



Speech by

Hon. PAUL LUCAS MP

MEMBER FOR LYTTON

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NATIONAL COMPETITION POLICY

Hon. P. T. LUCAS (Lytton—ALP) (Minister for Transport and Main Roads) (5.51 p.m.): I join the Premier in supporting the Independent's motion today. National competition in this country is a study in contrasts. It is a study in winners and losers, successes and failures, haves and have-nots. Most of all, it is a study in hypocrisy. It is a study in the hypocrisy of a federal government that is all for competition except when it affects it politically—a federal government that is all for competition in rail, bottle shops, taxis, electricity, industrial relations, waterside workers, you name it. These are all state areas in which the federal government is happy to slug us. But when it comes to federal areas where it might be held politically accountable, such as pharmacies and newsagents, suddenly there are overwhelming arguments not to have competition.

I do not dispute what the federal government has done in relation to newsagents or pharmacists—I agree with that—but it demonstrates absolute hypocrisy on the part of the federal government. When it comes to anything we regulate it is happy to knock the money off us so we are forced into a position of choosing between the \$58 million and all the schools and hospitals that could be built and the government. But the federal government does not fine itself \$58 million for its decisions on pharmacies and newsagents. It does not give us that money back to spend on competition policy.

I agree with the others. I agree with what they have said about the real concerns we have in relation to competition policy. I have to say that I am not opposed to competition—I do not think anyone here is—but not competition for competition's sake. Let us look at electricity. An amount of \$36.6 million was taken from the Queensland taxpayer because we did not agree with FRC in relation to electricity.

Let us look at the record. Queensland has the second lowest electricity prices in Australia in the most decentralised state. The average bill amount is \$825. No matter where people are in Queensland they pay that uniform tariff. I had the Victorian energy minister say to me once that we should go down their path. Why? We have the second lowest price and it applies anywhere in Queensland. The Victorian energy minister said the same thing to the current minister. We would have to have rocks in our heads to go down that path. Do we want to learn from Victoria's experience with privatisation? Kennett thought he was very smart by getting double the value of the electricity industry when he sold it, but he fundamentally wrecked it and Victorians are paying the price for that now in terms of instability in electricity supply. We all know the Loy Yang story.

There are good aspects to competition in electricity. I will not say otherwise. At the wholesale level there have been significant gains. The wholesale price of electricity has dropped. That is important because it makes our industry more competitive. We depend on cheap and reliable electricity in this country, so that is good for us. But do people think that the average Joe who operates a fish and chip shop, a small business or a household will negotiate for their electricity prices like Comalco can? I do not think so. I think they need the protection of the uniform tariff.

I refer to my own area of transport. We have some 3,000 taxis and three million people in this Australia's most decentralised mainland state. We have a pretty good taxi system, by and large. We have times, on New Year's Eve and at Christmas, when people have to wait for taxis. But do members know what the economic rationalist solution is to that? It is for anyone who wants to operate a taxi to do so at any time.

What about these people in small business—they are people the Liberal Party purports to represent—who spend \$200,000 on a taxi licence? Do we finish that overnight and say 'bad luck'? Often they have retired with superannuation or an investment. Do we say that that investment just goes out the back door for the sake of economic rationalism? I would like to see the superannuation of the National Competition Council put at risk in the same way. These unelected people who are not accountable are making those sorts of rules.

There is room for reform in relation to taxis. That is what the Queensland government is doing. For example, it is working with the taxi industry to look at temporary licences for times such as, say, the Olympics Games and other peak periods that do not jeopardise the variability of the industry. There is no such thing as a free lunch. In Auckland the taxi industry is decimated—higher prices, poor service, long wait times. If people are in a rural or regional area no-one picks them up. We do not need that to save a few cents in taxi fares. It is not a smart economy and it is not good socially. What did we wear for that? \$15 million! Again, what did the federal government do in relation to pharmacies and newsagents? Nothing, because they are its political responsibility.

I would like to give an example of how this issue affects my electorate. In the electorate of Lytton, a working class area, we used to have a Medicare office and Medibank Private. We also had an MBF office. There was one down at Capalaba as well. What did we do in the name of economic rationalism? We closed the Wynnum Medicare office because Medicare and Medibank Private had to be structurally separated. So Capalaba has a Medicare office and a Medibank Private office in the same shopping centre just 50 metres from each other. In the name of economic rationalism there is no office in Wynnum, and the MBF office then closed down because Medibank Private was not there to compete against it.

Time expired.