

Question on Notice

No. 1764

Asked on 11 November 2009

MR NICHOLLS ASKED THE TREASURER AND MINISTER FOR EMPLOYMENT AND ECONOMIC DEVELOPMENT (MR FRASER)—

QUESTION:

With reference to page 4-01 of the 2008-09 Report on State Finances where it reports the outcome capital works spend for the NFPS as \$15.265b, some \$1.754b short of the government's budget—

Will the Treasurer account for this \$1.754b black hole in government investment?

ANSWER:

The Liberal National Party (LNP) must take a cogent position on the capital works program and the avenue through which it is funded.

The LNP has decried the Queensland Government for borrowing to invest in infrastructure however it now asks a question lamenting downside variances in the capital works spend.

Initially it should be noted that the estimated actual purchases of non-financial assets for 2008-09 was revised to \$16.195 billion at the time of the 2009-10 Budget. Therefore actual variances were \$0.930 billion.

This is predominantly due to the Western Corridor Water Recycling Project and the Gateway Bridge Motorway Project being delivered under budget and projects by North Queensland Bulk Ports Corporation and Ergon Energy being rescheduled due to reduced customer demand.

As an example, due to decreased economic activity in the economy, Ergon Energy has been required to undertake substantially less network upgrade and connection activity to cater for new commercial, residential or large industrial customers.

The propensity of the LNP to attempt to be both for and against capital investment is astounding. From this question the people of Queensland can only presume that the LNP will wastefully spend taxpayers money on projects that come in under budget solely to ensure a zero variance in financial reporting.

Then again the LNP could issue a policy and tell the people of Queensland their position rather than the charade of hand-wringing without the courage of a policy alternative.