




Speech by

Carryn Sullivan

MEMBER FOR PUMICESTONE

Hansard Tuesday, 14 February 2012

SOUTH-EAST QUEENSLAND WATER (DISTRIBUTION AND RETAIL RESTRUCTURING) AND OTHER LEGISLATION AMENDMENT BILL

 **Mrs SULLIVAN** (Pumicestone—ALP) (2.54 pm): I rise to support the South-East Queensland Water (Distribution and Retail Restructuring) and Other Legislation Amendment Bill 2011. The Environment, Agriculture, Resources and Energy Committee that I chair presented a report which was unanimously supported by committee members. I thank those members for their dedication to consideration of this bill. In fact, opposition MPs did not even submit a dissenting report or a statement of reservation. That is a first. I always thought that was their only policy. When a bill is passed through this House they often go on with a lot of drivel they think is important and then they support the bill. Often they pick out some inane detail that they think is important but seldom is.

I thank those in the library for their concise and detailed briefs presented on bills before parliament. I take this opportunity to thank Mary Seefried, the Parliamentary Librarian, and wish her all the very best in her retirement. I also thank my secretariat for their assistance in getting the report ready for tabling into the House yesterday. It is a busy time for everyone. The committee is still working hard on a number of other reports. I also thank those departmental officers and the Queensland Water Commission who briefed the committee and also the submitters.

The SEQ water bill was referred to my committee for examination on 11 October last year. The bill proposes amendments to the South-East Queensland Water (Distribution and Retail Restructuring) Act 2009 (Queensland) and other acts; the withdrawal of certain council water businesses from their distributor-retailer and re-establishment of those water businesses within the councils; greater clarity for those councils remaining with their distributor-retailers in respect of their pricing and decision-making roles with the distributor-retailers; and allowing the Queensland Competition Authority to have a price-monitoring oversight role of the new council water businesses.

The committee received four written submissions: one from Allconnex and one each from its three owned councils—Redlands, Gold Coast and Logan. Councils were particularly keen and they were in constant contact with the secretariat to see this bill passed as soon as possible. The bill has been formulated in close consultation with Allconnex and its participating councils. The proposed dissolution of Allconnex reflects the three councils' resolution to re-form their councils' water businesses.

As part of the committee's report it recommended writing to Minister Robertson seeking assurances and clarification on a number of points raised. These primarily related to clause 23 of the bill. The minister replied to the eight specific points raised and reassured the committee of the government's commitment to progressing the bill. I would like to acknowledge the government's response to the committee's report tabled by the minister this morning in his second reading speech. The minister noted that the committee has sought particular assurances on three legislative amendments and these will be drafted and incorporated in the bill. I thank the minister for his prompt and detailed response.

Minister Robertson confirmed that he will be moving amendments to provide for the retrospective application of sections 92BS and 92CM. The committee's report noted concerns raised by Allconnex in its submission about whether the exchange or disclosure of information required to implement the transfer

prior to the passage of the bill would have the same protection as information exchanged after the bill is passed. I know that councils and Allconnex will welcome this amendment to protect their interests. Similarly, the minister has responded to a concern that the committee raised about the protections afforded Allconnex for actions and decisions made in connection with the retransfer prior to the bill's passage through the House. Again—and I thank the minister—the minister has assured the committee that the bill will be amended to address this concern.

I address the matter of essential water assets, liabilities, instruments and employees transferring back from Allconnex to the withdrawn councils of the Gold Coast, Logan and Redland City. As I said, in April 2011 the Premier and Minister for Reconstruction provided SEQ councils with a once-only opportunity to decide to opt out of their distributor-retailer and re-establish council owned and operated water and wastewater businesses. The participating councils of Allconnex Water—the Gold Coast, Logan City and Redland City councils—have decided to take back their water businesses. That was their decision. They took up the government's offer. It was never forced upon them. They asked for and were granted the change.

The Queensland government has consistently stated that Queensland taxpayer funds would not be committed to fund the disestablishment of Allconnex and the re-establishment of council water businesses. Accordingly, the bill provides a fair and transparent process for ensuring that Logan and Redland City councils are not financially penalised as a result of the Gold Coast City Council decision to withdraw from Allconnex. Equally, the bill requires Allconnex, Logan and Redland City councils to take all reasonable steps to mitigate the amount of the Gold Coast City Council's liability.

The bill contains three principles to deal with the allocation of assets. These are: firstly, assets attached to land returned to the council where the land is located; secondly, assets returned to the council that had prior control of them, unless all of the councils agree otherwise; and, thirdly, the distribution of assets and liabilities created by Allconnex, excluding land or those attached to land, are to be decided upon by the councils under their agreed transfer schemes. The transfer scheme process involves the councils and Allconnex certifying that the transfer of assets under the transfer scheme, or an agreement for the use of assets and so on, will allow each council to perform its necessary water and wastewater functions.

There are also transition provisions to enable the council water businesses to operate effectively from 1 July 2012. The intent of the bill is to provide for the automatic re-establishment of council water and wastewater business units from 1 July 2012. Those council business units will continue to operate as SEQ water grid participants with some provisions that currently apply to distributor-retailers continuing to be applied—for example, obligations relating to the CPI price cap, effective regional planning, minimum information to be provided on customer bills and customer protection measures such as access to the Energy and Water Ombudsman Queensland.

This bill is a very good example to highlight the benefits of the parliament's new portfolio committee system and the important and useful work committees such as the EAREC do to help the House deliver excellent legislation for the people of Queensland. I commend the bill to the House.