



Speech By
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CROSS RIVER RAIL DELIVERY AUTHORITY BILL

 **Dr ROBINSON** (Cleveland—LNP) (10.00 pm): I rise to contribute to the debate on the Cross River Rail Delivery Authority Bill 2016. The LNP opposition has great reservations about this government's specific Cross River Rail project. A solution is required to the capacity issues that exist for public transport, rail and bus, across the Brisbane River. Those capacity issues are heightened because of the north-south geographical divide of the Brisbane River and governments have to either tunnel underneath or bridge over it.

The Cleveland line runs from the city to the Cleveland station. It is an incredibly important piece of public transport infrastructure that enables thousands of workers and other residents to travel to and from work and elsewhere on a daily basis. The ability to provide more peak-time rail journeys—that is, to grow patronage—is largely dependent upon solving the restrictions created by the single line sections of track between Cleveland and Manly and the Merivale Bridge crossing of the Brisbane River. Therefore, I will continue to fight for the duplication of the rail line between Manly and Cleveland. Even a staged approach, built section by section, would greatly assist.

Together with the rail duplication issue, the cross river situation is now restricting the capacity of the South-East Queensland public transport network, including the Cleveland line. Improvements in efficiency of movement across the Merivale Bridge will not now make a considerable difference. They are not sufficient. The view of transport experts, government and non-government, is that another bridge crossing will not provide a viable, workable and affordable solution to all of the challenges faced.

The former LNP government's funded tunnel solution was received enthusiastically by the people of the Cleveland electorate, the broader Redlands City region and the people of South-East Queensland. The LNP government put forward a tunnel solution that worked for both train and bus services, but unfortunately Labor scrapped those plans upon coming into government and has done nothing to replace those plans in the past almost two years. It has taken this asleep-at-the-wheel government until now to propose a plan. We have waited for it all year and we have heard talk about it throughout the year. However, suddenly the Deputy Premier wanted the delivery authority bill rushed through the committee process without any substantial consultation with key stakeholders, without any clear plan how to fund the project itself, without a business case except the thick cloud of new taxes hanging over the project, without any agreement with the Brisbane City Council about how the planning regime will work and without substantial community support for this specific Cross River Rail proposal.

The government has put on the table a proposal to build a tunnel across the Brisbane River. This bill seeks to provide the delivery authority to try to move that project forward and it has to be examined on that basis. The stated policy objectives of the bill, as per the explanatory notes, are as follows—

The objective of this Bill is to set up the statutory framework for the Cross River Rail Delivery Authority.

The Cross River Rail project will deliver a new rail connection across the Brisbane River, as well as generating wider economic benefits. The Cross River Rail economic development strategy will articulate the 40-year blueprint to capitalise on government investment in Cross River Rail. The Cross River Rail innovation and economic development corridor will incorporate a series of major clusters of economic activity and opportunities, centred around the Cross River Rail stations, and linking to major facilities such as hospitals and universities.

The notes further state—

The Authority will be an independent statutory body, operating on a commercial basis, with the power to acquire land connected to the Cross River Rail project and associated prescribed 'transport-related projects'. It will operate outside of the political framework with an independent board, while still being subject to the oversight of the Queensland Government. It will provide a whole-of-government approach that addresses multiple government priorities, private sector demand, planning, and stakeholder and community engagement, providing project certainty for private sector investment. To the extent that they are required, the Authority will also undertake community service obligations relating to the projects.

The Cross River Rail Delivery Authority Bill 2016 was introduced into the parliament on 11 October 2016 and subsequently referred to the Infrastructure, Planning and Natural Resources Committee, of which I am the deputy chair. The committee considered the bill over a short period. While the committee had healthy discussions and has an understanding that the project is critical infrastructure, the committee could not reach agreement on the passing of the bill. I thank the members of the committee and the secretariat for their work.

The LNP members of the committee submitted a statement of reservation that outlined serious concerns about the Cross River Rail Delivery Authority Bill. In our statement of reservation, LNP members expressed concern about a number of things. Firstly, there was a lack of transparency regarding the business case for Cross River Rail projects that is stifling public debate about a project that will cost much more than \$5.4 billion. Secondly, the interventionist approach to planning is causing uncertainty and inconsistency. Thirdly, there is secrecy about how the government will fund the Cross River Rail project, including the use of undefined value capture mechanisms under delegated powers from the Minister for Economic Development Queensland. Fourthly, there has been a rushed approach to pushing this bill through the committee process given the substantial delay in establishing the proposed delivery authority.

In terms of the lack of transparency, Labor's election policy for Building Queensland states—

The policy guidelines for Building Queensland will require that a cost-benefit analysis and assessment of value for money take place prior to any project approval and that this assessment be released for public consultation.

It is disappointing that Labor has not done as it promised in the election. It has ignored repeated calls to release the secret business case and cost-benefit analysis for the Cross River Rail project. Queenslanders have been kept in the dark about the true cost of the Cross River Rail project and who will pay for it. There are a whole range of concerns about the cost-benefit ratios stated by the Deputy Premier. The Deputy Leader of the Opposition covered that most adequately, so I will not repeat that information. My concerns are the same.

