

The Lord Mayor's Budget Speech

2010-11

**Address to the Council on Wednesday, 9 June 2010
by the Right Honourable the Lord Mayor of Brisbane
(Councillor Campbell Newman)**

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STRONG FINANCIAL MANAGEMENT

Madam Chairman, I rise to introduce the 2010-11 Brisbane City Council budget.

In introducing this budget, it is important to note the way Council officers have helped us manage this city through one of the toughest economic periods in history.

Despite sharp falls in revenue; a significant slump in building and development activity; lower than expected population growth; major changes to our organisation as a consequence of water reform; the slashing of State Government grants; and some very large ongoing infrastructure commitments, this Council remains in a very strong financial position.

This strong position is because of our commitment to making Council work harder for the residents of Brisbane.

Gone are the days of Labor's Grange swilling parties and administrative excesses. Gone are the days when the previous administration raised rates, but failed to deliver any major projects. Gone are the days of previous administration Councillors jetting off overseas to watch migrating birds in their natural habitat.

Madam Chairman, over the past 12 months Council has delivered real value for money for Brisbane residents. What's more, we have got on with the job of fixing the roads, footpaths, buses and parks that those Councillors opposite neglected right up until they lost the election in 2008.

This budget continues to deliver value for money. It's a budget that confirms our commitment to delivering on the promises we made to residents in the 2008 election. Importantly, it's a budget that will once again leave Brisbane City Council in a much stronger financial position.

DELIVERING VALUE FOR MONEY

Madam Chairman, delivering value for money requires making tough decisions.

Over the past 12 months, our commitment to delivering value for money has meant that Brisbane ratepayers have had the lowest rates and charges, of all ratepayers living in urban parts of South East Queensland.

That's not to mention that our ratepayers, unlike those in adjoining council areas, also fund significant contributions to public transport.

To continue delivering value for money, we have started implementing recommendations from the *Securing 2026 Operational Sustainability Review*, completed late last year.

In 2010-11 Council is aiming to save \$67.8 million because of this review. These savings are on top of the \$126 million already being saved as a result of a similar review completed in my first term.

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Together, the savings being made by our efforts to work smarter and harder are reducing the burden on Brisbane ratepayers.

To further reduce that burden, we will lower the rates cap in 2010-11; and ensure average increases in rates and charges for owner occupier residential properties are limited to \$14.18 per quarter, or \$1.09 per week.

What's more, we are increasing remissions for full and part pensioners by five percent, to \$785 and \$365 respectively.

Pensioners will also benefit from a special remission on their water bill, which is not something being provided by other Councils.

Madam Chairman, this well and truly confirms our continuing commitment to delivering what we believe is the most generous pensioner rate discount in the State: if not the country.

Another important way we are delivering value for money is through the introduction of changes to the way we rate residential owner occupiers who have more than one dwelling on their property.

By working with the community, we discovered an anomaly where Council was charging commercial rates to people who had granny flats, or some sort of accommodation on their property where children, or parents were living.

By removing this anomaly, we will cut rates for homeowners in these properties by about 29.19 percent and help to support extended families that live together.

Madam Chairman, these aren't the only ways we are keeping costs down for Brisbane ratepayers.

In 2010-11, Council is going to once again find savings by cutting the cost of consultancies, travel and catering.

Through strong financial management – and because of our commitment to getting value for money – Council will spend half the amount that Labor spent on consultancies; a quarter of the amount on travel; while catering expenses will be about one-third of what Labor spent in 2003-04.

PLANNING FOR THE FUTURE

Madam Chairman, delivering value for money is also about planning for the future. That's why my Administration is very committed to making sure we focus on Council's vision for *Living in Brisbane 2026*.

Not only have we been getting on with the job of dealing with traffic congestion, buying 500 new buses and caring for the environment by planting two million trees, we have

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been working hard to make sure there is a financial plan to keep this city strong well into the future.

That's why Council has worked closely with Queensland Treasury Corporation to develop a responsible borrowing strategy for the next 35 years. This strategy is all about funding essential infrastructure and making sure Brisbane remains a great and affordable place to live.

