



Speech by

Fiona Simpson

MEMBER FOR MAROOCHYDORE

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AIRPORT ASSETS (RESTRUCTURING AND DISPOSAL) BILL

Miss SIMPSON (Maroochydore—NPA) (2.47 pm): I concur with the comments of my colleague the member for Clayfield on the Airport Assets (Restructuring and Disposal) Bill. We understand that where there is a need for infrastructure to be utilised for the best possible purpose there are going to be times when privatisation is necessary. That is the argument the government has put forward in regard to selling off these particular assets and investing instead in public health assets. However, we do have some concerns, and I want to outline a few issues in that regard.

The principles of privatisation where it can provide better outcomes and better value for money must be considered against the public interest test in that the fundamental purposes of the original infrastructure should not be compromised and there must be a benefit to the community and the economy as a whole. It should not be driven by an ideological position that promotes privatisation for privatisation's sake, and it should not be promoted as a quick fix for an underlying fracture when good budgeting should instead be implemented.

I want to raise a concern about the lack of connection between this policy and general aviation policy and some of the other issues to do with the ongoing sustainability of the ports. The questions that have been asked by my colleague the shadow Treasurer are valid ones. We want to know how this legislation leaves the port corporations that are affected by removing the assets of the airport, particularly in the Cairns situation, we want to know what the debt to equity ratios will be, and we want to know about their viability. We need to understand what the debt loadings are within some of these corporations and what the ongoing impacts will be, certainly on their cash flow and their ability to continue to function and invest in the future of that infrastructure.

This does not just impact on general aviation in Cairns; there is also the issue of the international flights and the other flights that come through this important airport. That has raised major concerns in the tourism industry and the broader business community. I think the government needs to better articulate how it will ensure that this community is listened to in regard to those very valid issues.

Where is the government's general aviation policy? How does it sit alongside this surprise snap decision to flog off public assets because of a hole in the government's budget in regard to funding the replacement of hospital assets? This question needs to be asked. We obviously support the establishment of good public health services, but there are other industries that are vital to these regions. These operators need to have some surety and understanding that they will not be priced out of the market by a new privatised entity which may have a different approach to landing fees, for example. This new entity may think these fees are appropriate but they might have quite significant flow-on effects, particularly to the general aviation market.

Tourism operators in Cairns also raised with me their concern that whoever ultimately purchased the Cairns airport might have a focus on some other airport in their collection of assets and they may have a different approach to how they support the hubbing and spoking of services through Cairns. These are valid concerns because, as we know, some regions have to fight for appropriate air services. They may have the support of whoever owns the infrastructure to ensure they keep those services locally, but the

results impact on not just the airport but the whole region. Cairns and the greater region of far-north Queensland know this. The air services in that area, particularly general aviation, are vital to many communities and that is why people get very nervous when governments make sudden decisions. There has been no prior warning and certainly no prior policy position on this particular issue.

What is the government's general aviation policy? Where does it see its investment and support of this industry? I think it is time the Labor government came out and clearly stated that. It appears that it is withdrawing more and more of its support from this particular industry and in fact hampering its future strategic development.

I will be tabling a letter with regard to issues to do with general aviation policy impacts in south-east Queensland but I think it sends a flag of warning to other communities. I received this letter from the Deputy Premier, the Minister for Infrastructure and Planning, after I wrote to the Hon. John Mickel, the minister for transport, about our concerns with what was happening with general aviation infrastructure in south-east Queensland, particularly at the Sunshine Coast airport and more so the Caloundra aerodrome, which is due to be closed because it has a road about to go through it. We were trying to find out how the government is planning to deal with this, and we were advised that, according to the Department of Infrastructure and Planning, it has 'appointed aviation contractors and commenced the replacement aerodrome study in March 2008'. This is the government that says it is doing such a wonderful job in planning for the future of Queensland and planning 20 years ahead, but this study started in March 2008 and does not finish until early 2010.

People in the real world of business are about to have their existing leases wound up and they do not know where they have to move to, but the government's policy is to have yet another two-year study for the delivery of a plan but there is no decision and no action. It is easy to understand why these people in the real world of business in our community find it difficult to plan themselves—because this government does not seem to know what it is doing. To me, that is an indication that the government is avoiding being clear about its policy but, in doing that, it is not letting people get on with their lives. In the meantime, those lessees are desperate to find an alternative and have found that, because this state government has a lack of clarity in its general aviation policy and support, they are left in limbo. That is totally unacceptable. I table that document for the information of the House.

Tabled paper: Letter, dated 21 August 2008, from the Deputy Premier and Minister for Infrastructure and Planning, Mr Lucas, to the member for Maroochydore, Miss Simpson, in relation to the Sunshine Coast airport and Caloundra and Caboolture aerodromes.

Where does this leave other parts of Queensland? That question is unanswered by this state government. We are looking for more than just hollow assurances here in the House. We are looking for something far more concrete.

The issue of what the master planning will provide around these airport sales is a valid one. We note the provisions in the bill, but some of these assets the government is seeking to off-load may involve land, particularly the Mackay example, that people may consider using for non-aviation related purposes. That has to be considered on its merit, but I would once again issue a note of warning in this regard because you just do not relocate airports very easily.

Mr DEPUTY SPEAKER (Mr O'Brien): Order! Excuse me, member for Maroochydore. Can I just acknowledge in the public gallery members of The Gap Probus Club and their president, Loraine Lindsay. They are here today at the invitation of the member for Ashgrove, Kate Jones. Welcome to the parliament today.

Honourable members: Hear, hear!

Miss SIMPSON: Airports do not get relocated very easily. Therefore, the land surrounding the tarmac space and the existing operations of airports must be considered like gold. It is precious. People may have a very different strategic outlook on how they want to use the land—that is, they have a profit motive to develop non-aviation related industries or, dare I say it, maybe even other infrastructure—and you have to be very cautious that you do not take a five-, 10-, 15- or 20-year approach. It must be a long-term, good policy, good strategic approach because these particular airports and their runways are likely to be there way beyond 10, 20, 30, 40 or 50 years. The protection of the related land around those airports must be looked at from that perspective.

When corporations or even governments are eyeing off land around airports, they usually consider the short-term profit perspective rather than look after the long-term value for shareholders beyond that moment, the shareholders who do not currently own those shares. It is good practice to look at the longer-term perspective, but I am concerned that that is not necessarily the policy approach of this government and it will not necessarily be the policy approach of whoever purchases these particular assets. They may seek to make a quicker profit out of the related land and associated land rather than consider how best to protect that land in an aviation sense into the future. This is a valid issue. It may be well beyond the people in this parliament, but if these decisions are made in a very poor way for short-term gain it will impact for generations.

On that note, I will bring my comments to a close. I reiterate that we want to see some more detail, particularly about the north Queensland port situation, we want to see the debt that remains with the government owned corporations or entities and we want to see the government's general aviation policy. The Treasurer might say that it is not his responsibility, but it is the responsibility of everybody in here, as we make this decision and vote on this legislation, to understand the framework and make sure there is sustainability in the aviation industry well into the future. We need to ensure that the infrastructure will not be compromised because this government has failed to plan in a timely way and has failed to set aside funding to replace the much needed health infrastructure.