



Speech by  
**Hon. BRIAN  
LITTLEPROUD**

**MEMBER FOR WESTERN DOWNS**

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Hansard 8 November 2000

**APPROPRIATION BILL [No. 2]; APPROPRIATION [PARLIAMENT] BILL [No. 2]**

**Hon. B. G. LITTLEPROUD** (Western Downs—NPA) (11.17 p.m.): I listened carefully to the contribution of the Leader of the Liberal Party. I note his in-depth review of what is going on in the Queensland economy. It seems to bear out many of the things—

**Mrs Edmond:** He hasn't even scanned the headlines. It was not an in-depth review.

**Mr LITTLEPROUD:** The Minister was not listening. I represent a rural electorate. It has been said over many recent years—

**Mrs Edmond** interjected.

**Dr Watson** interjected.

**Madam DEPUTY SPEAKER** (Ms Nelson-Carr): Order! Could we have a bit of decorum?

**Mrs Edmond** interjected.

**Dr Watson** interjected.

**Madam DEPUTY SPEAKER:** Order! The member for Moggill and Minister will refrain.

**Mr LITTLEPROUD:** As I was saying, the member for Moggill gave an in-depth critique of what is going on in the Queensland economy at present. I speak now as someone who represents a rural electorate. I have been worried for a number of years because, in spite of the downturn over the last couple of years under the Beattie Government, it can be argued that the Queensland economy is extremely strong, that the Queensland economy is in good shape. To me, that is an overly simplistic statement, because the truth is that some parts of Queensland are booming but other parts are lagging.

It always worried me when I went back to my electorate and talked to constituents. I would say, "Good figures produced by various experts have been brought out by the Government." They would say, "Where is this boom you are talking about, because it is certainly not here?" The challenge for any Government is to work at those things that are bringing new prosperity to Queensland—the new sunrise industries. Also, there is a social responsibility to ensure that we try to bring some new opportunities to those places which have made a considerable contribution to the economy of Queensland but which are lagging somewhat.

I suppose the growth that is associated with booms is also a big problem for the Government. It can lead to a distortion of the Capital Works Program of a Government. If we go back over the last 10 or 15 years, at one particular stage there were 1,000 people a week coming into Queensland. That put enormous pressure on our infrastructure in terms of capital works to provide bridges, roads, schools, hospitals, public housing and so on. Invariably when in Government or in Opposition we become aware that there is an enormous amount of infrastructure going into places like the Gold Coast, Brisbane, the Sunshine Coast, Mackay and the hinterland, Townsville and Cairns and perhaps the mineral region of north-west Queensland. Those areas were using up all of the money and other parts of the State which did not have the same rate of growth had to make do with what they had.

Sometimes it gets to the stage where a community like the Darling Downs, which has been settled for over 100 years—we are now into the fourth generation—gets resentful. It is probably 50 or 60 years since some of our public buildings have been upgraded, and the resentment factor comes into it.

My constituents are constantly coming to me and saying, "Well now, isn't it about time we got a refurbishment of the school?", or "Isn't it time the hospital was done up?" If one goes along and talks to the Treasurer of the day he can always say, "There is a big demand because all these people have moved here from the southern States and we have to meet their demands."

**An honourable member** interjected.

**Mr LITTLEPROUD:** They have certainly slowed down, but it has been a problem for Governments of all persuasions. We have tended to concentrate our capital works in areas where there is a boom. That leads to a distortion of the Capital Works Program.

I happen to represent a part of Queensland where things are not going too well. We feel that we have made a big contribution over a long time. Certainly the industries that led to prosperity in our area are changing dramatically at present and there is a need for Government to do something about it. I am very concerned that under the present Government they are not receiving the assistance that they need.

Rather than speak only about my own electorate, I want to talk about the whole of the State. Of course, it could be said in a generic way that change in the economy is constant and that as some industries die, new ones are born. Some examples of old industries that have gone and have had to be replaced are coalmining in the Ipswich area, dairying right across the Darling Downs and up along the coastal areas of Queensland, and mining at Mount Morgan. In some areas, there has been a transformation on the arrival of new industries. In other places, there are not the same number of options available. Mount Morgan is now almost dead in terms of industry, but it is certainly still a residential area and is home to many people. In the Darling Downs dairying has been replaced by the grain and cotton industries.

Then there are the new industries that have arisen. We have the new coalfields of central Queensland in the Bowen Basin. Whole new towns are being created and this is creating all sorts of opportunities. In fact, some people from the Treasurer's electorate have relocated to the Central Highlands and made a great life for themselves, and they are now probably some of the best paid people in Queensland.

The grain industry has come to the Darling Downs. It probably provided no more prosperity than the dairy industry did but it represented a new way of life, a better way of life. In terms of manufacturing, I suppose Evans Deakin is almost a thing of the past, but Fisher & Paykel and some of the more modern electronic industries have come into the south-east corner.

The duty of the Government is to recognise that this change is going on and to assist in a smooth transition. The Government has to take responsibility for the social impact of what is happening. I have heard people say that being in Government is not much different from being in business. I always argue that there is a great deal of difference, because it is not just profit and loss that has to be taken into account; people have to be considered as well. The people factor makes it pretty difficult for Government.

The Government has to do what it can to retrain the community. It might provide some venture capital to industries that it considers will be the industries of the future. Research has to be encouraged, as does value adding. Obviously, Government has to provide the necessary infrastructure and, in doing so, make the best possible use of the natural resources of the State. We are doing that to varying degrees. However, I have felt a bit frustrated in that regard over the past couple of years. My frustration was highlighted recently when the Government sent out a big document and asked local governments, councillors and members of Parliament to put in submissions and meet with people from the Department of State Development and Trade, which wants to put together a new strategy for the overall strategic development of Queensland.