As we look around the nation – and indeed the rest of the world – we see governments in financial trouble.

Nonetheless, despite the tough economic conditions of the past 18 months – and despite spiralling debt at a State and Federal level – Brisbane City Council is sticking to its financial plan.

Even though we have delivered record amounts of infrastructure over the past 12 months, we have debt levels, in real terms, which are lower than when I became Lord Mayor.

In 2010-11, net debt per person, in real terms, will be \$920 per person, compared to \$1057 per person in Labor's last budget. If you want to look at it another way, in 2010-11 net debt to annual revenue, in real terms, will be 52.89 percent, compared to 60.7 percent in 2003-04.

Madam Chairman, this means that Brisbane is in a very strong financial position to deal with the pressures of population growth and continued economic development.

GETTING ON WITH THE JOB

Madam Chairman, we are not only planning for the future: we are getting on with the job.

We are getting on with the job through record investments in our road network; our parks, buses, CityCats, footpaths and bikeways.

Over the past 12 months our target has been to spend \$1.53 billion on capital works. This record level of expenditure will be continued in 2010-11 with another commitment of \$1.016 billion.

Madam Chairman, this is real money, being spent on real projects that will benefit generations of Brisbane residents. Importantly, it is making a real difference to reducing traffic congestion and improving our city.

Some of the major projects that we have funded over the past 12 months include the Clem7 tunnel; the Tilley Road extension; the Sumner Road upgrade; Stage 2 of the Foreshore Parklands at Brighton and Lota; and the Go Between Bridge.

In 2010-11 we will continue delivering on our promise to deal with traffic congestion and make Brisbane an even better place to live.

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That's why we will spend \$56.26 million on new buses and \$4.4 million on another two CityCats. We will also spend \$2.2 million to complete the new Kenmore Library and \$69.88 million to save City Hall.

MAKING BRISBANE AN EVEN BETTER PLACE TO LIVE

Madam Chairman, my Administration is focused on making Brisbane an even better place to live.

If there is one thing that unites all Brisbane residents, it is the pride we have in this city.

This budget gives us the resources to continue getting on with the job of improving and enhancing our local environment; and it makes sure we are doing more than ever before to protect Brisbane's unique way of life.

Through increased funding of \$213.59 million, we are delivering on Council's vision for Brisbane to be Australia's most sustainable city.

As part of this commitment, we will spend \$21.38 million in 2010-11 to pursue our plan to buy and protect 500 hectares of bush land and degraded biodiversity zones. In addition, we are going to spend \$7.3 million to continue planting two million new trees across the city.

Madam Chairman, in a first for this city – and indeed any major government in Australia – Council will buy all of its electricity from renewable sources in 2010-11.

Together with our commitment to offsetting all the carbon emissions of Council vehicles and other energy reduction initiatives: Brisbane City Council could well be considered one of the greenest – if not the greenest – government entity in Australia.

That does not mean we will rest on our laurels. There is much more to do, if we want to become a more sustainable city, with significantly lower energy costs for every ratepayer.

In saying this, Council will provide \$895,000 in 2010-11 to help fund a home energy reduction program through CitySmart. The CitySmart EasyGreen program is a groundbreaking partnership between Council, the State Government and private enterprise will help Brisbane residents slash their power bills by reducing home energy consumption and carbon emissions.

There is also \$10 million for the rollout of additional larger jumbo-sized recycling bins in homes; as well as expanded recycling services for businesses and residents living in unit blocks.

With the introduction of new household green waste bins, Council has freed up funds to provide an annual large item kerbside collection. This is expected to cost nearly \$3.7 million in 2010-11.

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Madam Chairman, I am also determined to make sure Council does more to keep our city clean.

Littering and illegal dumping is a big problem in many parts of our CBD, the Valley and some suburbs.

Today, I am allocating \$11.25 million to fund a Brisbane-wide litter prevention program and to ensure suburban streets are swept, on average, three times a year. We will also fund another two general maintenance "flying gangs" to boost the work being done to keep our city clean and green.

INVESTING IN OUR SUBURBS

Madam Chairman, the 'Can Do' Team believes that Brisbane's suburbs are the heart and soul of this city.

