



Speech by

**Fiona Simpson**

**MEMBER FOR MAROOCHYDORE**

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## **MOTOR ACCIDENT INSURANCE AND OTHER LEGISLATION AMENDMENT BILL**

**Ms SIMPSON** (Maroochydore—LNP) (3.16 pm): The Motor Accident Insurance and Other Legislation Amendment Bill makes three primary changes and a number of miscellaneous changes. The first change is to the competition legislation to improve third-party access arrangements, particularly with rail, port and other monopoly services, attempting to keep control in Queensland under the Queensland Competition Authority. The second change is to amend compulsory third-party arrangements to ban commissions and the third change proposes to stop increases of more than the CPI on tolls after the asset sale.

Queensland motorists are now the heaviest taxed in Australia, thanks to the waste and mismanagement of this state Labor government. We have seen this state Labor government mislead the people of Queensland and get rid of the petrol tax rebate, resulting in Queenslanders paying about \$500 million a year. This came on top of huge hikes in registration charges of about 34 per cent over two years and toll hikes of more than 30 per cent, although that increase is even higher for commercial class vehicles. Over the next few years the cost of a new five-year driver's licence will double to more than \$150, again thanks to the waste and mismanagement of a project that this government said would save people money.

It is pretty rich for a Labor government to tell the private sector to be competitive and pass on savings when it does not know how to do that itself. Essentially, the government wants the insurance sector to be more competitive, cut its costs and pass those savings on to motorists, but we see the complete opposite happening when it comes to how the government runs its own business. It is wantonly abusing the public purse. It does not know how to manage taxpayer money with respect. That has resulted in huge cost hikes. As I said, Queenslanders are now the heaviest taxed motorists in Australia. This bill proposes to cut commissions for compulsory third-party insurance, for a grand total saving of up to \$27 for motorists. As I mentioned, Queenslanders now pay hundreds of dollars extra thanks to the government, so it seems like a very small reprieve from the costs that they are paying as a result of this government's mismanagement.

I will now address the issue of tolls. This legislation seeks to entrench the current costs to be capped at CPI into the future, after the motorway is sold. However, we should not let the public forget what has happened with increases in charges. Unfortunately, an increase in a toll will not come back before the parliament as a regulation that can be potentially disallowed. The government released a gazettal notice on 18 June 2010 that resulted in a significant increase in costs.

The reason the government whacked up the tolls was not so that motorists would get better services and outcomes. If they believed that it was delivering better services and outcomes by collecting more money, wouldn't they have done some cost-benefit analysis? Wouldn't they have looked at what the impact would be of people avoiding the tolls in order to protect their hip pocket because people are really struggling? No, there was no cost-benefit analysis done in regard to the impact of people who were going

to rat run around the tolls. I asked the question of the main roads minister and he had to admit that the government had done no studies into what the impact would be of people avoiding the tolls.

I want to tell the story of one owner-driver who is typical of so many others who have contacted me following the huge increase in tolls under this government. The letter states—

I am a owner driver in Brisbane. I have only 1 truck but as I sub contract to a company that deals with freight out of the Port Of Brisbane. Myself as well as 3-400 other drivers are hurting very badly because of the rising of the toll costs. Most of us have gone from paying \$2.95 per each way on the gateway to \$10.20 each way. The feeling out there with these increase of costs are crippling us. We have gone from making a living down to just surviving.

The increase in the tolls has been about 350 per cent for this particular driver. The letter goes on—

Bligh has just made a decision and that's it, not thinking about how it is going to hurt the transport industry. I also have approached small and medium sized businesses and they have told me about trying to cover these costs as some customers are dealing with other companies as they are not prepared to pay the tolls to get their freight over the bridge or down thru the logan motorway as they also have gone for most of us from \$2.00 to \$6-6.40 per pass thru the beacons.

There are many drivers out there that will be selling their vehicles as they have told me that they won't be able to go on ... as we have just had enough, as I said with Ms Bligh putting these increases as well as registration and any other cost she can throw at as most of us will fold very soon.

That is just one letter. It disturbs me that this government that claims to be about looking after the workers has completely forgotten those who are least able to carry those costs. Some of these trucks will be paying smaller trucks that are still caught in the class 4 category and will be paying exactly the same as the very biggest trucks, the B-doubles, but there is no consideration of that.

This government in all that it does is about gouging motorists and gouging the business community but not about cutting its own cloth. These increases are having an impact on people, but the money is not even flowing back into our roads. I heard this morning the main roads minister get up and talk about road programs and warning of potential cuts. He did not mention once that under his watch in this last budget, despite the biggest increase in registration and despite the gouging of motorists with petrol costs, this government has actually cut the roads budget by a quarter of a billion dollars—\$250 million has been taken out of the Main Roads budget. So it does not wash when this government says that these increases in charges are about helping the motorists. I think people have had enough of this kind of help, because they are really hurting.

I am going to table an explanation for the increases in the toll classes. For class 1, there has been a 41 per cent increase in fees; for class 2, it is a 31 per cent increase in tolls; for class 3, 96 per cent; and for class 4, 39 per cent. But accumulatively, as I said, some operators have borne a far greater increase. That is why they have said that they will be avoiding the tolls if they can, but some businesses find that very difficult to do and they will find it very difficult to pay those costs. I table that document.

*Tabled paper:* Document detailing the toll charges for various classes of vehicles on toll roads [\[2854\]](#).