That is not a new idea. Governments have been doing that for a long time. If you are in trouble, you form a committee. I thought about it. I thought, "On the surface it looks a pretty good idea", but I will tell members what the realities are in terms of my area. It is an agricultural area with not too many options. We have changed from dairying to grain. From wheat and barley we have gone into high-risk crops. We have gone into cotton. We have gone into irrigation and we have gone into horticulture, because all of those things use the natural resources that we have: fertile land and some water.

The councils in my area, the chamber of commerce, the people involved in industry in the area all came to me and we had workshops years ago. There were not too many options, and we narrowed them down. We could go into more high-risk crops. We could store some water to give some more surety in the primary industries. We knew that we had coal out there that would enable us to develop mineral resources. That also gave us the chance of value adding and having a power industry. So we had three things on the go. When we lost Government two and a half years ago, we had three things on the go. All three were knocked head over turkey by this Government—the whole three.

Now we have a Government that is calling for us to put up good ideas as to how we can generate growth in our electorates. I have a briefing later this week with a fellow from the Department of State Development and I am going to put to him in a nice way that we had a lot of good ideas and this Government has put them all aside. I am going to say, "You come up with the ideas that will work, because we have used the local expertise over many, many years. We thought we had something going, and now we have to start from scratch again."

That leads me to the coal in the Surat Basin. There are two proven fields of coal reserves at present. One is at Kogan Creek and the other one is at Wilga Creek. The Kogan Creek coal was going to be the basis for a powerhouse to be built. The coal was going to be taken straight out of the ground, straight out of the mouth of the coalmine, and put into a powerhouse and burned at \$28 a megawatt hour.

**Mr Hamill:** They still will, you know.

**Mr LITTLEPROUD:** I will believe it when I see it. But let me finish. Kogan Creek is now 40% owned by a corporatised State authority. That authority is competing against Tarong Energy, which will also have access to the same coal reserves just down the road. It will put it on a railway line 120 kilometres long and take it to the Tarong Power Station. I have written a letter to the Minister for State Development and put it to him that overall his responsibility and the responsibility of the State Government is to make the best possible use of our natural resources. The best use of our natural resources in that case would be to take that coal and burn it there, not incur the expense of sending it by rail to a power station at Tarong.

However, the policy introduced by the Goss Government stated that corporatisation was the way to go to drive inefficiency out of corporatised bodies. So we broke up the power generation of Queensland into three or four companies and now there are two corporatised bodies—CS Energy, which has got 40% of Kogan Creek, and Tarong Energy—competing against one another for the same amount of coal. CS Energy will wait for a number of years now because it has been outbid by Tarong.

**Mr Hamill:** The truth of the matter is that you guys broke up the generating industry like that, not the Goss Government.

**Mr LITTLEPROUD:** No, the Treasurer's Government brought in corporatisation.

**Mr Hamill:** You guys broke up the—

**Mr LITTLEPROUD:** And I have always been against it. I have always said, "I don't see that corporatisation is the be-all and end-all", and this is pretty good proof.

The Government could back a 120 kilometre long railway line to take coal over to Tarong, which would provide 20 jobs in my area at a certain cost and cause a lot of dislocation, or CS Energy, another State authority, could burn that coal on site, put it in a powerhouse and create over 200 permanent jobs in my area. If the Government is thinking about getting the most efficiency out of two statutory authorities, the National Competition Policy makes a nonsense of it. The Government should say, "Well, you fellows in Tarong Energy have to do something else and use local coal to do it", because the most efficient thing to do is to burn the coal where it is and make the Kogan powerhouse a goer.

I appeal to the Minister to consider that argument, because that is just one of the options. It will use our natural resource of coal, it will give us a value-added industry in the generation of power and it will not dislocate the farming industries of the area. But what has happened in the last two and a half years? It has been put aside.

The last thing that I want to talk about—because I know the hour is late—is an experience I had when I became the Minister for Environment. I came along after Pat Comben, then Molly Robson and then Tom Barton. Those people were bringing in all sorts of changes to the Environmental Protection Act. About the time I became Minister, all sorts of environmental protection policies dealing with air, water, noise and such things were being mooted. Quite frankly, industry was in uproar. I spent two and a half years putting together policies where we could protect the environment and industry could live with our proposals.

It is interesting to note that the present Minister, the Honourable Rod Welford, has not changed one of those policies because they worked. However, this Government has changed the focus. In the last two and a half years the Minister has put a big stop on water with an overall plan for water which is unworkable as far as industry is concerned. He has also put a big stop on vegetation management. He was making such a mess of that that it was taken over by the Deputy Premier under the Regional Forestry Agreement. However, it does not appear as if that is working too well, either.

The simplistic argument is that we fixed up something as a coalition and made it work. We were protecting the environment. We fixed up all the mistakes that the Goss Government made. The present Government is now dealing with water and vegetation management and things have come to a dead stop again. As Joh Bjelke-Petersen would say, this is the dead end of socialism. I support the member for Moggill when he states that the Queensland economy is slipping badly overall in terms of what is

happening in the rest of Australia. This has come about through a lack of planning. The points I have made with regard to the use of resources in the Surat Basin are a good example of the misuse of the National Competition Policy just for the sake of competition rather than for the best efficient use of that resource for Queensland.

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