times, it has moved to a district based structure. That gives lots of towns across Queensland a chance to be part of the delivery of education.

Chinchilla is one such centre. It is a town of only 3,000 people. The education sector, which employs about 100 people, is the biggest employer in Chinchilla. Some 16 to 18 people are employed at the district office. It is ideally located to serve an area 100 miles in radius. The high school and the primary school are also employers. The area is a big educator. However, I am speaking mainly about administration. Moving from a regional structure to a district structure is a plus, because it spreads the administrative cake further.

Mr Wells: And the Environmental Education Centre.

Mr LITTLEPROUD: Yes, there is that centre and also the TAFE annexe, which works with the high school students. It has done pretty well.

In relation to Health, we again did the right thing by going from a regional to a district based structure. That spreads the cake a bit further and provides opportunities for towns that normally miss out on public servants. I notice that the Minister for Families, Youth and Community Care and Minister for Disability Services is in the Chamber. It galls me and people out my way that the department's administration centre for all of the people west of Ipswich is based in Ipswich. I think we can do better than that.

Ms Bligh: It is on the drawing board.

Mr LITTLEPROUD: I thank the Minister for that indication. They are half an hour's drive from Brisbane and a day and a half's drive from the other end of the electorate. Interestingly, the other day a meeting was held in Roma to establish a regional disability committee. I raised the issue that we did not want to be lumped in with it, because we think it would swamp us. I said that we did not even want to be lumped in with Toowoomba, because it is too big and would take all of the funding. I received enormous support from all of the delegates. The Minister has said that she will do something about that.

Ms Bligh: It has been discussed with the Disability Council and it is on the drawing board.

Mr LITTLEPROUD: I welcome that.

Under my stewardship, the Department of Environment was able to transfer a section of the department out west. The kangaroo industry has to be licensed. When I was the Minister, the licensing section of that department was placed in Charleville. The Government should look more and more at taking sections of various departments and putting them in the bush, where they will create real job opportunities. I know there is always a problem in that public servants will say, "We don't want to go out there because no good schooling is available and we already have our house here." However, we have to look beyond that and show a bit of vision.

The following is a list of some of the towns that could benefit from sharing in departmental administration. In the Wide Bay area, Maryborough and Bundaberg get the lion's share, but places such as Kingaroy and Murgon are desperate for regional departmental administration offices. In relation to DNR, the water resources section of that department could have offices in places such as Emerald, Biloela and St George, which are crying out for a piece of the cake. Rather than servicing them from Brisbane or Toowoomba, why not split it up a bit?

I have tried to make positive comments. I recognise that we have a real problem out there. The people are adopting technology and are being realistic about what the future holds. We are trying to identify new industries. There is a need for the Government to be positive rather than finding reasons why things should not go ahead, which has been the case in the past couple of months. I missed out on a jail in Roma, a TAFE college in Dalby, a power station in Chinchilla and two weirs. Those projects were planned and, with good support from the Government, they could have become a reality.
