



Speech By  
**Hon. Mark Bailey**


**MEMBER FOR MILLER**

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Record of Proceedings, 22 August 2023

**MINISTERIAL STATEMENT**

**Train Manufacturing Program**

 **Hon. MC BAILEY** (Miller—ALP) (Minister for Transport and Main Roads and Minister for Digital Services) (10.08 am): Every member of this House is aware of the Newman government's failed procurement of 75 NGR trains made overseas that were not disability compliant.

**Opposition members** interjected.

**Mr ACTING SPEAKER:** Order, members!

**Mr BAILEY:** There you have it, Mr Acting Speaker. The needs of Queenslanders with a disability—almost 20 per cent of our population—

**Mr Minnikin:** Read the report.

**Mr BAILEY:**—were ignored—including by the member for Chatsworth, who continues to interject.

**Opposition members** interjected.

**Mr ACTING SPEAKER:** Cease your interjections, member for Chatsworth and member for Clayfield.

**Mr BAILEY:** In stark contrast, the Queensland Train Manufacturing Program is one of the Palaszczuk government's shining achievements—well-paid, long-term, advanced rail manufacturing jobs for hundreds of Queenslanders for decades to come. The trains will all be disability compliant.

Budget Paper 3 at pages 10 and 104 clearly set out the \$4.869 billion in costs for the manufacturing phase of the Queensland Train Manufacturing Program. The total cost of the 35-year program, following a highly complex and thorough 2½-year independent procurement process, is \$9.5 billion. This figure was only confirmed following the execution of a contract with Downer on the evening of 29 June by the acting director-general of Transport and Main Roads. This information was made public on the TMR website on 30 June.

Our election commitment in 2020 was for 20 trains to be built in Maryborough and in October 2021 the scope was revised upwards to include the manufacture, operation and maintenance of 65 trains over 35 years—more than triple our election commitment. The department's estimate in 2021 was \$7.1 billion and the preferred applicant Downer was announced on 6 February this year.

Throughout the negotiations, the project scope was revised, broadened and refined as is a usual part of contract negotiations. Additions to the scope included the ability for trains to lean into platforms to improve accessibility. We are not going to ignore people with disabilities. That is not what this government is going to do.

**Opposition members** interjected.

**Mr BAILEY:** You did.

**Mr ACTING SPEAKER:** Direct your comments through the chair, Minister.

**Mr BAILEY:** The implementation of platform bridges to increase accessibility and a 10-kilometre test track so that—

**An opposition member** interjected.

**Mr BAILEY:** I will start again. Additions to the scope included the ability for trains to lean into platforms to improve accessibility, the implementation of platform bridges to improve accessibility and a 10-kilometre test track so that trains can be tested close to the manufacturing facility and prior to entering the contract.

On 30 May 2023 the Cabinet Budget Review Committee approved a package of funding of up to \$9.5 billion to finalise negotiations and execute the contract. This is a usual part of a confidential government process when contract negotiations are underway and is a necessary part of protecting the government and suppliers' commercial positions. In the meantime, draft media and communication materials—

**Mr Crisafulli** interjected.

**Mr BAILEY:** You sent the jobs overseas, mate.

**Mr ACTING SPEAKER:** Order! Minister, your comments will be directed through the chair.

**Mr BAILEY:** In the meantime, draft media and communication materials were prepared for the anticipated contract execution with Downer in late June. After an extension of negotiations of more than a week, the contract with Downer was executed at 7 pm on 29 June. The final estimate for the entire 35-year program was confirmed at the contract execution with Downer, which included a \$4.6 billion contract to Downer for the first 15 years, signed on 29 June, and a \$9.5 billion estimate for the full 35-year life of the project.

As the acting director-general of the Department of Transport and Main Roads advised at estimates—

The \$9.5 billion provision provides for maintenance—

**Opposition members** interjected.

**Mr ACTING SPEAKER:** Order! Sorry to interrupt, Minister. Members to my left, this is a matter which you devoted significant time to during the estimates hearings and have made many public comments on. The minister is giving an explanation. I would have thought you would want to listen to this so that you can provide further scrutiny of this matter. I will start to warn members.

**Mr BAILEY:** As the acting director-general of the Department of Transport and Main Roads advised at estimate—

The \$9.5 billion provision provides for maintenance over 35 years. We have not yet contracted that maintenance, so on that basis it is an estimate of a future cost that we expect to incur for the maintaining of those trains over their full life. We have signed one contract with Downer for \$4.6 billion, and that includes the scope to build the manufacturing facility at Torbanlea—

which will be publicly owned—

build the rail facility at Ormeau and manufacture the 65 trains at Torbanlea and maintenance of those trains for 15 years.

**Mr Hart** interjected.

**Mr ACTING SPEAKER:** Member for Burleigh, you are warned under the standing orders. I gave clear instructions.

**Mr BAILEY:** The acting director-general went on to say—

There is also the provision in the \$9.5 billion for 20 years of additional maintenance, currently envisaged as four five-year increments. That is not currently contracted.

A media release issued the following day, on 30 June, included the outdated figure of \$7.1 billion erroneously. This should have been updated with the new figure of \$9.5 billion. The Premier and I have both acknowledged this error and as the line minister I accept responsibility and I have apologised for this error. The Department of Transport and Main Roads updated the Queensland Train Manufacturing Program webpage at about 9.30 am on 30 June—the day of the media conference—hours before we held a media conference accompanied by the Assistant Minister for Train Manufacturing, the member for Maryborough.

**Ms Leahy:** Bruce didn't do it.

**Mr BAILEY:** He is the man who saved that town. The 2023-24 budget papers contain the funding committed for the manufacturing phase of the project. Queensland train manufacturing is back in Queensland. People with disabilities will never again be ignored by a state government in Queensland because of the reforms that have been brought in by the Palaszczuk Labor government. Only under this Palaszczuk Labor government will trains be built in Queensland. Nothing the LNP will do or say will stop it.