



Speech by

**Fiona Simpson**

**MEMBER FOR MAROOCHYDORE**

Hansard Thursday, 18 June 2009

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**APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL;  
INFRASTRUCTURE INVESTMENT (ASSET RESTRUCTURING AND  
DISPOSAL) BILL; FUEL SUBSIDY REPEAL AND REVENUE AND  
OTHER LEGISLATION AMENDMENT BILL**

**Ms SIMPSON** (Maroochydore—LNP) (4.49 pm): Queenslanders deserve better than a snatch-and-grab budget which sells their assets and makes them pay for the privilege. When Queenslanders were told by Premier Anna Bligh to count on her, little did they know that that meant they can count on Premier Bligh to give them higher taxes such as the fuel tax, that they can count on Premier Bligh to mislead them about the selling of their state owned assets such as Queensland Rail, that they can count on Anna Bligh to mortgage their future with record debt and no repayment plan. The Bligh government is acting like a pack of Nigerian scam artists taking down the voters of Queensland—the voters who trusted them when Premier Bligh swore, hand on heart, before the election on 21 March that her government would not do any of these things.

Well, the people of Queensland were betrayed. Premier Anna Bligh has no mandate to sell off Queensland Rail and other transport assets. The Premier has no mandate for a fuel tax. How can the Premier claim that she told the people about flogging off Queensland Rail? Even her own transport minister stood up in this House and denied having knowledge of this plan! I do not support the plan for Queensland Rail and these other assets to be flogged off, and I do not support the fuel tax. But worse than the Premier's sell-out of the state's assets and the sell-out of the Queensland people is the fact that this Premier knew—she knew—before the election that she intended to do these things, and that is why the Premier took the people to an election more than six months early. The Premier knew. She had a plan, and her plan was not to tell the people. She has no mandate for this plan.

This budget and other bills attached to it putting up taxes and allowing for these sales are a disgrace. We only have to look to Victoria and Tasmania, where quick sales and privatisation have proven not to have been a lasting golden goose that delivers for the people but have shown that the golden goose does not keep giving once you have flogged it off. The privatisation of those rail assets and the contracting out is now costing those states dearly, and there is a lesson here for Queensland. Rather than delivering a framework which can sustainably fund future infrastructure and thus tomorrow's jobs, this budget is putting a pair of concrete boots on a future generation who will have to shoulder the burden of debt.

This budget does not reduce recurrent spending or retire debt; it increases recurrent spending and increases debt. This budget puts at risk the jobs of many Queenslanders who are currently employed in those state owned assets, such as Queensland Rail workers, who have every right to worry about their future because they have been betrayed by this government. But let us ask: who is going to own these assets? Will an overseas country come in and see what a great deal it is that this state is flogging off some of its strategic transport assets? We must ask that question today. This government has not answered that question. It has alluded to the fact that there could be an integration of ownership from mine to port. If anything, it worries me that there will be an integration of an overseas country coming in and buying our

assets from mine to rail to port, and that is in fact a risk to our sovereignty and to the jobs of this state. I am so angry that this incompetent government could abuse the trust of this state and take no responsibility for it. There has been no apology. It blames everybody else but itself for its mismanagement.

It has been estimated that government debt will rise up to \$78,000 per household in Queensland. When all income-producing assets are sold, how will government pay for services and the interest on the debt that it is accumulating? There will be \$85 billion worth of debt in a few years and it has been estimated that this could rise to over \$100 billion—\$14 million a day. That has to be paid for, and it is another generation that will be paying off this debt. Meanwhile, the government is digging a bigger hole and calling it a construction site, but all we see is a mountain of debt and no plan to get us over it.

With regard to comparing Queensland's debt to the rest of Australia, we have already heard that it will be \$85.5 billion by 2012-13 for Queensland. Does New South Wales have a bigger debt? No, it does not. It is a bigger state with a lower debt of \$67 billion. We have always rubbished Victoria as a rust bucket state. It has turned the corner but still has a debt of \$39 billion—far less than Queensland. Western Australia has a debt of \$27.7 billion, Tasmania \$23 billion and South Australia \$7.8 billion. As has been mentioned, the chair of the QTC, Sir Leo Hielscher, says that Queensland's debt could go even higher, and the cost of repaying that interest has grown with the loss of Queensland's AAA status. That AAA rating loss will impact on future infrastructure budgets. That \$1.2 billion in extra interest payments per year has been estimated to be equivalent to a new children's hospital every year. It is also enough to have paid for a new hospital on the Sunshine Coast. As we have heard, this government promised a new hospital before the last election and now it is disappearing off into the neverland.

**Ms Struthers** interjected.

**Ms SIMPSON:** I will say it here again: the decision to delay this hospital will kill people. That region is 450 beds short today. If you are down by 650 beds, you are going to kill people. The health planners have said that the region will be short of 650 beds by 2014-15. Now, those opposite might think that you can shove people in a chair and call it a hospital bed, but it does not work!

