



Speech by

**Hon. D. HAMILL**

**MEMBER FOR IPSWICH**

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Hansard 8 November 2000

**MINISTERIAL STATEMENT**

**National Competition Council**

**Hon. D. J. HAMILL** (Ipswich—ALP) (Treasurer) (9.57 a.m.), by leave: I rise to inform the House that the Federal coalition is once again withholding payments to Queensland in order to coerce the State into unjustified competition reforms. The National/Liberal coalition Government has accepted the perverse recommendation of the National Competition Council that \$12.9m should be withheld from Queensland's payments for this year.

It would appear that the National Competition Council is searching for any reasons to penalise Queensland because of our success in achieving a national consensus about the need to humanise National Competition Policy. An amount of \$8.6m of the State's competition payments will be withheld because the State has not yet published a Policy Framework for Community Service Obligations. This is a policy that Queensland decided of its own initiative it would produce—and no other State is being required to produce such a framework. The National/Liberal coalition is being driven by economic ideology rather than a sensible approach to reform which delivers a real public benefit.

With these suspensions, the NCC is also delivering on its threat to penalise Queensland if we do not betray the State's smallest local governments. As I have previously informed the House, the NCC is now trying to tear up the agreement by which water reform would only be compulsory for councils with significant business activities. The Federal coalition has decreed that funding will be withheld from Queensland because two smaller councils, Johnstone Shire and Cooloola Shire, have not implemented two-part tariffs associated with urban water reform. This is a clear breach of the understandings reached between the Borbidge/Sheldon Government, the National Competition Council and local government in Queensland. Little wonder local government feels betrayed by the coalition parties.

Ironically, the Government received advice of this unjustified penalty from the Commonwealth on 3 November—the day of COAG's recent meeting in Canberra. That very day, COAG approved a range of reforms—which Queensland had been instrumental in developing—to enhance the role of elected Governments in the NCP process. Our changes will strengthen the role of Governments which are publicly accountable—rather than the NCC—in determining what reforms should be pursued.

I urge members of the State coalition to take up this example of national leadership and pressure their Federal Liberal and National colleagues to withdraw this extraordinary decision. I urge those members to share our conviction that Governments are responsible to the public for reining in the National Competition Council and returning the \$12.9m which their Federal colleagues are withholding from Queenslanders.

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