




Speech By
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MEMBER FOR MOUNT ISA

Record of Proceedings, 20 March 2014

PRIVATE MEMBER'S STATEMENTS

Rail Industry

 **Mr KATTER** (Mount Isa—KAP) (3.33 pm): The member for Dalrymple and I have been speaking a lot about the recently announced Aurizon job cuts along the great northern line in North-West Queensland. This is a devastating blow to the towns along this line. I am not sure the government is listening and that they realise how serious the effect of these job losses will be. Some of this will be irreversible and unnecessary because the basis for some of these changes is flawed.

The genesis of the problem was national competition policy and privatisation—the babies of economic rationalists. It allowed competition along the line to provide a cheaper service to some customers. Pacific National entered the line but there are false economies. There are so many hidden costs that this provider is producing on this line.

I would like to go through some of them. Pacific National has been involved in many near misses along the line which are not public knowledge. Their drivers have less stringent requirements than the Aurizon drivers. Pacific National has put it to local councils that they should provide maintenance or heavy equipment services to them when they break down because they have no personnel positioned outside of Townsville. If they have breakdowns they have no option but to use subcontractors based in Townsville which is poor. Aurizon have maintenance crews along the line so that they can do repairs quickly. Pacific National has no commitment to that. Therefore, they have no commitment to these small towns and to providing jobs that everyone in this chamber knows is critical to the survival of these towns. There is no social responsibility on the part of Pacific National, which is bad.

Aurizon is trying to compete with them on the line. The government is making them compete. So now they are making the same cuts as Pacific National and it is killing these towns. Please understand that it is killing these towns. We need to change something. I know it is tough. I know it will take stringent measures to turn that around, but it needs to be done. The only outcome at the moment is that these towns will die.

While we are looking for efficiencies, I think it is offensive that the CEO of Aurizon, Lance Hockridge, took a 34 per cent pay increase. That takes his pay to \$6.1 million. He is one of the highest paid executives in Australia. This is occurring while they are looking for efficiencies down the line and canning eight jobs in Hughenden—that will ultimately equate to 30 jobs. It is a devastating blow to that town.

I am pleading with the government to listen. This problem will not go away. The damage that this is doing to these towns can be irreversible. Road funding is not available to these local councils. Road funding is critical to their survival in the next few years. A lot of their revenue from rates is not coming in due to the rural crisis. For example, 60 per cent of the Flinders Shire Council's budget comes from road funding. That has been cut for four years. That funding needs to come forward. It needs to come from other places, like Brisbane, to keep these councils alive.