The budget is not about structural reform of Queensland to align the assets with the future industries of Queensland, as the Premier and the Treasurer have said. That is absolute twaddle! There are critical pieces of infrastructure that are not even funded in this budget such as the inner-city rail network. By 2015-16 the rail system in Brisbane will reach capacity, severely affecting freight and passenger capacity. This is not just a city commuter problem; it is a whole-of-state problem with a bottleneck at Roma Street, and this problem will become intolerable.

Is there a plan that we have seen in this budget to fix this? No! There is no plan on the horizon other than some pretty pictures and some pin money for a feasibility study—a study, by the way, which is federally funded—but no plan to actually resolve the bottleneck which is looming and which is going to further cripple this state. This government said that it is selling off the assets to fund infrastructure, but it has no plan to fix one of the worst infrastructure problems that this state is facing. The future of Queensland's transport network and its economic development will not be achieved by flogging off the income-earning infrastructure of Queensland.

As Queenslanders face tough times and are trying to tighten their belts, the state government has whacked them with an extra 8.2c per litre, rising to over 9c a litre when GST is included, with this new petrol tax from 1 July. Registration is also estimated to rise by about 20 per cent, and for many truck operators that is even higher. For the average family it is estimated that the extra costs will be \$300 per year. Altogether, it will take out about \$600 million throughout the economy of Queensland that is transferred into Treasury coffers.

The fuel tax will hurt the hip pocket directly and indirectly, as industry experts predict that it will have a significant inflationary impact on the cost of goods and production. The state Labor government has no mandate to impose this tax on motorists and the trucking industry, as it claimed. Queensland has been the only state without a petrol tax—a situation maintained by the coalition government when other states around Australia had their petrol tax struck down as unconstitutional, requiring the federal government to step in on their behalf and levy it formally as an excise.

In Queensland, the coalition government rebated this excise to assure motorists and the trucking industry that Queensland would maintain its fuel tax free status. That was in recognition of the hugely negative impact that a petrol tax would have on a state such as Queensland, where people have to travel vast distances. So this tax will disproportionately hit those who have to travel the furthest and who already carry higher costs. I have had significant feedback from people who are angry about this tax and also from small businesspeople who have said that they have fixed contracts so they will not be able to recoup these costs. People in the trucking industry have said to me that this decision will cost jobs. You do not save jobs by putting higher taxes on businesses. One North Queensland trucking business told me that they have contracts which mean that initially they will have to bear the burden of this cost, but that cost will end up being passed on to clients and it is going to cost them over \$100,000. They have said that they cannot

pass on the cost initially, which will mean that jobs will be lost. But eventually, that extra cost will be passed on to customers. That is something that people in the regions just cannot afford.

I want to address SEQIPP, which is where the forward projections for a lot of transport and road projects are outlined. It was due out this week but it has not been released. It has been delayed by another month. This document contained about \$35 billion in forward estimates when Peter Beattie launched it. Over five years it has turned into a document containing about \$100 billion. It has become a bit of a laughing-stock with industry, because it is no longer an operational document; it is an aspirational document. Industry and those involved in construction businesses say that they truly need to have a pipeline of works that have clarity and which give them greater confidence. We have not seen that with this government. That, too, costs jobs and investment. In fact, industry has been briefed on projects and it has worked up tenders for those projects only to see those projects pulled at the last moment. That has literally cost some businesses millions of dollars.

SEQIPP is due out next month and the word is that more projects will be rolled back and delayed. But a lot of the delays and roll-back of projects in SEQIPP in regard to transport and road projects has been because of the poor scoping and poor management of projects, which has also resulted in Queensland being seen as one of the worst states when it comes to proper forward planning of road and transport infrastructure. That lack of planning has added hundreds of millions of dollars to projects. It has also meant that critical access to federal funding from the infrastructure fund for projects has slipped by. There simply has not been the appropriate work done. There were no business cases for some of those large projects in order to ensure that the government had access to those funds.

Meanwhile, this government has continued to spend like a drunken sailor on other projects that have wasted considerable funds, such as the Northern Pipeline Interconnector Two through the Sunshine Coast. How on earth could the government spend \$100 million in the last financial year on a project where it has not even turned the first sod? In this financial year, the government is going to spend another \$200 million on this project. Is it any wonder the state is broke? The government has spent \$100 million on a pipeline for which construction has not even started and it is going to spend another \$200 million on it. By the way, that pipeline is supposed to connect to Traveston Crossing Dam and the government does not even have the environmental approval for that. It is just a joke.

There is no money for other projects such as the missing Sunshine Coast Hospital and other critical infrastructure, because this government has not got its priorities right and will not stop wasting money in such an appalling and scandalous way. The upgrade of the Ipswich Motorway, which is a project that will be federally funded, has seen an \$884 million blow-out. The Queensland government has a bad reputation for being incompetent and incapable of appropriate forward planning so that it knows what these projects will cost. That project is going to take another huge slab of funding, albeit of federal funding. But that has meant that that funding is not available for other projects in Queensland.

