

## Question on Notice

No. 211

Asked on 21 February 2007

**Mr SEENEY** asked the Deputy Premier, Treasurer and Minister for Infrastructure (Ms BLIGH) –

QUESTION:

With reference to “investments” made under Section 41 of the *Financial Administration and Audit Act*—

Will she provide a total list of all the companies who have received assistance under this Section and detail the benefit and amount each company received (reported separately) for 2000-01, 2001-02, 2002-03, 2003-04, 2004-05, 2005-06 and 2006-07 year to date (reportedly separately)?

ANSWER:

Section 41 of the *Financial Administration and Audit Act 1977* provides the Treasurer with general investment powers. There is currently in excess of \$20 billion invested pursuant to this authority on any given day. These investments allow the State to meet its contingent liabilities (ie superannuation, long service leave and insurance obligations) without impacting on the day-to-day service delivery requirements of Government.

It is understood that the question more specifically is directed at financial arrangements made under section 41(3)(g) of the Act. Since 2000 the following financial arrangements have been made pursuant to that section:

- \$5 million to Cyclamen Services Pty Ltd as trustee of the Horwill Unit Trust (EGR) as an investment or financial arrangement fixed term loan for a period of eight years to assist with the company’s expansion activities. EGR is a Queensland based designer and manufacturer of thermoformed automotive parts, rigid plastic sheeting, point of sale displays and broad industrial applications.
- \$28.787 million (including \$2.617 million of GST) as an investment or financial arrangement involving Australian Premium Coals Pty Ltd, to relocate a transport infrastructure corridor. These funds are being recovered by the Government over ten years from the Coppabella Joint Venture partners by way of a user charge.
- \$2 million to Brisbane Marine Industry Park as an investment or financial arrangement fixed term loan for a period of five years for the establishment of a ship lift to lift vessels from the water and to place vessels in the water for ship building, repair or maintenance purposes.

- \$8 million to on-lend via the Pacific Film and Television Commission to Warner Bros Movie World under a loan arrangement for the construction of additional film production infrastructure.

These arrangements are neither unusual nor unique to the Labor Government. Over the term of the Borbidge/Sheldon Government a number of similar financial arrangements were made, for example in 1998 a combination of loan and grant was made to Voxson to allow for the production of mobile telephone handsets.

In addition, the rail component of the financial arrangements involving Australian Premium Coals is consistent with arrangements entered into between Queensland Rail and other mine operators, under which end users commit to ongoing periodic payments over an extended period. Relevant examples include the arrangements entered into between Queensland Rail and mine operators in relation to the Hail Creek Spur Line and Rolleston Spur Line.