



Speech by

Dr DAVID WATSON

MEMBER FOR MOGGILL

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CORPORATISATION OF STATE WATER SERVICES

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (10.22 a.m.): The Treasurer is about to launch yet another raid on yet another Government owned corporation to prop up his Budget and his Forward Estimates. The Government's plan to corporatise State Water Services as SunWater is just a cynical ploy to suck another \$600m out of public infrastructure.

Mr Beattie: You have no idea how this works, do you?

Mr WATSON: Laugh it off, laugh it off!

SunWater has an asset base of about \$1.6 billion and the Treasurer is going to hock it to the eyeballs. The Government has already flagged its intentions by setting SunWater's share capital at just \$1 billion. The other \$600m will end up as debt to the Government payable on demand. It is not a question of if; it is a question of when. It could be today, it could be tomorrow, it could be the next day, but it can be absolutely guaranteed that every last dollar will have gone within a year or two because this Treasurer has form. He is ripping millions of dollars out of the ports corporations, ports authorities, power corporations and the fidelity funds. This is just the latest in a long line of Budget scams. The Treasurer will be raking in the dollars from day one and the big loser will be the water consumers who have to pick up the bill. Water prices will go through the roof because SunWater will have to find an extra \$40m a year to service its borrowings to pay the Government. The current revenue is about \$60m, so that will have to be ramped up to about \$100m plus. To pay for this shortfall, the cost of water will jump by up to two thirds.

This raid will also compromise SunWater's capacity to maintain and expand existing water infrastructure. It will end up like the electricity industry, with power poles falling over in the street, because this Government has bled the energy corporations dry.
