

The State Government must be kidding

Have you heard the latest?



The State Government plan to sell off profitable public assets such as State Forests, ports and large chunks of Queensland Rail is bad enough.

Now we learn that companies such as Merrill Lynch and the Royal Bank of Scotland will advise the State Government on the sale. What a team! A couple of companies that were bailed out recently by governments are now advising Queensland on privatisation. Surely the State Government is kidding?

The Royal Bank of Scotland has effectively been nationalised with the United Kingdom Government announcing it would move towards a 70 per cent ownership stake. In January this year the RBS announced the biggest corporate losses in British history.

Merrill Lynch in the USA basically went broke in 2008, due to debt risk from the US sub-prime collapse. It was bailed out by a merger with Bank of America, which then had to go to the US Federal Treasury asking for US\$20b in public money.

The appointment of these companies to advise on the privatisation raises even more questions about this unpopular and unnecessary State Government plan. The people of Queensland are entitled to a detailed outline of these companies' recent performance and their role in the global financial crisis.

The people of Queensland are also entitled to know just what fees these companies will be paid. There is speculation it could be as much as \$200 million, the majority of which could go overseas. That is good money that could be used stimulating the Queensland economy and funding Queensland services.



More good reasons to tell the State Government:

Queensland is not for sale.