



Speech by

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MEMBER FOR SURFERS PARADISE

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MOTION: SOUTH-EAST QUEENSLAND WATER SUPPLY

Mr LANGBROEK (Surfers Paradise—LNP) (Leader of the Opposition) (5.30 pm): I move—

That this House condemns the government's incompetence and mismanagement of South-East Queensland's water supplies and notes:

1. massive hikes in water prices for householders in the region;
2. the failure of the Labor government in relation to its panicked water grid investment that was undertaken without a business case to ensure value for money;
3. the poorly conceived and cancelled Traveston Crossing Dam;
4. the misguided continuation of the northern pipeline interconnector stage 2 project, effectively a pipeline to nowhere;
5. Labor's problem plagued Tugun desalination plant; and
6. the idle Western Corridor Recycled Water Project.

Over the last few months when Queenslanders have opened their water bills, there in black and white before them has been the cost of Labor's incompetence and mismanagement. It is a stark reminder of the impact on families of this toxic, long-term Labor government. Ever since the Queensland Labor government became involved, the cost of water has spiralled out of control. Queensland Labor's big new water companies have meant greater costs and much higher water bills for Queensland families.

Let us look at the projected increase in the bulk water prices for some of the councils from 2008 to 2018. For the Brisbane City Council, the price was \$628 per megalitre in 2008 and it is projected to be \$2,755 in 2018, which is a 339 per cent increase. The increases continue: Ipswich, 388 per cent; Logan, 153 per cent; Moreton Bay, 261 per cent; Somerset, 115 per cent; Lockyer Valley, 47 per cent; Scenic Rim, 155 per cent; the Gold Coast, 241 per cent—and Ron Clarke, the mayor of the Gold Coast, has been pointing out that increase for some time, and I know that the member for Gaven has been very concerned about this on the Gold Coast and other members here tonight will point out these increases as well—the Sunshine Coast, 262 per cent; and Redlands, 344 per cent.

How on earth can Labor members blame anyone but themselves for this mess? Why do they not take responsibility instead of trying to duckshove the blame on to others? They should have the good grace to admit to the Queensland people that water prices are going through the roof because they mismanaged the entire process. But Labor members cannot tell the truth about water, just like everything else. Let us have a look at what they have said on the record. According to the AAP news wire of 27 September 2006, former Premier Peter Beattie said this about water prices—

Queensland water rates will not rise to cover the cost of the state-wide water grid, despite a single Gold Coast project now costing an extra \$257 million.

There you go. He just did it by magic. On 12 October 2006 the *Courier-Mail* reported this about water prices—

Premier Peter Beattie, who previously said water rates would not rise as the state secures its water supply, changed his position in Parliament yesterday.

What had happened then? There had been an election in the interim and suddenly the truth came out. That is what happened. That is what he said then. The *Courier-Mail* continued—

"The reality is that there will be a movement in water prices," he said.

By then he had been safely returned as the Premier, which he subsequently left a year later. In an ABC Radio interview on 9 January 2007 the current Premier, the member for South Brisbane, said—

I do expect there will be a water charge increase and they will have to increase gradually over a number of years.

The *Courier-Mail* reported on 18 January 2007 that the then Water Commission chair, Elizabeth Nosworthy, blew the whistle. She confirmed that water prices would double in the next few years as expensive infrastructure was built. Then on the same day, the current Premier reassured Queenslanders that Nosworthy had got it all wrong. That is what was said by the current Premier, the member for South Brisbane. An AAP news wire on 18 January 2007 reported—

"This is a very sensitive area and it is premature in my view to be saying prices will double," Ms Bligh said.

Only two weeks later, the current Premier reassured Queenslanders. On 31 January 2007 she said—

The cost of the infrastructure will mean we'll all pay a little bit more for water.

The story continues. In a ministerial release from the Premier and Deputy Premier of the day—and that Deputy Premier is the current Premier—on Friday, 9 March 2007 Ms Bligh said—

Water is an essential resource and we will not see it priced beyond the reach of ordinary Queenslanders.

