




Speech by

Andrew Powell

MEMBER FOR GLASS HOUSE

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FAIRER WATER PRICES FOR SEQ AMENDMENT BILL

 **Mr POWELL** (Glass House—LNP) (4.37 pm): I rise to speak on the Fairer Water Prices for SEQ Amendment Bill 2011. One would be a brave individual not to agree that water management and distribution is nothing short of a dog's breakfast in South-East Queensland. It is a diabolical mess. But let us also be clear on why—one word: Labor. After years of inactivity, with a worsening drought and with the opposition and media and the broader community breathing down its neck, Labor responded with an extraordinary knee-jerk approach, one that demonstrated that it had not kept up and it showed little to no planning and very poor policy.

There was the Traveston Dam announcement, the SEQ water grid—and can I pause there for a moment, because in the electorate of Glass House we continue to see the manifestation of that poor planning through the northern pipeline interconnector stage 2. I understand and note from the budget papers that already the anticipated costs have gone from \$400 million to \$440 million and now to \$463 million—all for a 48-kilometre pipe to nowhere, a pipe that will drain Lake Macdonald overnight should it ever be turned on. I also note that staff from the Northern Network Alliance are leaving in protest because they are fed up with having to go to landholders and tell them that what they told them last week is no longer the case, it has now changed and the work is not commencing on this day, it is not commencing on that day, they do not really know when it is commencing and, 'Oh, by the way, those plans that we drew up with you are no longer the plans.' When staff are resigning because of that we know there is poor planning.

There was the Traveston Dam announcement, there was and still is the SEQ water grid, there is the forced removal of water infrastructure from local government control and the establishment of new distribution and retail bodies such as Unitywater in the Moreton Bay and Sunshine Coast region. The opposition saw the flaws from day one. The bureaucrats and the public servants were advising against this course of action and increasingly the community understood that their taxpayer dollars were and still are being squandered and their water bills were only going to go in one direction—up. And we were all right.

The Bligh Labor government would have you believe that it is all the fault of local government. That is simply not true. The mess was not created by local governments; it was created by this state government. So while this legislation attempts to put the blame back on the local government, it has missed the mark in addressing the root causes of our spiralling water bills in South-East Queensland. Sure, capping retail annual increases to CPI will deliver some cost-of-living benefit to households in South-East Queensland. However, in reality, the long-term effect could lead to even further disasters in water management in South-East Queensland. Members should not forget that, as well as removing key water assets from council control, the Bligh Labor government has also ceased the subsidy program for water and sewerage infrastructure. So instead of cash-rich councils and distribution companies, the councils and Unitywater must use what profits they can gain from water bills to cover the shortfalls created by the state government in no longer investing in infrastructure. The results of this CPI cap could be that councils will not have the funds for vital infrastructure upgrades.

I return to my previous comment: this bill does nothing to address the root causes of water bill increases in South-East Queensland—that is, the bulk wholesale water price set not by the local government or by the retailers but by this Bligh Labor government. There is only one way to deliver real

savings for householders facing increasing water bills: get rid of this tired, old Labor government. Only Campbell Newman's four-point water plan will address the real issues and save everyone money. What is that plan? It is (1) amalgamate the five bulk water entities into one to provide greater efficiencies; (2) hand back control of water retailing to councils; (3) write off some of the non-performing water grid assets—and I could add a few names to that list; and (4) immediately adopt a 40-year price path for the state government's \$7 billion water grid debt. That plan will deliver real savings to households in Glass House and across South-East Queensland, because it addresses the real problems with water. It is a plan that cuts waste and demonstrates sound economic management.

South-East Queenslanders have a real choice at the next election: keep supporting a tired, old Labor government that wants to blame everyone but itself for the water debacle in South-East Queensland or vote for a Campbell Newman led LNP that will get on with delivering real cost-of-living savings. As the member for Kawana and the Leader of the Opposition have said, on election day when you go to the polling booth do not forget to take your water bill as it is the best how-to-vote card around.