



Southern Queensland Branch News

5th August 2009

PRIVATISATION

Hereunder is a resolution from the Branch Monthly Meeting sent to the Premier of Queensland, Hon. Anna Bligh MP and her response.

“We the members of the SQ Branch of the MUA call on the Queensland government and the Premier to reconsider what we perceive is a hasty decision of the sale of Queensland assets.

We feel the asset sales as being detrimental to the State’s workers and the public, further the Port of Brisbane (which affects our members) is an asset that has made a considerable return to the State government with the return on assets 9.925% over the last four financial years.

Given Brisbane’s geographical location and its capacity to expand, the Port has significant advantages over the container Ports in the southern States. We request the Premier and/or her Ministers to urgently arrange meetings with the Unions affected by the sale of public assets.”

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29th July 2009

Thank you for your recent correspondence concerning the Government’s recent announcement about asset sales.

My Government’s Renewing Queensland Plan seeks to realign the State’s asset base with the community’s needs. I have enclosed a copy of my Ministerial Statement in this regard.

The Plan proposes the sale of a number of Government owned assets – Forest Plantations Queensland, Queensland Motorways Limited, Port of Brisbane, Abbot Point Coal Port and the non-passenger sections of Queensland Rail.

The money raised will all be used to build new publicly owned assets – public hospitals, schools, roads and public transport infrastructure.

Of course, the Government would rather not have to contemplate the sale of these assets. It was not an easy decision to make and was not taken lightly.

However, falls in coal royalties, stamp duty, GST and other income in this global recession has robbed \$15 billion from our budget over the next four years. That’s about one-third of our entire annual State Budget.

These circumstances have brought into sharp focus the future challenges we face as a State and they are different to the challenges we’ve faced in the past.

In the last century, a key challenge was to provide the infrastructure to unlock our State’s vast natural resources. So, for example, the Government built and owned ports and railways to haul coal at a time when private companies wouldn’t do so.

But the coal industry is now well established with many of the world’s largest, multi-national companies operating global businesses. Continued investment of tax payer funds into a commercial transport business for these companies simply cannot be prioritised over investment in passenger trains and public transport.

Do we continue to haul coal for private multinational coal companies? Or do we build new passenger rail networks and more buses for urban and regional Queensland?

Do we continue to own a forest plantation and buy and sell timber? Or do we finish building and rebuilding major hospitals in Cairns, Townsville, Mackay, Rockhampton, Mt Isa, Brisbane, Sunshine Coast and the Gold Coast?

Do we continue to own a tollway on the Gateway Brisbane? Or do we build new and safer roads in our many growth areas like the Sunshine Coast Motorway, the Townsville Port Access Road, Forgan Smith Bridge in Mackay, Flinders Highway upgrade and the Bundaberg Ring road?

Do we continue to own a port? Or do we build the new public housing and social infrastructure our State needs? Or do we keep running these businesses, stop investing in them and let them run down? These are the choices. Doing nothing is not a choice.

The businesses we have chosen to sell are requesting investment of \$12 billion from the Government over the next 4 years. That's \$12 billion that can't be spent on schools, hospitals, roads and public transport.

It's true that some of these assets earn revenue for Government. We will forgo about \$280 million a year as a result of these sales. But the interest bill alone on the \$12 billion investment requested from Government is \$750 million every year.

Some people are concerned about what this decision means for jobs. All enterprise bargaining agreements with workers will be honoured. As well employment guarantees will be in place for at least two years beyond the date of sale. Employees transferring to the new businesses will experience no interruption to their continuity of service, or accrued entitlements. An industrial relations working party has been established to discuss the details of these arrangements with Unions.

These are hard decisions. My Government went to the last election promising to maintain the State's record \$18.1 billion building program. Not just for the 127,000 jobs it supports, but also because a State with a rapidly growing population can't afford to ease off building in the infrastructure that supports our economy and community.

At a time when the State's income is under pressure due to the global recession, it is not possible to keep owing all we own while still borrowing to keep this building program going.

I trust this information is of assistance.

Yours sincerely

(Signed) Anna Bligh
Premier of Queensland

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The *Branch News* indicated previously that the Queensland Council of Unions and some affiliates are embarking on a media campaign against the Privatisation of publicly owned Assets in this State. The first meeting has been scheduled for 6th August 2009 in relation to this campaign.

The Branch will be in contact with those members who have indicated that they are willing to form an Activist Committee in the near future.

VALE ALAN HUNTER

The Branch has been advised that former Life member Alan Hunter passed away a couple of weeks ago. Barbara, Todd and Drew would like to thank members of the MUA both past and present, for their condolences and attendance at Alan's funeral. Alan worked for P&O Ports and left the industry via voluntary MISCO redundancy.

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