As we can see from those statements, the truth is not the Premier's strong suit. The reason Queenslanders are so angry is that water prices are yet another example of where Queensland Labor members could not tell the truth. They could not be upfront with Queenslanders and now they cannot take responsibility for the mess they have made.

There is no doubt about it: South-East Queenslanders are paying for the Labor government's failure to plan and invest for our future water needs. I have sat in this House since 2004 and heard other members who have been here a lot longer speak about the fact that for decades Labor ignored the need to invest in our water infrastructure until it was too late. This neglect has resulted in one of the most disgraceful episodes of government decision making that Queensland has ever experienced.

When Queensland experienced our recent drought, there was no well-planned investment strategy to ensure South-East Queensland's water security into the future so Labor panicked. Members opposite love to trumpet Labor's \$9 billion water grid as timely action. We certainly remember the Premier at the time, Peter Beattie, wandering around the state in that election campaign of 2006 talking about the Health Action Plan and water grid. If there are any words you can remember from that election campaign, it is those words.

Whilst they may love to trumpet this \$9 billion water grid as timely action, the truth is that it is a dismal failure. The projects committed as a drought response measure under schedule 10B of the Water Regulation 2002 did not require a business case. Nearly the whole of the \$9 billion water grid was done without this basic due diligence. Any Queensland in small or large business would be appalled and dismayed by such irresponsibility. Business cases are critical in ensuring taxpayers receive value for money. Queensland is paying the price for Labor's failure. Project after project has failed.

Unfortunately, the Labor government has form in neglecting to do proper due diligence before embarking on infrastructure spending. As recently as May, the Auditor-General slammed the government's lack of rigorous business cases. He said—

Governance arrangements over infrastructure projects established at the investment decision phase were found to be less than optimal in the projects audited.

Translated into real English, the state's top auditor was telling the Premier and Labor that they are wasting taxpayers' money by not doing basic preparatory work.

Let me speak to some of Labor's failures in delivering water to South-East Queensland. The Traveston Crossing Dam is a \$1.6 billion dam that had to be cancelled by the federal government because the arrogant Labor government failed to listen. It was always a bad public policy decision. Experts and community leaders spoke up and said, 'Don't do it,' but Labor would not listen. The community told the government that purchasing land before approvals were received was premature and disruptive to the region, but around \$500 million was spent on this with around \$265 million of taxpayer funds wasted. There were environmental concerns but Labor pushed it through state environmental approvals and the Commonwealth had no choice but to step in. It was a blatantly politically expedient announcement so that this government could appear to be doing something about water. Government members should have listened but they did not.

The northern pipeline interconnector is another part of the saga. The government is going ahead with this interconnector stage 2 to Lake Macdonald, which has a connection to the Mary River and the cancelled Traveston Crossing Dam. Labor is spending at least \$450 million on a pipeline to nowhere. This is a pipeline to bring water to South-East Queensland from a dam that will never be built.

Of course, on the Gold Coast we have the Tugun desalination plant. It is running well below capacity, plagued by maintenance problems, riddled with defects and has been shut down repeatedly. Whilst Tugun was designed to deliver 125 megalitres a day, in the first 16 months, once full capacity was

reached, this plant should have been able to deliver 60,000 megalitres of water. Instead, it has delivered less than 50 per cent of this water to Queenslanders. Members opposite should hang their heads in shame.

Finally, I turn to the western corridor recycled water scheme, which the member for Lockyer referred to last night in his adjournment speech. It is sitting almost idle. Farmers and other industrial users are crying out for the water, but the government is charging so much for water that the only users that can afford it are power stations. Where is the return on investment?

What has all this meant for the residents of South-East Queensland? Labor's failures are being passed directly on to us in our water bills through the bulk water charge. The bulk water charge will skyrocket by between 50 per cent and 400 per cent over the next 10 years all due to Labor's mismanagement and incompetence.