



Speech By  
**Stephen Bennett**


**MEMBER FOR BURNETT**

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Record of Proceedings, 17 August 2016

**MOTION**

**Palaszczuk Labor Government, Jobs**

 **Mr BENNETT** (Burnett—LNP) (6.11 pm): Nice segue, thank you. I rise to support the motion and to talk about the dangerous policy platform of this current government which is anti jobs and particularly the anti-jobs platform for the people of Logan. We have spoken about this a number of times. You might groan but it is important that the people of Queensland know about the agenda of this government. It is about highlighting that after two years we see a project that could have generated 500 construction jobs and 400 indirect jobs cancelled without a replacement and another review. The surprising and hasty actions of the minister in destroying these job opportunities make the actions of the Deen Bros look like the rolled gold benchmark when it comes to community consultation.

There are many questions about the job-destroying agenda of this government, particularly in Logan. All members in the Logan area should listen. It is just about a political get square. The project has been blocked for two years and, as I said, another inquiry—

**Government members** interjected.

**Mr SPEAKER:** Order! Pause the clock. Minister for Industrial Relations, I urge you not to persist or you will be warned and the appropriate action will follow. I urge members to allow the member to make his contribution.

**Mr BENNETT:** There are questions about what compensation will be paid because it will be taxpayers' money. How many people will lose their jobs at Compass, in the construction sector, at BlueCHP and in all the not-for-profits that were gearing up for this project? This was a net gain for government of 2,600 homes over 20 years. Nothing was being sold. This was a holistic, social inclusion project that is now decimated. Contracts were signed in August 2014—and this was a Labor Party policy. It puts our sovereign risk in jeopardy. Who would invest in Queensland again with a minister and a government completely out of touch? There is no privatisation. All not-for-profits return all profits to the project and back to government after 20 years. This is a great model, the BOOT model. It means you build, you own, you operate and, heaven forbid, you transfer it back to government after 20 years.

Further disturbing evidence that was uncovered during the estimates budget review revealed a significant underspend in the capital budget. It was revealed that in 2015-16 we underspent on land, buildings and infrastructure, would you believe it, by \$28 million in Queensland, with a waiting list of 15,000 people, with people on the waiting list not even getting decent community and social housing. The Logan Renewal Initiative was a landmark project that would have brought the social housing delivery in Logan into the 21st century by providing tenants and industry tenancy management and community development services at the same time as substantially boosting the supply of housing in this region.

I want to use two local example—real examples. The government can throw around big numbers all the time, talking about thousands of jobs. Two contractors have contacted us. Maintenance contractor A—these are real people—attended all information sessions in 2014. They submitted competitive pricing to ensure success in the tender. They increased staffing levels gradually in anticipation of the start date in October 2015. Admin staff and tradespeople were all added, vehicles were bought and equipped for the October start date. When the start date was pushed back, the contractor made a decision to continue to employ the new recruits and retain the staffing levels to adequately service the Logan Renewal Initiative as the start date was imminent. The new members of staff were put to work even though the business was by no means running at its most efficient and, in effect, was barely breaking even—mostly running at a loss. This was not sustainable in the long term but the owner took the view that the pain would be short term and would ultimately pay dividends.

All field staff underwent training, inductions and various checks such as police checks which all came at a cost. Again, the owner absorbed these costs with the long-term view of providing a good service to the people of Logan. When the news was released regarding the cancellation, the owner has been put in a position of making a decision to retain staff and to lose money or to make them redundant. This is on top of the \$200,000 that has already been paid out or lost in lack of productivity. Unfortunately, it appears the commercial decision may result in a number of employees being let go. These are job losses as a result of this Labor government.

Maintenance contractor B has a long history of working in this sector in WA and Victoria and resided in Victoria up until four months ago. This contractor submitted very competitive pricing to ensure selection on the panel of providers. This contractor has sold up—

**Opposition members** interjected.

**Mr BENNETT:** I take that interjection from my colleagues. If they are laughing, it is a disgrace and they do need to listen. To meet the tender requirements, contractor B was to employ Logan based staff. He had been in contact with DATSIP with a view to engaging several Indigenous members of the community as trainees, apprentices or tradespeople if appropriate. As a direct result of the cancellation, those opportunities for local apprentices and Indigenous employment will be lost. Contractor B is weighing up his options whether to remain in Queensland to build a business or to return to Victoria. This will come with logistical costs, as well as the cost of unemployment.

There are plenty of comparisons that can be made out there about how the precinct based models are effective in Queensland. After all these years we had a project that was really important for job creation in the Queensland sector, with the potential to roll out across the state to provide real outcomes. Unfortunately, we have a failed Cornerstone Living as a guide for Queensland's long-term unsustainable provision of social housing.