




Speech By
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MATTERS OF PUBLIC INTEREST

Newman Government, Sale of Public Assets

 **Mr PITT** (Mulgrave—ALP) (11.21 am): This week has not been a good week for the government. Just when it thought its distractions and diversions would work, old wounds have been reopened thanks to the Treasurer. It is clear that he is still nursing a bruised ego after being rolled in the party room over asset sales in April this year. Once again the Treasurer has this week exposed the fact that the Newman government is still deeply divided over asset sales. That division goes right to the top. The Premier and the Treasurer are on opposite sides of an argument that has been simmering away within the LNP since it came to office.

As the *Australian Financial Review* headline said in April, the Treasurer was ‘rolled’ on the sale of power assets. Instead of falling into line over asset sales after he was rolled, the Treasurer yesterday could not contain his ambition or the unshakeable belief that he was—and still is—right. He issued a media release trumpeting a report that was released by Infrastructure Partnerships Australia. The report, titled *Powering Queensland: why competitive, private electricity markets offer lower prices and better infrastructure*, suggests the sale of all electricity assets in public hands, not just generators, in order to reap the windfall. The report estimated that the sale of those assets would fetch approximately \$48 billion.

The Treasurer’s media release is a masterful contortion. Hot on the heels of his so-called ‘stretch target’ on reaching the LNP’s four per cent jobs target over six years, the media release is an incredible stretching of logic and rational argument. He starts by claiming that the report endorses the government’s position and approach to asset sales despite the fact that the report recommends the sale of all electricity assets, not just the generators, which is—for the time being at least—the government’s position. The Treasurer goes on to pay lip-service to that position. But he then just cannot contain himself and he spruiks the arguments made in the report for the sale of all electricity assets, including network assets. Checking which way the political wind was blowing, the Premier last year made his position clear that—

... the poles and wires transmissions stuff, I believe, should be owned by the people because they are natural monopolies.

But we know that the Treasurer has the Deputy Premier on his side. In an article in the *Gold Coast Bulletin* last month, the Deputy Premier said that the government had a ‘long list’ of targets for privatisation, and I table a copy of that article for the benefit of the House.

Tabled paper. Article from the *Gold Coast Bulletin*, dated 25 September 2013, titled ‘Seeney has hit list: Promise of more job cuts, asset sales, privatisation’ [\[3722\]](#).

The Deputy Premier said—

When it comes to asset sales we have identified the electricity industry and port assets ... and that nothing was off the table.

So the Premier says the poles and wires are not for sale, the Deputy Premier says they are for sale because nothing is off the table, and the Treasurer is thinking out loud but cannot yet bring himself to say it, like he famously did last term when he said to sell off 'the poles, the wires, the lot'. The government is hopelessly divided over asset sales, but the Treasurer could perhaps be forgiven for not listening to the Premier on fiscal management. The Premier said in June this year—

Western Australia is a head and shoulders above Queensland ... and yet they're the smallest state government, so that says something.

The Premier was reported as indicating that he would move to harmonise Queensland with Western Australia's 'small state songbook' as the best in the nation. Let us put aside for one moment here that the Premier completely disregarded his own Costello Commission of Audit report's finding that Labor had in fact left Queensland with a lower ratio of public servants to the workforce than Western Australia. We all know the Premier struggles with basic facts. The Premier's WA songbook is all the more remarkable when we consider that Western Australia had its credit rating downgraded to a AA rating just three months after the Premier established Colin Barnett's government as the archetype for his fiscal management. And what was Premier Colin Barnett's reason for forgoing the AAA rating? Premier Barnett said that he would not apologise for investing in infrastructure. Does that sound familiar? The now Premier, Campbell Newman, when he was Lord Mayor of Brisbane wrote to the former Labor government imploring it to borrow more money for infrastructure and to disregard the credit rating. The Premier's letter, which I table, argued that—

... there is a strong case that ... revenue gains (or at least a portion of them) should be allowed to flow through to additional spending, rather than speeding the path to a AAA rating.

Tabled paper: Letter, dated 14 April 2010, from Mr Campbell Newman, former Chairman, South East Queensland Council of Mayors, to former Premier Hon. Anna Bligh regarding its state budget submission for 2010-11 [\[3723\]](#).

I am sure the Premier is saying much the same behind closed doors today when all the while the Treasurer was last week telling us that we would effectively have to give something up, or perhaps even sell it, to deliver on people's hopes and aspirations from the Queensland Plan.

Yesterday I said that the LNP's announcement to flood Queensland with casinos had more in common with a cargo cult than sound economic planning. Queenslanders are still waiting for some sort of a growth strategy that is based on logic and reasonable argument. But why would we talk about cargo cults? It is said that cargo cults develop during a combination of crises or social stress and such a movement may form under a leader who may have a vision, sometimes called a myth-dream, of the future. Good luck with your tilt for the leadership, Treasurer. Maybe this time you can find that one vote you could not find last time!