



Speech by

Dr Mark Robinson

MEMBER FOR CLEVELAND

Hansard Tuesday, 2 August 2011

ALLCONNEX

 **Dr ROBINSON** (Cleveland—LNP) (11.06 pm): The Allconnex debacle continues to be a major concern to the ratepayers of Cleveland and the Redlands. On Monday, 25 July, the Gold Coast City Council split with Allconnex. The council decided that it was not in the interests of ratepayers to continue the council's relationship with Allconnex. The estimated cost of this separation from Allconnex is approximately \$60 million.

The withdrawal of GCCC, the major shareholder, from Allconnex has created a problem for the remaining two councils, Logan City Council and Redland City Council. The RCC has been placed in a difficult position by this government—between a rock and a hard place. To continue with Allconnex is not considered viable, but the cost to withdraw may be in the \$30 million to \$60 million range. This quandary has been imposed upon it by a Labor government that cannot plan and that lurches to and fro on water reform. RCC now must make the best decision for its own ratepayers as a result of the unworkable system foisted on them.

The mayor of the RCC, Councillor Melva Hobson, has publicly stated that Allconnex is no longer viable for the two remaining councils to run and would require 'drastic changes'. Redland mayoral candidate, Councillor Karen Williams, has also expressed great reservations about the situation that the council is left in. Cleveland and Redlands residents are understandably afraid of rising water costs under this government, especially the elderly, families and single occupiers in unit complexes. Residents continue to be most angry at the way things have transpired and are calling for the government to reduce the price of water by decreasing the bulk water price that the government charges these water entities.

Allconnex was a mistake of this failed long-term government from the very beginning. It was tolerated but never really supported by Redlands residents and many councils in the hope that somehow it would generate lower water prices. Allconnex is a creation of the state government and the government cannot just wash its hands of responsibility for its creation just because its model has now failed.

Tonight I join Councillor Karen Williams and call on the state government to take responsibility for its failure and to finally do the right thing by the Redland City Council on water. After turning the cheap water in the Redlands under Redland Water into much higher water prices, this government should now provide the funding—in the range of \$30 million to \$60 million—for the council to leave Allconnex and for the water distribution and retail functions to be returned to the council. The government cannot just walk away from its child; it must take responsibility.

Four years ago the Premier claimed she would ensure that water was not priced beyond the reach of ordinary Queenslanders. Today it is clear that she has failed to live up to the promise. Water has become another Labor broken promise, and the very least this government can do is assist the Redlands council to get its water retailer and distribution back in order.