In the 2008-09 year, \$176 million of federal funding was provided in Queensland to be spent on the Bruce Highway Cooroy to Curra project, yet only \$50 million will be spent, meaning a \$125 million subsidy direct to the Queensland budget bottom line. I return to the upgrade of the Ipswich Motorway. Of the \$484 million of federal funding that was provided in Queensland to be spent in 2008-09, only \$156 million will be spent, meaning around about a \$330 million subsidy direct to the Queensland bottom line. There is a pattern here. The government is very good at taking the money off other people but it is not particularly good at spending it in a timely and cost-effective way.

We have also seen transport corridor acquisitions in South-East Queensland blow-out from \$14.5 million to \$115.4 million, yet for the Eastern Busway, Buranda to Coorparoo stage 2A, there was an \$80 million underspend in the last financial year. I have talked to a range of businesses in the Coorparoo Mall about this busway. Because of the mucking around of this government and the delays on this project, people have gone broke. They have lost their businesses in the process. One gentleman who came out to Australia was heartbroken. I believe he has gone back, because he lost his livelihood because of the way in which this government treated him and his family. There are other businesses in the area that are affected as well.

There are other projects that have cost taxpayers dearly because of the way in which this government has failed to go forward in a timely way with projects that it promised. The new Queensland driver's licence is a project that is still dragging its heels and is yet to come to fruition.

**Mr Nicholls:** How much is that?

**Ms SIMPSON:** Interestingly enough, in the last financial year they underspent on that project. The overall budget compared to what they were supposed to spend, of course, has blown out by tens of millions of dollars, but it is a project—

**Mr DEPUTY SPEAKER (Mr Hoolihan):** Order! I remind the member for Maroochydore that you are not addressing your answers to the questions asked by the member for Clayfield through the chair.

**Ms SIMPSON:** In terms of the Robina to Varsity Lakes rail extension, that was a \$25 million underspend in 2008-09 which will roll over into this year, and there is the Gold Coast Highway upgrade from Helensvale to Southport. There is a range of these projects that the government says it is spending the money on. It is extraordinary. The government seems to be able to blow its budgets and yet still be so far behind in delivering these critical projects. In relation to the Centenary Highway, Springfield to Darra project, we will see that money roll over and the government will reannounce that project two or three times more. In 2008-09, there was a \$38 million underspend. Of course, with the Gateway Motorway upgrade, in 2008-09 there was a \$90 million underspend because of delays in the rollout. So this government is not covering itself in glory in terms of its commitment to a steady pipeline of works that is predictable and available to the industry.

I want to come back to my own area on the Sunshine Coast. Because of the way in which a number of bills have been rolled in together and we have to debate them cognately, there is not enough time to address all of the issues that I would have liked to address today. In regard to my own electorate, CAMCOS was originally supposed to see the first leg of the rail to Caloundra delivered by 2015. We announced that CAMCOS would be better as a light rail project like the Gold Coast rapid transit project, which is also a light rail project, where you are able to go from population nodes, including the key hospital centre. You are able to stage it by initially having it as light rail, with rapid bus back to your heavy rail. The Gold Coast proposal is a similar concept to what we proposed for the Sunshine Coast. But under this government, we do not know when CAMCOS in any form will be delivered because the 2015 deadline for the government sequencing the rail to Caloundra is not going to be met. We understand that in the latest SEQIPP this deadline is likely to blow-out further into the future.

The future for Queensland is about a need for certainty from government as to the pipelines of work—not an aspirational SEQIPP and transport and roads plan, but one which is fair dinkum and has some time frames in it that industry can believe and the community can believe and not just for one part of Queensland but for all of Queensland. Industry is saying that when governments have a rush of projects and then they stop them, that costs jobs. We have already seen that in regard to projects such as the rail project on the north coast line, which was supposed to continue with the next stage after the current works. Yet that project was pulled, despite the fact that industry had been briefed that it would continue. Those people working in that area have been lost to those communities and those skills that have been built up have dissipated, probably to other states. If the government wants to deliver infrastructure in a more cost-effective and sustainable way for jobs in the future, it is time for it to have a pipeline of work that is believable.

We cannot count on this Premier; the people of Queensland have found that they cannot trust her word. It is time to have a government that has a sustainable approach to infrastructure that is delivered on time and on budget and with a program that does not indenture future Queenslanders with mortgages that they will never be able to repay. This government has no repayment plan. This government has no plan to ensure that the people of Queensland are able to have hospital beds. It might be acceptable for the minister to rule out the plans that we supported for a new hospital on the Sunshine Coast, but by killing off that hospital he will kill people. I stand by that. It is an absolute disgrace. My constituents and my family live in that region and to see a situation where this government has canned that hospital and we have no hope under this government of seeing it delivered is a disgrace.

*(Time expired)*