



Speech by

**Dr Bruce Flegg**

**MEMBER FOR MOGGILL**

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## SHARED SERVICE INITIATIVE

**Dr FLEGG** (Moggill—Lib) (11.37 am): The government's Shared Service Initiative is a basket case. It is a black hole down which we are pouring public money. We have applied 5,000 staff and \$200 million of public capital to date in order to make a \$60 million loss. Importantly, the future targets set for this program have been abandoned. We heard the Treasurer here today floundering when he attempted to say anything positive about this at all.

Imagine the distraction of management time and resources on establishing something of this magnitude—which would equate to one of the major Queensland based corporations—simply to find that it is losing money hand over fist. It should not surprise anyone here that the Service Delivery and Performance Commission was absolutely damning of this huge waste of taxpayers' money. The commission said that the shared service provider's endeavours were not being driven by the basics of the business case. It said there were no benchmarks and that they did not even know what was expected of them. It went on to say—

The risk with this approach is that the savings may in fact come from reductions in client services rather than from efficiency gains.

That should not come as news to Queenslanders, because that is where the cuts always come under this government. It found that positions get left vacant. If five per cent of the positions are left vacant, \$10 million can be saved, but sadly when positions are left vacant, much-needed services in health, education and so forth are not delivered. The commission went on to say that there is limited documentation to verify the amount of actual savings that are made. So even the savings that contribute to keeping this loss—

Time expired.