That's why my Administration is committed to making sure Council workers have the resources they need to fix problems and make life easier for Brisbane residents.

Dealing with suburban flooding is one of the most challenging issues facing Council.

Whether we like it, or not, a large part of this city has been built on a flood plain. That means, from time to time, many residents are badly affected when it rains.

My Administration has been working hard to make sure Council and residents are better informed, prepared and protected when Brisbane floods.

Unfortunately, there is no silver bullet and we'll never be able to solve all the flooding problems in our city.

That being said, we will do everything reasonably possible to deal with flooding problems.

In 2010-11, Council will spend \$500,000 to refresh and review the recommendations of the Lord Mayor's Taskforce on Suburban Flooding, which was commissioned after my first election.

A further \$500,000 will be spent to start work on a 15 year plan to restore and rejuvenate the environment of Norman Creek, create new sporting fields and - over the longer-term - completely remove the concrete drain through Greenslopes and Stones Corner.

Norman Creek is the most urbanised catchment in Brisbane and is a major cause of flooding and this project, which will be done in collaboration with local residents, businesses, green groups and sporting clubs, will make a big difference for everyone living and working within its very significant catchment.

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Madam Chairman, Council will also increase funding for parks across Brisbane by more than 11.94 percent to \$114.67 million. This funding provides \$250,000 to start planning work on a new park in Coorparoo that will eventually cost \$29 million; \$2.227 million for foreshore parks at Brighton and Lota; \$399,000 for shelter upgrades; and new district parks.

To support this work and make sure Brisbane remains an attractive and shady city, Council will spend \$11.18 million to maintain and improve trees along our streets and in parks. This includes \$300,000 to replace diseased trees in New Farm Park.

Madam Chairman, the two additional general maintenance "flying gangs" will also work to make a big difference in ensuring our parks are clean and well-maintained.

A major initiative funded in this budget is our commitment to create an open, safe and accessible park on the site of the old Howard Smith Wharves, under the Story Bridge.

With funding of \$16.1 million in 2010-11, work has now commenced on this once in a lifetime opportunity to create an iconic and family friendly link between the city centre, Fortitude Valley and New Farm. This money will ensure the preservation of heritage listed buildings, restore the wharves, stabilise the cliffs and create beautifully landscaped picnic and play areas for all Brisbane residents to enjoy.

GETTING BRISBANE MOVING

Madam Chairman, I have already touched on how this budget gives us the ability to continue getting on with the job of dealing with traffic congestion and building important community infrastructure.

Sadly, I don't think we have had a Council meeting since the election where our opponents have not tried to stop us dealing with traffic congestion.

If it's not too expensive: it's too cheap. If it's not too congested: it's not getting enough cars; I struggle to think of even one project they have supported, or tried to improve through any sort of positive contribution.

In so many ways, they are all about putting politics ahead of solutions. They are about playing games, instead of getting on with the job of helping us to protect Brisbane's unique lifestyle.

For me, tackling traffic congestion is critical to making sure Brisbane remains a place where people want to live, work and invest. That's why this budget continues to place a strong focus on getting Brisbane moving.

In 2010-11, Brisbane City Council will spend more than \$1.23 billion to improve public transport; fix congested roads; and make it easier for people to walk and ride around our city.

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I can today confirm that Council will subsidise public transport in Brisbane by \$173.71 million over the next 12 months.

Along with new buses and CityCats, this subsidy will support personalised public transport services; two new ferry terminals; and the new City Glider between Newstead and West End.

In addition, these funds enable us to commit \$2 million to improving disabled access at bus stops; and \$750,000 to help protect bus passengers from rock attacks, through the application of a special anti-shatter film on bus windows.

Madam Chairman, as part of our commitment to getting Brisbane moving, this budget commits nearly \$46 million to active transport initiatives, like local bikeway improvements and the roll out of CityCycle: Australia's first full-scale European style bike hire scheme.

I am very proud to reflect on the fact that Brisbane City Council is fast developing a reputation, through awards such as the Australian Bicycling Achievement Awards, when it comes to investing in new bikeways.

Madam Chairman, we are also getting on with the job of building better footpaths.

