



Speech by


**Dr Chris Davis**

**MEMBER FOR STAFFORD**

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## **APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; FISCAL REPAIR AMENDMENT BILL**

 **Dr DAVIS** (Stafford—LNP) (5.51 pm): I rise to speak on the Appropriation Bill 2012 and the Fiscal Repair Amendment Bill 2012. We do well to remember the old proverb that he who pays the piper calls the tune. Because of the debt and deficit we have inherited from over a decade of Labor mismanagement, we are now obliged to dance to a financial tune not of our choosing.

As a longstanding public servant who worked in that most complex of human activities—modern academic hospital care—I fully understand the difficulties associated with rapid restructuring and downsizing of staff employed in our public hospital system. It creates enormous challenges, and for many employees it will be extraordinarily stressful and distressing. I also know from my hospital work experience that, when things go wrong and do not work out as expected, people correctly want answers. As someone who would not have wished this situation for our public hospital system or its dedicated and hardworking employees, I have also sought explanations.

The Minister for Health has this morning yet again outlined the background and the facts of Labor's mismanagement of Queensland Health. From my perspective, the overarching failure of the previous administration was their inability to introduce good governance systems. Quite simply, they failed to implement sound business practices.

As we heard earlier, Queensland Health is a system that takes some \$11 billion of taxpayer funds but has a very limited handle on the health return from all that money. To my knowledge, no business with such woeful governance would survive in a competitive market. Evidence for the lack of measures of efficiency, effectiveness and accountability can be found in cases such as that of the fake Tahitian prince, charged with embezzling millions of dollars from Queensland Health. While there has been a focus on the financial loopholes that apparently allowed this, far more important is the fact that nobody noticed that some \$16 million of the money he allegedly diverted from a ghost program into his own pocket did not lead to an absence of deliverables. Who else other than Queensland Health would hand out \$16 million and not observe that they received nothing in return?

Quite simply, the systems to clearly track the relationship between scarce health resources and benefit to the community did not and still do not exist. That is, indeed, why so many employees were and still are underemployed. It was failure of proper management, and the fault lies with the incompetence and irresponsible conduct of their political masters rather than with the majority of employees.

Whilst the failed payroll system was still in its gestation, people like me asked that it incorporate an ability to track valuable and expensive employee time and how it translated into value for patients and the community. A system like that would also ensure that only time actually worked was paid for. As we know, the failure to incorporate that has tragically meant that the system even continued to pay deceased employees for shifts and it took distressed relatives to report the inappropriate payment. Contrast this with systems used in private health practices and legal practices, amongst others, where there are clear linkages between services delivered and billing and pay arrangements.

Now that the latitude to borrow endlessly has necessarily come to an end, the failure of the previous administration to put in place sound financial governance practices means that we do not have at our disposal the systems to re-engineer our public hospital activities with the finesse and evidence base that we would like. And, equally regrettably, we do not have the financial resources to cushion the transition or to delay the required changes.

As a child I was taught the wisdom of putting some money aside for a rainy day. Clearly, that wisdom never made it into the lexicon of 'Bligh the borrower'. 'Bligh the borrower' was Treasurer in August 2006, when she signed off on the decision to close Brisbane's Royal Children's Hospital and rebuild it in her electorate. That decision continues to be in the news for all the wrong reasons. An article by Mike O'Connor in the *Courier-Mail* of Monday, 10 September 2012 states—

Critics say Bligh insisted the hospital be built there, against advice to the contrary, to lift her political stocks in her electorate.

It continues—

And controversy has raged over whether it will lead to an increase ... in the quality and quantity of health care available to our children.

How outrageous that well over \$1 billion is being spent on something that lacks a convincing value proposition. The decision is even more shameful because Anna Bligh already had the practically new Mater Children's Hospital in her electorate. She already had a major tertiary referral centre providing an intensive-care unit, theatres, inpatient and outpatient services and a 24-hour emergency department. So the decision to move the Royal Children's Hospital to her electorate was completely unnecessary and grossly wasteful and, of course, will deny the children and parents of the north side of Brisbane access to their current world-class tertiary children's hospital, with all its vital links to the Royal Brisbane and Women's Hospital and the University of Queensland medical school and research facilities.

If indeed, as suggested in Monday's newspaper article, the purpose of moving the Royal Children's Hospital was to improve Anna Bligh's political stocks then it is hardly surprising that it represents such dismal value for money, as pointed out in the recent Costello audit. Perhaps the \$150,000 per annum she gets from the Queensland taxpayer could be used to contribute to her new hospital and this offset could be used to help keep the Royal Children's Hospital open. That would be a wonderful landmark in terms of political accountability for gross waste and mismanagement. Indeed, why should public servants be the only people to suffer the consequence of political recklessness and incompetence?

Of course, it was also on Anna Bligh's watch that the disastrous payroll system evolved. This, too, has been a black hole exceeding \$1 billion, incurring ongoing unfunded operating costs in this financial year alone of some \$150 million. There is a particular irony that 'Bligh the borrower' is now playing the part of Snow White by fleeing to the forests of Sydney, leaving the 'seven dwarfs' to fend for themselves. Almost as if on cue, there has been a 2012 remake of the story *Snow White and the Seven Dwarfs* called *Mirror Mirror*. So when the Labor opposition members quite correctly express concern for public servants we can no longer afford and ask the mirror who is to blame for this, they will be told, 'The answer is reflected in the mirror.' The mirror will tell them that years of mismanagement and waste are their legacy, and that is why the people of Queensland voted for change with such conviction.

If the Leader of the Opposition has genuine compassion for those losing their jobs, she should immediately release the legal opinion on the failed payroll system that might allow the recovery of over \$1 billion of hard-earned taxpayer money that this government could then reinject back into our public hospital system. Whilst she is going through the Labor Party's chamber of horrors, she might in a moment of remorse also want to find and release the deceit and deception strategy document used to close the Royal Children's Hospital.

Whilst acknowledging the pain caused for some public servants as a result of Labor's legacy of waste, mismanagement and deceit, this budget will deliver for Stafford. In a survey of north side residents prior to this budget, a key issue was cost of living. Clearly there was no room and no appetite for extra taxes and costs. By regaining Queensland's credit rating and so putting downward pressure on interest rates, this budget will help investment in small business and encourage consumer confidence. Reduced government waste on debt servicing will in time free up more money for reinvestment in crucial health, education, transport, law and order, and other key state government responsibilities. That will directly benefit current and future generations of Stafford residents. Of course, Stafford will also benefit from all of the other initiatives in this landmark budget such as money for P&C committees to address the neglect of maintenance in our state schools and also provide support for our wonderful sporting clubs.

In concluding, I am indeed sad for everyone who is suffering as a result of the sins of the former government. I am reminded that an ounce of prevention is worth a pound of cure. But such was the incompetence of the former government that the opportunity for prevention was lost. The good news is that the process of cure has now begun, albeit with discomfort from the required surgery. I commend the Newman government and in particular the Treasurer for a budget that provides a path to recovery and, in due course, prosperity for the people of Queensland.