




Speech By  
**Curtis Pitt**

**MEMBER FOR MULGRAVE**

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Record of Proceedings, 19 November 2013

**MOTION: INFRASTRUCTURE PROJECTS**

 **Mr PITT** (Mulgrave—ALP) (5.40 pm): I rise to support the motion moved by the member for South Brisbane. It can be difficult to keep track of the LNP's position on cross river rail. When the Premier was the Lord Mayor, he was for it. Then he changed his mind and was against it. Then he wanted a metro instead. Then the LNP changed its mind and wanted to build the Cleveland solution. Then, when everyone was told that the Cleveland solution was silly, they changed their minds again and wanted to build half of cross river rail. When the federal Labor government gave them the money to actually build it, they decided they better help out their mate Tony Abbott and promised to come up with their own plan.

On Sunday the Premier, the Treasurer, the Minister for Transport and the Lord Mayor stood shoulder to shoulder and promised Queenslanders that they had finally made up their minds. They unveiled the underground bus and rail tunnel and they claimed the project will cost \$5 billion. Of course, there is no business case or reference design to base this on. It is a figment. It is a guess. Then again, we are used to seeing back-of-the-envelope calculations and knee-jerk policy solutions from this shoot-from-the-lip government. Who knows what the cost will be once the LNP gets around to finishing its plan in 2015. The LNP needs to stand up here today and say that there will be no cost blow-out for this project.

Of course, once they made the announcement on Sunday, the uncomfortable part of their media stunt began when people started to ask questions. When asked about funding for the project the Treasurer, said, 'I'm confident that the finance can be found'. He had about him the guilty look of a Treasurer who has let the deal of a lifetime to fund and build cross river rail slip through his fingers like a catch going to that legendary English cricketer Phil Tufnell. We already know he will get no assistance from Tony Abbott.

The new federal government, which this LNP government played politics to help get elected, is refusing to fund urban public transport infrastructure, so they will have to go to the private sector or the council to help fund the project. But here comes the zinger: they have already let everybody else off the hook for funding. The *Courier-Mail* reports—

The Government will commit to completing the tunnel by 2021, regardless of whether the Brisbane City Council or private sector contributes.

These people would have to have the worst poker faces in history, yet now they want to introduce three new casino licences.

Let us consider the Premier and the Treasurer's track record when it comes to cost blow-outs on transport infrastructure projects. Let us talk about the Premier's 2004 election commitment called Moving Brisbane. That document promised to deliver, in a \$3.2 billion plan, the Clem 7 tunnel, the Hale Street bridge, the Legacy Way tunnel, the Kingsford Smith Drive duplication and an east-west distributor tunnel. Those projects were promised to be delivered via PPPs with a \$2 toll, with no cost to the taxpayer. What a promise! The Clem 7 tunnel ended up costing ratepayers \$770 million. It went

from \$1 billion to \$2 billion to \$3 billion or, as the Premier once described it, '\$1 billion—plus, plus'. The Hale Street bridge cost ratepayers over \$370 million. The east-west distributor tunnel never happened. The Kingsford Smith Drive duplication never happened and Legacy Way was left with a forecast by QTC of a substantial ongoing deficit. The tolls also ended up being much higher than \$2. And don't get me started on that farcical city cycle scheme that went from \$1.5 million to more than \$8 million in cost. The Premier might describe that as '\$1.5 million plus, plus, plus, plus, plus'.

This Premier and Treasurer have form when it comes to financial ineptitude and mismanagement. According to the 2012 QTC credit review, debt was forecast to increase from \$389 million in 2008-09 to \$2.415 billion this financial year, which is an increase of 521 per cent. For comparison, the projection for state government debt under the previous Labor government was an increase of 84 per cent over the same period. Debt was only low in 2008-09 because the state Labor government bailed out the council with a contribution of nearly \$2 billion to take control of water assets. Recently, QIC purchased the Clem 7 tunnel, the Go Between Bridge and the Legacy Way tunnel to effectively bail out the Brisbane City Council and going some way to erasing the sins of the past during the Newman era in Brisbane City Council. The QIC then supposedly realised that it had overinvested the defined benefit scheme in toll road assets and now had to sell them all in a \$5 billion asset sale, which will include Queensland Motorway Ltd. It is almost beyond belief that QIC would independently bail out the Brisbane City Council by purchasing those assets only to then realise that they owned too many toll roads. This reeks of a bailout and it reeks of asset sale by stealth.

Unlike the Premier and the Treasurer, Labor has a proud record on delivering public transport infrastructure. It was Labor that delivered \$2.5 billion in busways across South-East Queensland. It was Labor that delivered the majority of funding for the 500 new buses that the Premier, as Lord Mayor, hung his hat on. The council's share of funding for buses has fallen from nearly 50 per cent to less than 40 per cent under the now Premier.

The LNP has no answers about how it will fund its tunnel fantasy, just as it has no answers as to whether \$10 billion for QTRIP is accounted for in the budget. Queenslanders have a right to fear more asset sales from a Newman LNP government that has already incurred a loss on asset sales and investments of \$302 million in just one year.