




Speech By
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Record of Proceedings, 29 October 2013

MATTERS OF PUBLIC INTEREST

Sale of Public Assets

 **Mr PITT** (Mulgrave—ALP) (11.32 am): Despite recent shocking events on the Gold Coast, outlaw motorcycle gangs are not a new phenomenon. Labor recognised the seriousness of the issue back in 2009 and the LNP has finally caught up. Not content with the free media coverage, the Newman government is spending \$800,000 of taxpayers' money to tell people what they are up to. So much for the need to pull back on government advertising!

The bikie blitz has been sucking political oxygen and public attention away from the Newman government's hidden agenda—a sacking, slashing, selling and slowing agenda that is continuing full steam ahead under the cover of a campaign against various criminal groups. On Friday last week it was revealed in the *Australian Financial Review* that the Newman government has hired investment bank Macquarie to launch a scoping study into selling off SunWater's large distribution networks and Rothschild to start looking at the sale of the \$10 billion Powerlink poles and wires business. This is how this Treasurer announces asset sales. He sneaks it into the *Australian Financial Review* on a Friday hoping that nobody will notice, all the while claiming to be 'open and transparent'. The Treasurer pulled a similar swiftie with the sale of seven office buildings in the Brisbane CBD. They were sold for \$226 million below their market value, with additional rent costs estimated to exceed sale proceeds by more than half a billion dollars over the next decade.

The cost of selling these buildings is on track to exceed \$750 million. The Treasurer announced the sale of these seven CBD office buildings after they had been sold. All we saw before this was the odd drop of information to the *Australian Financial Review*, just as we are seeing now with SunWater and Powerlink. Similarly, the government tried to keep under wraps its record sale program of school property, the biggest single year in Queensland's history at \$58 million, and is budgeted to continue at \$30 million per year over coming years. There was also little talk prior to the sale of more than \$2.3 billion in the government's ownership stake in Aurizon, formerly QR National. And the sale of the \$500 million ElectraNet business almost went completely unnoticed.

Queenslanders may soon awaken to more rude shocks of assets being sold during the night under a cloak of Newman government secrecy. In the last sitting of parliament, the Treasurer said that he stood by his comments advocating for a report which recommends flogging the lot and selling \$48 billion in electricity assets. Meanwhile, government sources have been telling the *Australian* newspaper that they are looking at selling the state's court buildings, housing assets, rubbish dumps, land sites, industrial properties and stadiums reported to be valued at \$2 billion. Sources have confirmed to the opposition that, despite the Treasurer's denials and spin, substantial pipeline distribution networks valued at \$1 billion within SunWater are now in the process of being sold. I table a memo from the CEO of SunWater.

Tabled paper: SunWater—Message from the CEO, dated 18 September 2013, regarding SunWater business realignment [\[3886\]](#).

There are reports that 20 per cent of staff, or up to 115 people, in SunWater will be axed as part of this sale restructuring process. By the time the Newman government has finished executing this corporate raider model to financial management, there may be very few assets left. The Newman government is on track to execute the largest asset sale and privatisation program in our state's history with no mandate from the people. Nobody voted for a program of sacking, selling, slashing and slowing. Labor learnt the lesson the hard way. We received a strong message from Queenslanders that they do not support the sale of publicly owned assets. Queenslanders need to send this Premier and Treasurer the same message before it is too late. These asset sales will have serious long-term implications for Queensland taxpayers. The simple reality is that it is cheaper for the Queensland government to own its buildings than to rent them from the private sector. Private companies pay higher interest costs than the government. This will mean the taxpayer will have to foot the bill for the private companies' higher interest bill plus a profit margin. It is simply fiscal madness. It is also cheaper for the government, through Powerlink, to build the poles and wires that supply electricity to regional Queensland. The Premier has said that Powerlink is a monopoly business—a monopoly business that provides electricity to Queensland families. The LNP in opposition opposed the sale of assets that serviced multinational companies, but it is very comfortable selling assets that service ordinary Queenslanders and which will directly drive up the cost of living.

Nobody at the last election voted for the Newman government to sell schools, TAFEs and office buildings or to outsource and privatise front-line clinical health services. Nobody voted at the last election for the Newman government to spend potentially millions of dollars of their money preparing the Powerlink poles and wires business and SunWater's major distribution networks for sale. If we are to believe the Premier and the Treasurer's claim that no privatisation will occur, then why spend this money? If it is not being considered, then why is the government paying investment bankers to consider it? When the Premier and the Treasurer talk about 'core' and 'non-core' assets, it is time to turn on the spin alarm. This is a level of spin akin to John Howard's 'core' and 'non-core' election promises. If the government sells the most valuable parts of a business to the private sector but not the overall business and leaves the shell, it is still privatisation and it is still an asset sale without a mandate. Queenslanders have a right to know about this government's secret asset sales agenda. It is simply not good enough to tell Queenslanders they are seeking a mandate while selling them off in secret. We deserve better than this arrogant, unaccountable Newman government.