




Speech by
Curtis Pitt

MEMBER FOR MULGRAVE

Hansard Tuesday, 21 August 2012

MOTION: QUEENSLAND RAIL

 **Mr PITT** (Mulgrave—ALP) (6.03 pm): The opposition supports the motion moved by Katter's Australian Party. At the 2012 state election, the Labor Party received the message loud and clear that Queenslanders do not support selling off state assets. We listened and we are listening.

Government members: Ha, ha!

Mr PITT: Members opposite can laugh if they like, but we are unlike this 'know it all' Newman government that today ignored the hardworking firms and ambos who stood outside the gates of this parliament demanding to be heard. We argue that the government should retain its stake in QR National to ensure that taxpayers receive the benefits of future growth in this iconic company. Since QR National was floated, the government's retained stake has increased in value by more than \$680 million. This is an increase in value of more than \$150 for every Queenslanders. When the previous government floated QR National, it generated proceeds of \$6.72 billion. Of those proceeds, \$4.39 billion was used to pay down debt and \$2.19 billion was invested in Labor's massive infrastructure program, which is more than the value of the entire Gold Coast University Hospital. The initial QR National float delivered benefit worth more than \$1,490 for every Queenslanders.

The LNP government argues that the retained QRN stake is borrowed against by Queensland Treasury Holdings and it is forced to sell it down as part of its strategy to scare Queenslanders into agreeing with poorly thought out decisions. What it does not mention is that dividends are available to meet borrowing costs and the overall value is increasing, delivering a return to Queenslanders. This means that this is an investment in a great Queensland company, not a liability. By retaining the stake in QR National, the government can prevent placing any downward pressure on the share price and can deliver certainty to investors. I am sure there are plenty of investors knocking on the Treasurer's door looking to buy into the retained stake. Some of those investors may be the same investors who tried to rubbish the float of QR National and talk down the value for taxpayers. They may be the wealthy investment bankers who shunned a great Queensland company as they did not see an immediate profit.

The LNP had previously flagged retaining the state's holding of QRN, but this was before the now Premier announced he was storming George Street and all previous policies were 'null and void'. In May last year, the LNP in opposition promised that it would create a sovereign wealth fund from the proceeds of selling down QR National. Of course, the state already effectively has a very large sovereign wealth fund in Queensland Investment Corporation. Therefore, in February the LNP abandoned this policy for a sovereign wealth fund and said proceeds would be used to pay down debt.

During question time this morning, besides inadvertently promoting me to the role of Treasurer of Queensland, the member for Clayfield patronised me by suggesting the use of crayons. What this government and this Treasurer do not seem to understand is the strong economy they now claim as their own has not just appeared since March. It is an economy built by Labor. Obviously, they do not get that the balance sheet has both the assets you own and the debt you owe.

This government's constant fearmongering about debt is evidence that the LNP believes the government should not own assets. We never hear the Treasurer talk about the fact that Queensland has

financial assets of \$42 billion, total assets of \$275 billion and a net worth of \$171.28 billion. Instead, all we hear is his constant scaremongering about gross debt. That is because this government does not understand the term 'investment'. The LNP wants to sell off some caravan parks owned by the government, thinking it will make a quick buck. What it does not understand is that its actions will create more social issues and end up costing the economy and society more over the longer term.

It is only overseas that this Premier and Treasurer whisper the positives about the strength of our finances, while talking down Queensland at home. Already, five LNP MPs have been forced to apologise to parliament for claiming that the state's debt is \$100 billion. Who knows how many more we will see. Meanwhile, the Treasurer has been going around alarming everyone about his new standard of a 'fiscal deficit', a standard that is not used in the budget speech of any other conservative Treasurer in the country. Why is the LNP making up alarmist claims about debt and shifting the goalposts on what counts as a surplus? The LNP is doing this to create a political narrative to justify its real plans to sell off state assets, which is another broken promise to Queenslanders. The measure of a fiscal balance includes asset sales and sets the stage to politically justify asset sales.

The LNP wants to con Queenslanders into agreeing with its ideological views that the government should not own anything, should not invest in infrastructure for our future and should merely operate like a business. Members should make no mistake: you can be fiscally responsible, even fiscally conservative, without trying to run the state like a business. Forget equality of opportunity, which is something that decent Liberals used to stand for. The LNP sees the government as a business, not as having a role in providing services to Queenslanders and maximising our collective potential.

Let us be clear: Labor in Queensland is committed to fighting against the privatisation of assets. We learned the hard way. We have listened to Queenslanders and we fully support Katter's Australian Party in moving this motion.