Over the next 12 months, funding for footpath and bikeway reconstruction will increase to \$18.14 million; while an additional \$8.48 million will be available for new footpath construction.

As was the case last year, funding for new footpaths is being boosted through revenue from additional parking meters in the central traffic area; and the fines issued to people who park illegally in places that endanger pedestrians or cause traffic congestion.

Madam Chairman, we are literally seeing light at the end of the tunnel when it comes to dealing with traffic congestion.

Within weeks, Brisbane motorists will have access to 46 traffic lanes across the Brisbane River. That's an increase from the 32 lanes available at the beginning of 2010.

By increasing the number of river crossings, we are making it easier for people to get across the city; and we are reducing the impact that traffic accidents and breakdowns have on our road network.

Already the benefits are starting to show and roads right across the city are becoming less congested.

But, Madam Chairman, there's more to be done.

That's why I've already said we will spend nearly \$1.23 billion over the next 12 months to improve roads and reduce traffic congestion across Brisbane.

This funding will see the Go Between Bridge completed and the start of work on the \$1.8 billion Northern Link tunnel.

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Importantly, it will see many major improvements to suburban roads right across our city.

These improvements include \$53.1 million to deal with congestion issues along Beckett and Bridgeman Roads; \$31.46 million to upgrade Blunder Road; and \$43.3 million for Kingsford Smith Drive.

We are also going to spend nearly \$8.5 million on Beenleigh Road and \$11.94 million to fix the Padstow and Warrigal roads intersection.

Madam Chairman, to deal with concerns from residents about safety, we will double funding for road signs and lines to \$3.4 million; and maintain record funding of \$44.837 million for road resurfacing.

As another sign of our determination to get Brisbane moving, we are committing \$3.065 million to establish a world-leading Congestion Reduction Unit; and \$2.5 million to better integrate traffic lights and improve traffic flow.

BUILDING A STRONGER COMMUNITY

Madam Chairman, I am proud of the work Brisbane City Council does to help bring residents together and build a stronger community.

When you look around the world, it's very clear that Brisbane is a great place to live and a welcoming place to visit.

Over the next 12 months, this budget boosts spending on community initiatives by 26.8 percent.

That means we will provide an extra \$7.694 million for libraries; including a record \$3.726 million for library books and reference materials.

This commitment also means an extra \$243,000 for festivals and events throughout the city: including \$15,000 for the Sherwood Community Festival, \$20,000 for the Zillmere Multicultural Festival and \$20,000 for Italian Week.

Madam Chairman, this budget provides funds to meet my commitment of \$150,000 for a new Chinese Museum in the China Town Mall.

We will also deliver on our commitment to help the Multicultural Development Association to relocate to a Council building on Ipswich Road at Woolloongabba.

The Multicultural Development Association plays an important role in helping us build a stronger community by promoting multiculturalism and helping people from diverse ethnic and cultural backgrounds to settle in Brisbane.

Madam Chairman, Council makes no apology for taking a tough stance on people who park illegally and impact on safety, residential amenity, or traffic flow.

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In 2010-11, Council will allocate all money collected from fines issued to people parking in disability zones to initiatives that benefit people with a disability.

While it is very hard to understand why people would misuse disability parking zones, it is clear they do. That's why this initiative is likely to provide a \$240,000 boost for disability support initiatives across the city.

Another significant initiative of this budget is funding of \$500,000 to start the Jamboree Community Hub. This project is just one of the many ways Council is providing real support for residents, our indigenous community, the elderly and homeless.

Madam Chairman, in talking about a stronger community, I need to talk about two major commitments.

First, is our plan to rollout another 30 lifesaving defibrillators as part of our \$1.195 million B-Safe initiative.

Second, is our continued support of the extremely important work being undertaken by State Emergency Services volunteers across our city.

In 2010-11 Council will provide \$750,000 to fund a new tasking system and continue providing service recognition payments and fundraising support for SES operations in Brisbane.

Madam Chairman, I have already mentioned that Council is going to spend \$69.88 million on saving City Hall in 2010-11.

City Hall has played such an important role in helping us build a strong community in Brisbane.

