



Speech by

**Hon. Paul Lucas**

**MEMBER FOR LYTTON**

Hansard Thursday, 8 March 2007

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## **MINISTERIAL STATEMENT**

### **Road Funding**

**Hon. PT LUCAS** (Lytton—ALP) (Minister for Transport and Main Roads) (10.02 am): I note with interest the comments by Deputy Prime Minister Mark Vaile yesterday about how the federal government is going to get 'tough' on the states in relation to road funding. The Deputy Prime Minister has accused the states of not funding joint projects and of wasting taxpayer funds through cost blowouts.

Clearly it is a federal election year and the Howard government has just realised that infrastructure matters. But, despite Mr Vaile's claims, Queensland is jointly funding a number of projects with Canberra. These include the Tugun bypass—Queensland is contributing \$423 million and Canberra \$120 million. On the Townsville-Thuringowa ring road, Queensland is putting in \$39 million and Canberra \$79 million. Of course on the Gateway project, the federal government is putting in zero for that national highway.

Just last week I announced joint funding with federal roads minister Jim Lloyd for widening and straightening of Tableland Road, which links Bundaberg and Gladstone. This is a small but important project where Queensland is contributing \$1.3 million and Canberra is contributing \$600,000.

But there are a number of vital projects where Queensland has committed funding but Canberra has refused to come to the party. Queensland has \$400 million on the table for the first stage of an upgrade of the Pacific Motorway between Nerang and Tugun that will cost at least \$1.5 billion. Where is the matching money from the federal government that its rhetoric demands?

I have repeatedly asked Canberra to jointly fund work on this vital link on the AusLink network. But again and again it has said no. Queensland also asked Canberra to contribute to the \$1.88 billion Gateway upgrade project. But again it refused. A contribution from the federal government for the road component of the project means the toll could have remained at \$2.20 in 2011 but is now expected to be \$3.10 in 2011.

It is also important to put on record how much Queensland spends on its roads compared to other states. At \$1.98 billion, Queensland's roads capital budget is bigger than that of New South Wales at \$1.59 billion and that of Victoria at \$1.1 billion. Queensland spends \$495 per person on roads, and that is more than twice as much as either New South Wales at \$249 per person or Victoria at \$218 per person.

Worse still, Canberra this week unilaterally decided on a \$2.3 billion bypass of the Ipswich Motorway without detailed design work. Let me make it very clear: this \$2.3 billion price tag is Canberra's costings, not Queensland's, and nor is it the choice of this side of the House. This work was done on a politically expedient, fast-track basis—not Queensland's usual planning process. I challenge Mr Vaile to clarify today whether it will meet the full cost of the project or try to make Queensland taxpayers cop the bill for cost increases.

Canberra does not build any roads itself, but its record on cost blowouts for various projects shows it should not be lecturing the states. Costs for Canberra's customs cargo management software system blew out from \$35 million to around \$200 million. And just this week Canberra announced it would spend

\$6 billion on 24 new super hornet aircraft because the joint strike fighter it had committed to was years and years behind. That is not to mention the disaster of the Kaman helicopter.

The real problem is that Canberra is not interested in serious long-term transport and road planning. Last year I wrote to Canberra asking for \$70 million to undertake planning for long-term upgrades to the Bruce Highway. I was refused. Planning allows the exact identification of the corridor and acquisition of land so that costs are able to be predicted with far greater certainty.

How can we make an announcement some time in the course of this year about a second range crossing when we have not finished the Commonwealth agreed joint planning process and business case analysis? What is the federal government going to do? Announce an amount of money and then say that it is Queensland's fault when it picked a figure out of the air?

**Mr Horan:** Don't you want them to fund it?

**Mr LUCAS:** The federal government says that it wants us to jointly fund it. We are going to be responsible for cost increases.

**Mr Horan:** You oppose it.

**Mr LUCAS:** I am one of the greatest supporters of it. If the federal government is the font of all knowledge on road matters, let it take full responsibility for planning, design and construction delivery on the national highway. I am happy for it to take it over.

Finally, I put the federal government on notice. This has made the state government even more determined to make roads the major issue in the coming federal election campaign. It is clearly going to squib on what it says the contributions are. We will make the federal government show the colour of its money. We will make it announce the figures in its project announcements.