As has been said, this legislation before the parliament is not about assets sales. We have made it very clear that we do not support this Labor government's proposed sale of Queensland's assets. We stand against the sale of Queensland Rail, the motorways and the forestry. It is a fire sale and one that is not being done in the best interests of Queensland. This government is in fact selling off the house to pay the grocery bill. It does not have a plan in place to reduce the debt. It is interesting that the government has threatened its own backbenchers that if the privatisation of these assets does not go ahead then they will not get some particular project in their electorate. Every which way you turn, the government has another excuse for which project it says will not go ahead. The government has even blamed current projects and that recurrent costs are dependent upon the assets sales. There has been an inconsistency in the argument of this government about asset sales.

The legislation before the House has raised issues of competition and these are the matters that we are addressing today, and they would occur regardless of assets sales in Queensland. I want to firstly refer to the warnings of the federal Minister for Infrastructure, Transport, Regional Development and Local Government, Anthony Albanese, and his office about the way this government has gone about the assets sales. Documents obtained under right to information have revealed that the Queensland government has been warned that the sale of QR will be detrimental to the Queensland resources sector. Minister Albanese's office warned the Bligh government that the sale of QR will 'result in higher costs for the resources sector and consequently less revenue for government'.

The minister's office advised the Queensland government that its plan would 'remove competition for above rail services'—that is, the freight haulage operations. The briefing note from Minister Albanese also warned that 'while the basis for the sale of an integrated entity would potentially provide the highest upfront payment for a seller and facilitate a quick sale, it would be at the expense of a sound public policy outcome for competition and efficiency of the coal network in Queensland and is likely to reduce Queensland government income from the resources sector over time'. With advice from the federal minister that condemns the sale of Queensland Rail, the question to be asked is: why is Premier Anna Bligh not listening to this advice and going ahead with a sale that is not in Queensland's best interests?

The provisions of this legislation do deal with issues of third-party access. I think they have been covered excellently by the shadow Treasurer. These are issues that were on the table prior to assets sales and in fact have been subject to COAG agreements up to four and five years ago in relation to improving the regime even for existing operators in the Queensland network. They are complex provisions. As we understand from the briefing and with regard to recent applications from operators, the intention here is to try to keep control of the access regime within the Queensland jurisdiction under the Queensland Competition Authority, as opposed to seeing that moved into the federal jurisdiction under the ACCC.

I want to address some of the other provisions in this legislation, particularly in regard to the Transport Infrastructure Act, and to note some of the other measures that are being amended. This legislation is supposed to enhance the governance of the QR Network Board from the QR National Group by requiring the majority of directors of the QR Network Board to be independent of the executive management of the QR National Group. As the shadow Treasurer has outlined, I think there are still some questions to be asked as to whether that is sufficient.

While the majority of directors of the QR Network Board have to be independent of the executive management, that does not mean that they all have to be. There is in fact still the potential for conflict and there are still issues as to how that is going to be managed practically. I seek the minister's explanation in that regard. I think there has been some recent case history about subsidiary boards and some of the issues they face with regard to decision making which can have ramifications not only for the customers and the dealings of that entity but also practically for those directors in how they perform their duties. It is not enough just to have this requirement noted in legislation. I think the minister needs to give us an explanation as to how this is going to work practically.

There are also provisions in this legislation to preserve existing train paths for regularly scheduled passenger and non-coal freight train paths. The legislation also introduces a process by which the chief executive's consent is required for the reallocation of a preserved train path. I seek an explanation from the minister as to the circumstances that are envisaged that require the reallocation of a train path. Obviously it is envisaged that not all preserved train paths will be set in concrete, so to speak, into the future and that there are circumstances in which they can be changed.

There has been a great deal of concern among existing industry that their difficulties in negotiating access to train paths are currently not being addressed. When we hear that consent to reallocate a train path is required of the chief executive it certainly flags that other changes will be flowing through.

One of the complaints we constantly hear from the livestock industry is that, while a service is promised, a service is not delivered. They are feeling very much disempowered as to how they effectively address that. When they turn up with their stock and are ready to load and they find that the train is not available, that is completely impractical. They cannot just load them back onto the trucks and send them back to where they came from. That lack of certainty with regard to service delivery and the ongoing changes—sometimes quite arbitrary changes—have made some of these services less and less viable for those who are seeking to access them.

That is a tragedy in this day and age when we want to see rail as an efficient operation that is available for more than just the biggest operators. If all the freight is dumped on our roads the public will realise pretty quickly that that is not to the broader community's advantage. It is questionable whether there would be enough trucks to carry all of the livestock that are currently carried on trains.

There is great pressure on this industry to use trucks. The reality is that unless we see certainty of pathways that is more than just lip-service but is practical, has a high standard of service delivery and does not leave people in the lurch the way it has over the last six to 12 months—that is absolutely disgraceful—then this legislation does not mean anything. There has to be a genuine effort to provide a high standard of service delivery to those who are seeking to access rail rather than what we have seen happen to date where people have been left severely disadvantaged when services do not arrive and there seems to be a reallocation of those services to other parts of the network or certainly a lack of concern for investment in the network to ensure that customers have certainty about the way it is delivered.

As has been mentioned, this legislation has some extremely complex issues with regard to competition access. We are not opposing the parts of the legislation pertaining to insurance and tolls. However, we continue to raise our concerns about the policies of this government leading up to this legislation which cannot be addressed through this legislation but still ultimately leave Queenslanders really hurting in their hip pocket.