Not only has City Hall been home to hundreds of community groups: it has hosted events like school formals, fundraisers, Homeless Connect, refugee welcoming ceremonies and Citizenship ceremonies, that have helped bring residents together over many years.

I am disappointed that our efforts to save City Hall have been made political by Opposition Councillors who haven't come up with better ideas to raise money or fix the problem.

Despite their political games, I am determined to get on with the job. That's why we have poured significant savings from our Road Action Program straight into this important project. It's also why we will continue to give full support to our very committed and hard working fundraising committee.

Because we have been getting on with this very important job, I can confirm today that the old Shingle Inn will be reopened to the public, in City Hall. By securing an arrangement with its owners, the Bellchambers family, we are able to preserve, for future generations, yet another part of Brisbane's proud history.

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PLANNING FOR AN EVEN BETTER BRISBANE

Madam Chairman, Brisbane City Council is working hard to plan for an even better Brisbane.

Over the past 12 months we have worked closely with thousands of residents across the city to ensure Brisbane remains Australia's most livable city.

Through Neighbourhood Planning we are determined to make sure residents understand what the State Government's South East Queensland Regional Plan means; and how they can have a say in shaping the future of their suburb.

Importantly, we want to make sure that our suburbs are able to accommodate older residents who can no longer maintain big houses; and young people who do not have the money to buy existing homes, close to their families.

In 2010-11, Council will continue working with residents on 20 Neighbourhood Plans and begin the development of another five, including the River Gateway Neighbourhood Plan for parts of Murrarie, Cannon Hill and Morningside.

Council is also going to work collaboratively with the State Government and neighbouring local governments on broader metropolitan planning issues, which are critical elements of our commitment to ensuring better co-ordination, less traffic congestion and more affordability.

As a further sign of our commitment to addressing the challenge of housing affordability we will increase funding for Affordable Housing Grants from \$850,000 to \$4.3 million, in 2010-11.

Madam Chairman, it is likely that with the rollout of Priority Infrastructure Plans, Council will be able to reduce average infrastructure charges on new residential properties. This will be a further boost to housing affordability in Brisbane.

By continuing to deliver on our promises and plans, this budget funds the ongoing implementation of the City Centre Master Plan and especially conversion of neglected laneways into vibrant, safe and accessible spaces.

In total, Council will spend an additional 20 percent over the next 12 months as part of its efforts to plan for growth and manage the impacts of the State Government's South East Queensland Regional Plan.

Madam Chairman, planning for growth is not just about housing affordability and development. It's about making sure that Brisbane businesses have the support to grow and create jobs. What's more it's about making sure Brisbane remains an attractive, secure and rewarding place to invest money.

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Brisbane Marketing has done an outstanding job in positioning Brisbane as Australia's New World City.

This brand is more than just an advertising slogan. It's a statement that reflects our growing status as a city on the world stage. Likewise, it reflects the strength of our harmonious, enterprising, talented and diverse Brisbane community.

Today, I am providing additional support to Brisbane Marketing, so it can continue building on its success of promoting Brisbane and working with industry to create much needed jobs and investment.

As part of this contribution, Council will provide \$51,000 to support the Brisbane film industry; and \$250,000 to work with education providers on growing Brisbane's extremely important and valuable international student market.

Madam Chairman, through funding to Brisbane Marketing, Council continues its support of major events like the Bridge to Brisbane fun run and the increasingly popular Brisbane International Tennis Tournament.

To make sure our efforts to promote tourism start in our own backyard, Council will improve signage that welcomes visitors to Brisbane.

MAKING COUNCIL MORE ACCESSIBLE AND RESPONSIVE

Madam Chairman, we are committed to making Council a more responsive and accessible organisation.

Already, Council is well regarded by residents for its award winning and well used telephone contact centre.

This budget provides the funding to make our call centre even better.

Over the next 12 months, Council will invest \$14.3 million in new technology that will make our contact centre more responsive to the changing needs of our residents and businesses.

We are also expanding our services to provide a 24 hour, seven day a week hotline to support the CitySmart EasyGreen program in its efforts to help Brisbane residents slash their energy bills.

In addition to these major improvements, there is one initiative that really stands out.

