




Speech By
Hon. Ros Bates

MEMBER FOR MUDGEERABA

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MINISTERIAL STATEMENT

Government Owned Corporations

 **Hon. RM BATES** (Mudgeeraba—LNP) (Minister for Finance, Trade, Employment and Training) (9.57 am): I would like to bring some clarity and transparency to the House around some of the issues facing government owned corporations, GOCs, following a decade of mismanagement, poor practice and utter failures by the former Palaszczuk-Miles Labor government and its gaggle of former ministers. We have discovered numerous hidden blowouts and cost overruns since coming to government. The former Labor government, the former treasurer and shareholding GOC ministers left behind a shopping list of issues among the various GOCs that range from cost overruns and blowouts to delays and safety issues that stretch the length of the state. Now the Crisafulli government must fix the mess left behind for Queenslanders by Labor.

Labor had such a disregard for safety that they neglected CS Energy's Callide C Power Station for so long it led to the 2021 explosion which plunged more than 370,000 Queensland homes into darkness and sent power bills skyrocketing. That was a direct hit to the hip pockets of Queenslanders at a time when Queenslanders were already doing it tough due to Labor's cost-of-living crisis. The cost of repairs and maintenance on ageing infrastructure at CS Energy will lead to significant financial losses for some time. There are now cost overruns in other major GOC projects. The Borumba pumped hydro project, initially budgeted at \$14.4 billion, has experienced a \$4 billion cost overrun, bringing the total to \$18.4 billion. The impacts of these sorts of careless overruns strain financial resources and can delay completion, impacting service delivery and profitability. If you need a lesson on how not to manage a project then look no further than Labor.

We do not have to look too far to find another example of what happened under a lazy Labor government. Sunwater's new IT billing system, CASPr, intended to serve 5,000 customers, saw costs escalate from an estimated \$500,000 to \$1 million, to an eye-watering \$38 million. What were the former shareholding ministers doing? Did they pay any attention to how these corporations were running? Cost overruns result in potential increases in service charges, affecting customer satisfaction and financial performance at Sunwater—which is a vital source for our farmers—and that is without going into the debacle that was the Paradise Dam saga under the former government. Unlike Labor, we are actually concerned about how costs, including for water, skyrocketed under the former government—because rising costs leave Queensland families, farmers and businesses unable to make ends meet.

Staying with the theme of cost blowouts under Labor, Powerlink's CopperString transmission project has faced substantial cost escalations, with the initial figure of \$5 billion increasing to \$6.2 billion, before further reports indicated that the total cost could instead escalate to \$9 billion. Shamefully, the former treasurer had the hide to stand here on 10 September and tell the House that CopperString would cost \$6.2 billion, despite being informed about the \$9 billion figure on 2 August. Queenslanders are rightfully questioning the competence of the former treasurer.

Unlike Labor, we are committed to enhancing the financial and operational performances of our publicly owned businesses to deliver the best services and value for Queenslanders. With our energy GOCs, this starts with the Electricity Maintenance Guarantee—a new investment, performance and accountability framework for Queensland's publicly owned electricity generators. We will bring back responsible economic management and hold government accountable, with properly costed projects and KPIs. Unlike Labor, the Crisafulli LNP government has the Right Plan for Queensland's Future, and that plan will restore respect for your money.