After media questioning, Building Queensland had to remodel the cost-benefit analysis for Cross River Rail and the cost-benefit ratio reduced significantly. The LNP members of the committee consider that it is inappropriate for a further \$50 million be spent to establish the proposed delivery authority until the public has had the opportunity to scrutinise the cost-benefit analysis, consistent with Labor's election promise. Further, under questioning in the committee, department officials admitted that a substantially more detailed breakdown and itemisation of the expenses totalling \$50 million exists in the department. Committee members requested that that information be provided on notice and the departmental officials agreed that it would be provided. They said that it existed and that it would be provided. Therefore, it was a great disappointment to be denied that information, after a commitment had been made to the committee that the department would provide it.

I can only speculate that the Deputy Premier or another minister has intervened and refused to make the promised details available to the committee. That interference by the government into information provided to the department, meaning that the committee and by extension the parliament do not have the necessary information to make informed decisions, is disgraceful and has only bred further suspicion and mistrust in the government and its handling of this project. The departmental staff did, however, finally admit—after almost cross-examination and the asking of many questions—that the stated \$5.4 billion figure does not include trains. We have had trains without seats from this lot, trains without drivers and now tunnels without trains. How much more will it cost than the Deputy Premier is admitting to? How many other billions of dollars will Cross River Rail cost Queenslanders?

In terms of the interventionist approach to planning, the LNP members of the committee cannot recall a government in living memory that has run roughshod over local government planning responsibilities as this one has. Brisbane City Council's Chief Executive Officer, Mr Colin Jensen, expressed similar concerns in a submission to the committee and the impact the Palaszczuk government's approach is having on planning outcomes. The Brisbane City Council submission stated—

Council is seriously concerned about the proposal to expand the authority of the Queensland Government in the city's planning. The city is currently experiencing an unprecedented level of Queensland Government intervention via the combination of mechanisms including Priority Development Areas ... State planning regulatory provisions, ministerial call-ins and ministerial directions. The city is at risk of becoming a two speed development environment. This approach is not sustainable.

The LNP committee members urged the Palaszczuk government to curb its interventionist approach to Australia's largest local government. It is critical that the Palaszczuk government work with key local councils, like the Brisbane City Council, for the benefit of all Queenslanders and not for their own political interests.

In terms of secret taxes, the explanatory notes state a statutory body, established under special purpose legislation, was determined to be the preferred model for the authority because it has the ability to specify land acquisition powers and any value-sharing mechanism. Value sharing is described in the explanatory notes as a form of funding that recovers some or all of the private sector value created by public investment in infrastructure.

No detail has been provided through the committee process about the quantum of secret taxes that will be imposed under value-sharing mechanisms, which Queenslanders will pay more through these secret taxes and what safeguards or opportunities for public consultation will be available regarding the imposition of these secret taxes under value-sharing mechanisms. A number of key stakeholders share the LNP committee members' concerns. The Property Council of Australia, in its submission to the committee, stated—

... the Property Council remains cautious of the prospect of utilising 'value sharing' or some form of 'value capture' levy to contribute towards financing Cross River Rail. The Property Council has cautioned the Government on the need to ensure any potential funding model does not become simply another tax.

...

... poorly designed 'value capture' levies, based on perceived increases in property values, pose a significant economic risk.

...

The Government should seek innovative uses of existing revenue streams prior to developing new bespoke taxing models to finance the Cross River Rail project.

The LNP committee members and Brisbane City Council have substantial concerns about the lack of consultation to date and the impact of the Palaszczuk government's proposed plan for secret taxes to fund the Cross River Rail project.

In terms of the rushed committee process, the government has been talking about establishing this authority since April this year. However, it took the government over six months to prepare the enabling legislation and introduce it to the parliament. The LNP committee members note the enabling legislation was only introduced after media scrutiny about the Palaszczuk government meeting the project schedule outlined in the Cross River Rail business case. This schedule required the authority to be in place by October. It has become a systematic failure of the government to miss self-imposed delivery dates.

The government missed its own deadline. The committee worked under substantial pressure to deal with the legislation for this very complex and very expensive piece of infrastructure. There were eight business days for stakeholders and interested parties to review the bill and provide feedback. The Brisbane City Council noted this rushed consultation in its submission, which states—

It is important to note, that this is Council's initial response to the Bill. Given submitters were allowed only eight business days to review, consider and respond to the Bill, Council response may include further detailed information.

They are hoping there is a further opportunity. The way the project has begun is hopefully not a sign of the way it will continue. The LNP committee members are disappointed that the government has failed to properly consult on the proposed delivery authority to deliver Labor's No. 1 priority infrastructure project.

In summary, the LNP committee members have serious concerns about this bill and some of the specifics of this project and the government's: lack of transparency about the business case which is stifling public debate; interventionist approach to planning which is causing uncertainty and inconsistency; secrecy about how it will fund the Cross River Rail project; and the rushed approach to pushing this bill through the committee process. This is not a good sign of things to come.