As Lord Mayor, I am determined to make sure Council focuses on fixing problems around the city.

Whether it's graffiti, potholes, long grass, or litter, Council is there to make sure our suburbs, parks and streets are clean and well-maintained.

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While Council has the resources to fix problems, it doesn't always know they exist. That's why we are starting a competition in 2010-11 to raise awareness of the role residents can play in alerting us to problems around the city.

Starting from 1 July, we will launch a monthly competition to reward residents who report problems for Council to fix. This initiative backs up the commitment of my 'Can Do' Team to dealing with small issues; and is in addition to our ongoing support of Fix-O-Grams and Pix-O-Grams.

Madam Chairman, in making Council more accessible, we will continue our commitment to engage and consult the community on what Council is doing.

Residents have a right to know what Council is doing and expect us to be open and accountable when it comes to communicating with them on projects and initiatives.

I am confident that, over the next 12 months, Brisbane City Council will become an example for governments around the country, when it comes to getting real value for money out of our communication with residents.

A STRONG FINANCIAL FUTURE FOR BRISBANE

Madam Chairman, this budget continues my commitment to making sure Brisbane City Council is in a strong financial position.

This is a budget that delivers on promises. It's a budget that is committed to ensuring ratepayers get even more value for money.

Brisbane has been hit hard by the global financial crisis. Council has seen sharp falls in revenue from development activity and is ever mindful of the financial concerns and constraints of Brisbane families and other residents.

By having the courage to undertake an operational sustainability review and find savings in our budget, we are able to get on with the job of fixing Brisbane's infrastructure problems, when other governments are cutting back on much needed projects.

Now is not the time to continue deferring projects that should have been built years ago.

If we are going to maintain and protect Brisbane's unique way of life, we have to deal with issues like traffic congestion, improving public transport and upgrading our parks.

The next 12 months provide a real challenge for Labor Councillors: they either help us get on with the job of making Brisbane a better place, or they continue to sit on the sidelines and play politics with every issue.

Opposition Councillors need to start taking a stand on important issues. Week in week out they abstain from votes, or worse still support something in Council but take a different view in the media.

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We have all been elected to roll up our sleeves and make a difference. We are all here to contribute in some way to making Brisbane a better place.

My 'Can Do' Team is truly dedicated to a better Brisbane. That's why this budget focuses on delivering for our suburbs and investing in the future of our city.

It's why we will continue making tough decisions and ensure Council delivers more value for Brisbane residents.

Madam Chairman, there are many people who contributed in helping us achieve the many significant outcomes in this budget.

Today, I want to especially thank Council officers who have worked tirelessly over past months to help put this budget together. At all levels of this organisation a lot of work goes into preparing the Council budget and I never cease to be impressed by the professionalism, depth of knowledge and passion of Council officers who are involved in this process.

In saying this, there are some officers who are at the forefront of helping to put our annual budget together. That's why it's important to note the hard work and dedication of Ian Maynard, Andrew Chesterman, Greg Evans, Nick Shaw, Jim Kemp, Carol Fisher, Jo O'Rourke and their teams.

Councillors in the 'Can Do' Team also need to be thanked for their ongoing commitment to getting on with the job of delivering for Brisbane residents. I especially thank Cr Schrinner and his Deputy, Cr McKenzie, for the work they have done to ensure we deliver on promises and provide value for money.

In closing, I need to pay a special tribute.

There is one person whose contribution to Council and its budgets over the past 10 years have been nothing short of outstanding.

I am, of course, referring to Jude Munro: a person who I am particularly honoured to have had the opportunity of working with, as Lord Mayor of this great city.

As anybody involved in the budget process could tell you, Jude has brought unparalleled experience and dedication to her role in the Lord Mayor's Expenditure Review Committee.

Through her leadership, wisdom, good humour and compassion, Jude has made a real difference for our city; and will leave an organisation that is much stronger, more sustainable, focused and capable of delivering for Brisbane residents, than when she started.

I am sure all Councillors and Council employees join with me in thanking Jude for what she has done; and wishing her well for what will be a very bright future.

Madam Chairman, I commend this budget to the chamber.