




Speech by

Deb Frecklington

MEMBER FOR NANANGO

Hansard Tuesday, 21 August 2012

MOTION: QUEENSLAND RAIL

 **Mrs FRECKLINGTON** (Nanango—LNP) (6.00 pm): I am unsure how I can follow that. I would remind the previous speaker that in its midyear fiscal review the previous Labor government projected a debt of \$62 billion at the end of 2011-12 and an \$85 billion debt by 2014-15, but the Commission of Audit report indicates that the debt will reach \$64 billion in 2011-12 and it will reach \$92 billion in 2015-16, escalating to \$100 billion by 2018-19, if urgent action is not taken. Tonight, I rise to support the amendment moved by the Treasurer. Katter's Australian Party would do well to review the history of the Bligh government's asset sale, which saw the privatisation of some \$15 billion worth of state assets, including forestry plantation licences, the Port of Brisbane, Queensland Motorways, Abbott Point Coal Terminal and the rail freight business of Queensland Rail. Forestry Plantations Queensland, which had a large footprint in the Nanango electorate, sold for \$605 million to Hancock—

Mr Rickuss: A bargain.

Mrs FRECKLINGTON: It was a bargain; I take the interjection from the member for Lockyer. After the sale, the Queensland government did an asset and liability audit and found that the value of Forestry Plantations Queensland was \$1.1 billion. Therefore, the Bligh Labor government sold that state asset for \$405 million less than its value.

Mr Rickuss: Undervalued.

Mrs FRECKLINGTON: It was undervalued. During the election campaign, Katter's Australian Party made many promises, such as reducing the price of fuel, without detailing how they would be funded. Two of the key commitments of Katter's Australian Party, a 12-month moratorium on new coal seam gas projects and restrictions on foreign ownership, would stymie economic growth and damage several industries that are vital to this state. Several other policies of Katter's Australian Party would simply plunge the state further into debt. Its policies are fiscally and economically reckless. To re-establish the state bank, to issue state guaranteed bonds at five per cent interest and to reinstate the state government insurance office are reckless proposals.

Some 73 days after promising not to sell assets in the 2009 election, the Bligh government announced its intention. It simply overturned its election promise not to sell the state down the drain. The LNP was the only party to strongly oppose the privatisation undertaken by the Bligh government. The LNP's opposition was not on the basis of some socialist philosophy that government should run those businesses, but due to concern that no mandate had been obtained from the people of Queensland. Despite the additional \$15 billion of proceeds generated by those asset sales, the Labor government still managed to rack up massive fiscal deficits in the three financial years following the asset sales announcement.

Mr Rickuss: The debt still went up.

Mrs FRECKLINGTON: The debt still went up; it went up very high. The cumulative deficit of the three years is estimated at \$20.9 billion or around 47 per cent of expected revenue in 2011-12. The Newman government has said it will not consider selling assets without first seeking a mandate from the people. Minister Emerson is getting Queensland Rail into shape. He has already appointed a new chair

and frozen all of Queensland Rail's bonuses. He has directed Queensland Rail to refocus its business on front-line service delivery and convened an expert panel to review cross river rail. Only the Newman government has a plan to get Queensland back on track and clean up the mess left by the former Labor government.