



Speech by

Hon. KEN HAYWARD

MEMBER FOR KALLANGUR

Hansard 2 August 2001

APPROPRIATION BILLS [ESTIMATES COMMITTEE E]

Hon. K. W. HAYWARD (Kallangur—ALP) (2.40 p.m.): It is my pleasure to speak to the report of Estimates Committee E. I hope to use this opportunity to resolve some of the reservations that have been raised by the shadow minister, the member for Callide. One of the first reservations that he set out on page 5 of the report related to SunWater and his concerns regarding the Council of Australian Governments' water reform process. I think that the Queensland government has spread the impact of price rises for most schemes by five years. The information relating to pricing arrangements are clear and they are clear for all to see. The prices are locked in so that irrigators have an absolutely clear picture with which to work. In fact, the price paths for the next five years were published in the gazette last October and, as I have said, are there for all to see.

The honourable member also raised concerns about water prices in the Burdekin. Over the past 10 years those prices have gone down in real terms. Of course, naturally—as one would expect—the Burdekin pricing policy is consistent with COAG and the agreements set out in 1996, interestingly, by the coalition government. Objections were raised by the shadow minister about communication between the SunWater board and the irrigation industry. The fact is that SunWater wants meaningful involvement of the irrigators in the management of the schemes and effective communication with its customers.

The shadow minister expressed reservations about the installation of micro hydroelectric power generation plants, the income from the scheme and whether the income from the scheme would cross-subsidise irrigation prices. The facts are that the pricing policy is set out by COAG and successive state governments, and cross-subsidisation between rural irrigators and the urban and industrial customers is just simply not acceptable. Successive state governments have agreed on that issue. So the issue that the member raises has, in fact, been resolved before.

The opposition is concerned about whether \$86.4 million in national competition payments was forwarded to the department. The simple answer to that is no. The money was not forwarded to the department, because, put simply—and I think that it is important for everyone in this place to understand this—the payment for national competition completion covers a range of issues. It is not just for water reform; those payments go into the Consolidated Fund and are allocated as part of the overall budgetary process.

Of course, the major source of the annual funding for the integrated natural resource planning output is provided by Commonwealth government grants. The shadow minister should be aware that additional funding may be made available in the year if agreement is reached with the Commonwealth for the second phase of the Natural Heritage Trust. As the member would understand, the remainder of the change is represented by grants and subsidies, such as natural disaster relief assistance. This funding is underwritten by Treasury so that any unexpected expenditure excesses would be funded automatically. It is as simple as that. That is how that process works.

Although time is short, I want to mention something about the shadow minister's comments regarding the review of the coal royalties scheme and his assertion that the coal sector—to quote him—which contributes 40 per cent of Queensland's exports will be singled out for rises and, further, that the community has been deceived. The government is proud of the fact that the coalmining industry is a major contributor to the state economy. But it is the government's responsibility to ensure that the royalty regime secures an appropriate return to the Queensland community for the exploitation

of those coal resources. The proposed changes to the coal royalties regime are not a matter of deceiving the mining industry and the community. Instead, those changes are intended to place the calculation of the coal royalty on a more appropriate basis.

If the industry has any concerns about the competitiveness of the coal industry, issues can be raised in submissions and discussions with the government so that they can be considered in any final decision to amend the coal royalty regime. The closing date for those written submissions is 10 August this year. So should people wish to contribute to the discussion, there is some opportunity to do so.

The shadow minister raised the issue—of course, as he always would—of the state indigenous land use agreement. He says that, to date, it has failed and as a result there has been no movement in the backlog of 1,700 mining tenures held up through the native title process. The statewide indigenous land use agreement is being negotiated between the state and the Queensland indigenous working group now.

Time expired.
