




Speech By
Tim Mander

MEMBER FOR EVERTON

Record of Proceedings, 21 March 2018

QUEENSLAND COMPETITION AUTHORITY AMENDMENT BILL

 **Mr MANDER** (Everton—LNP) (Deputy Leader of the Opposition) (4.31 pm): As per the committee's recommendation, the LNP will not be opposing the Queensland Competition Authority Amendment Bill 2018. However, it is ironic that we are debating this bill introduced by the Labor Party because two of the three bits of declared infrastructure under the QCA Act were sold off by the Labor Party. First, they sold off the Dalrymple Bay Coal Terminal in 2001, under Peter Beattie.

Mr Hart: They don't sell assets!

Mr MANDER: I take the interjection from the member for Burleigh. In 2011, the Bligh Labor government, for which the Premier and other current members sat around the cabinet table, sold off QR National, now Aurizon, and the Central Queensland coal network. Let the House know clearly that the only side of politics in Queensland government history that has sold off assets has been the Queensland Labor Party. Let us go through the hall of shame of the Labor government's sale of assets over the past 20 years. This is an important issue, as this bill is necessary because the government sold state owned assets and two of the assets named in this bill were sold off by the Labor government. In 2002, the Rocklea markets were sold for \$74 million. In 2006, Allgas Energy was sold for \$521 million—

Mr POWER: I rise to a point of order. This bill may be complex, but it has nothing to do with the Rocklea markets. It may be too complex for him to talk about, but if he cannot talk about it he can sit down. It has nothing to do with the Rocklea markets. This is not relevant to the bill.

Mr DEPUTY SPEAKER (Mr Weir): Thank you for that, member for Logan. Member for Everton, stay relevant to the bill.

Mr MANDER: Billions of dollars worth of assets were sold off by the Labor side of the House, including Sun Retail—

A government member interjected.

Mr MANDER: I take the interjection from the minister. Can she name one asset that was sold off between 2012 and 2015? Not one asset was sold. We did the right thing and took a policy to the electorate, to get a mandate. We did not get a mandate. What did those opposite do? Three months after being elected, the Bligh government sprung on asset sales without telling anybody, which brought that government undone. Was it the asset sales that brought them undone? No, it was not! It was the lie.

Ms TRAD: I rise to a point of order. Mr Deputy Speaker, I seek your guidance concerning the narrow title of the bill. It is for particular purposes. I ask that the Deputy Leader of the Opposition remain relevant to the bill.

Mr MANDER: Mr Deputy Speaker, I was accepting an interjection from the minister.

Mr DEPUTY SPEAKER: There was an interjection that the member for Everton took. We now return to the title of the bill.

Mr MANDER: Despite selling billions of dollars worth of assets, we still have an \$80 billion debt—

Ms TRAD: I rise to a point of order. Mr Deputy Speaker, again I seek your guidance regarding the narrow title of the bill. It is for particular purposes. I seek your guidance in relation to the relevance of the contribution being made by the member opposite.

Mr DEPUTY SPEAKER: Member for Everton, come back to the title of the bill.

Mr MANDER: I know it is embarrassing for the other side of the House. I know they do not want to hear the truth or the fact that they are the only ones who sold off assets.

Ms BOYD: I rise to a point of order.

Mr DEPUTY SPEAKER: Member for Everton, come back to the title of the bill.

Ms BOYD: I rise to a point of order. Three times now the member for Everton has been directed back to the narrow title of the bill. He is refusing to do so. Mr Deputy Speaker, I seek your guidance in terms of the future contribution he will be able to make in this place.

Mr DEPUTY SPEAKER: Member for Everton, return to the title of the bill, please.

Mr MANDER: As I said earlier, the Dalrymple Bay Coal Terminal and QR National, now Aurizon—two elements of monopoly infrastructure that are a part of this bill—were sold off by the Labor government. If that is not relevant, I do not know what is. Those are only two of a multitude of assets sold by the Labor government over the past 20 years.

Mr RYAN: I rise to a point of order. Mr Deputy Speaker, for the fourth time the member has strayed from the title of the bill, ignoring your rulings. In considering your further action, you need to consider how to bring the member back to the bill. I respectfully inquire, what will it take to warn the member?

Mr HART: I rise to a point of order. Clearly, the bill is about Dalrymple Bay and Aurizon. The member is being entirely relevant to the bill—entirely relevant. Labor is raising frivolous points of order because they do not like this particular argument.

Mr DEPUTY SPEAKER: Member for Everton, please continue.

Mr MANDER: There is a strong argument that this bill is necessary to bring back some balance to the original agreements that were made, when the Labor government of the day gave ridiculously over-generous conditions to the monopoly holders to fatten them up for sale. That is what they did. They fattened them up for sale, which is why we are having this debate about what private companies can charge other companies for access to monopoly infrastructure that was once owned by the Queensland people, but was sold off by the Labor government of the day. Dalrymple Bay and the Aurizon Network are key parts of the coal industry in Queensland. The Queensland Resources Council outlined to the committee just how much this industry contributes to the Queensland economy.

I know the other side of the House do not like hearing these figures, but in 2016-17 the coal industry produced \$3.4 billion in royalties. In fact, there has been a royalty bonus given in the last 12 months, which this Treasurer gleefully accepts while at the same time by stealth undermines the coal industry. She is happy to take the extra billion dollars of coal royalties. The coal industry also paid \$2.7 billion in wages to 21,200 full-time employees and made more than \$11 billion in purchases from over 8½ thousand local businesses. They estimate that indirectly the coal industry contributes 12 per cent of the state's economy.

That is why it is important that the monopoly infrastructure that supports this industry is regulated in a fair way. Nobody wants coal companies and other rail providers taken advantage of by monopoly infrastructure owners. In the same vein, nobody wants to see these ports and rail lines neglected because the owners are not able to recover enough to properly maintain and upgrade the infrastructure.

That is where the independent Queensland Competition Authority comes in. The bill amends the access criteria used by government to declare a monopoly piece of infrastructure something, as the act says, which is of state significance and would be uneconomical for somebody to duplicate. The bill seeks to confirm the natural monopoly test as part of the criteria, that is, it would be uneconomical to develop another infrastructure service if existing infrastructure could provide society's reasonably foreseeable demand at a lower total cost than two or more facilities. I understand in recent times courts may have expanded this criteria and the amendments seek to implement what was originally intended and has stood as part of the act for many years.

This bill makes a number of other changes which simplify the criteria or align it to the national regime. The act also establishes pricing principles for others to access the declared infrastructure. The current principles cover off on the fact that the price should generate expected revenue sufficient to

meet the cost of providing the access and allow for a return on investment. The principles also provide protection for operators which may seek to benefit themselves by charging more to others against the spirit of competition.

The government is seeking to remove these principles from the provisions dealing with the differential treatment of service users. Aurizon has raised concerns that the QCA will seek to restrict them to a non-commercial rate of return which in turn will affect their ability to invest in the asset. Through the committee process Treasury asserted that these changes are more akin to housekeeping and returning to the original intent of the regime, which other stakeholders have supported.

We will take the government on its word that these principles will continue to be considered and that the access arrangements will remain fair. The resource council and the Dalrymple Bay Coal Terminal User Group were supportive of the bill but wanted to see the government extend the current declaration in the interest of certainty. I look forward to the government outlining its process and intentions in that regard.