Speech By

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DEBT REDUCTION AND SAVINGS BILL

Mr KATTER (Traeger—KAP) (4.28 pm): I rise to speak on the Debt Reduction and Savings Bill 2021. As a representative of a remote regional area, what I often observe in this place from both parties in government is a lot of smoke and mirrors around budgets. The modus operandi often seems to be to not inform people of what the reality is on the ground. I would like to share my observations of what I see on the ground and how that falls hopelessly short of fulfilling the intentions of the title of the bill—being debt reduction and savings.

Firstly, to take an academic or philosophical approach, you might say governments are shackled by neoliberalism—trying to solve all these things without getting their hands dirty, effectively. The economy has to sort itself out; it is the role of private industry to solve those things and you just create the right conditions for them—that is garbage. Most of the things that have been built in regional areas have been driven by the government, invested by the government, built by the government. Quite frankly, I am sick of hearing the debate from both sides about asset sales. Both sides have indulged in it.

Mr Crandon interjected.

Mr KATTER: The Liberals did not do it, but you certainly signalled your intention, member for Coomera, and Labor did sell. I am now picking up the pieces in my electorate from selling off Queensland Rail. We still have job losses in Cloncurry, Hughenden and Charters Towers. Right now with Aurizon we are fighting to keep some of our workers in Cloncurry because they were sold off, so I know very well the long-term implications. Anyone who lives out there and has been trying to deal with broadband or telecommunications since Telstra was sold off knows what privatisation offers if you live in a remote area. It does not matter what service delivery statement you have got, it will never account for the adversity that is found in remote regions. I am sick of hearing that debate in this place. If you subscribe to those neoliberalism philosophies, you must indulge in that, there must be an end point that you must consider.

Another point I will touch on is advertising. This is another policy coming out of this place that drives straight at the heart of regional areas. I am not saying that newspapers do not mean anything to people in metropolitan areas, but they certainly mean a hell of a lot in small towns. For a lot of old people in Julia Creek, Richmond or Hughenden, it is their only source of information. They are not connected via the internet in the way others might think. That is a big thing. It is not just the fact that they will not see a development application notice going in the paper; it is the viability. We are trying to rebuild some of these newspapers out there. There is a good business case for them if they have that support. Saying that the government has amended the bill to allow for it is a lot different to forcing the government to do it. There is no real relief for me when it is said it is still included in the bill. It is included but it is not forced, which really defeats the whole purpose in the first place or any benefit when you talk about that. We get knocked once again in the regions in terms of removing that opportunity to have those advertisements and the income derived from that for our remote area papers.

Another point is the Future Fund and putting the titles sales into that. It is probably worth mentioning that I spent 15 years working as a property valuer. You bought those property search engines. Revenue is collected through that for real estate valuers who purchase that information through software packages that in turn purchase it from the Titles Registry. That is a really good business. There is the Future Fund and putting it in there, but I would much prefer to see the Future Fund full with assets that are industry building and job creating. They are words that are thrown around a lot these days, but I do not see anyone living up to the reality of what that means.

When talking about debt reduction and savings, I think the bill completely misses the point because there is so much opportunity in this state. From my little part of the world, my observations are that there is no will and no real drive to take advantage of the wealth creation we could have in the state. Let me go through a few examples.

The first relates to CopperString. We are now talking about a solar plant that could completely pull the rug out from under CopperString. Everybody loves using CopperString and saying, 'We're going to build it and build the north-west.' That is great as a catchcry but you have to mean it if you are going to say it. That could mean the $1.5 billion price tag could sit comfortably in the Future Fund and be a beautiful asset for the state of Queensland to own and derive revenue from and produce jobs and industry. This could be an economic benefit worth billions of dollars to Queensland from making sure that asset was invested in by the state, but that is not what we are talking about here. We could be talking about a biofuels industry that creates jobs essentially by taking them off the large multinational oil companies, but we do not drive a mandate on that so we do not have a biofuels industry. That is how you pull down debt.

We have got Hells Gate Dam and strategic roads like the Ootann Road taking freight and cattle triple road trains out of the cape. They are the sorts of things that generate industry and jobs to help pay down debt. In this low interest rate environment, debt can be a good thing if it is used for industry enabling infrastructure—not a Cross River Rail tunnel in Brisbane. That is not industry enabling infrastructure. That is social infrastructure which is nice to have. If you have the money to pay for it, that is good but you do not build that to create jobs. That is not a job creator. The Olympic Games is not an industry enabler. That is something you do if you have made the money from something else—and the something else is the biofuels industry, where we are producing our own fuel in Queensland for the rest of Australia. It is doubling the size of our agriculture by building water irrigation schemes right throughout the north-western gulf and through the cape. That is how you build industry and jobs and pay down debt.

The accounting methodologies we use on all of our utilities—be it water, rail or electricity—are turned all around from where it used to be. It does not go off cost; it goes off how much money can be milked out of these assets until it hits a price point where it is destroying industry. We have just about hit that price point with Queensland Rail, and the track fees in North-West Queensland are a great example. That has nothing to do with the running costs of that rail; it is how much profit can be extracted from these assets before they are going to kill industry. That is the philosophy that is embedded in the accounting methodologies that are used to own all of these assets.

If you are not going to treat the assets like an industry enabler, you may as well sell them because they are of not much benefit to you. They are crippling industry. I do not for a minute think we should be selling these—you never sell them—but if you are not going to sell them, do not keep ripping off the customers. We are trying to enable industry by owning those assets. That was the whole point and that is what we are definitely not doing.

We could have a government development bank, enabling all of these remote areas where we cannot get loans to engage in industry and development. No-one seems to want to recognise that as a problem. When I am talking about government development banks, I am talking about something that takes a first mortgage. There is an essential difference between something that takes a second mortgage and one that takes a first mortgage. There are plenty of instruments out there that would take a second mortgage, but it is fundamentally different to something that will take a first mortgage and take the full risk of the loan. We do not have that in Queensland and that would be a wonderful thing. It would make money. The QIDC sold for $1.5 billion. That was another asset sale we had. The state owned that and it made a profit to the point where it was sold for $1.5 billion. That is something that would enable and grow jobs. It would grow industry in the regions and it would not cost a cent in the long term. That is what we should be talking about in this bill, but we are not. They are really important things that we should have been talking about in this bill but we are not.

I want to finish by saying that with this debt reduction we have increased the size of the Public Service. Newman made the cuts and Labor has come back in and brought them all back. If I use Transport and Main Roads in Cloncurry as an example, the people never went back to Cloncurry. The public servants never went back to Mount Isa to work in the public health sector. There is still an absence of public servants in the remote areas. A lot of these jobs might have been filled but not in my patch.