



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 18 September 1998

APPROPRIATION (PARLIAMENT) BILL

APPROPRIATION BILL

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (3.43 p.m.), in reply: I thank all honourable members who participated in the debate for their contributions. It has been interesting in the extreme to gauge the reaction to this Budget from the comments by members of the House. I believe it has been a very difficult time for members of the Opposition, because what did they have to criticise this Government for? After all, through the Budget, this Government delivered chapter and verse on our election commitments. We did so, not only in terms of new policies and new initiatives—and I will come to some of those in a moment—but also in relation to maintaining the Capital Works Program and keeping it on track. That was a cornerstone of our economic policy. We were determined not to engage in the destructive and very negative policies that the coalition pursued in 1996 when it imposed the stupid, ignorant capital works freeze that did so much damage to the Queensland economy.

Mr Schwarten: Three hundred contracts sitting on the Minister's desk.

Mr HAMILL: There were 300 contracts on the Minister's desk. The Leader of the Liberal Party should hang his head in shame. He was the Minister for Public Works and Housing. Even when he was the Treasurer's Parliamentary Secretary he ought to have understood the damage that was being done through that ill-conceived policy.

Although there have been some carping criticisms from some honourable members, particularly from those who sit opposite, in the wider community the Budget has been applauded. It must be particularly galling for the Leader of the Opposition, who found it difficult to acknowledge the work of this Government in providing for new initiatives in the Budget process, to see headlines such as "Taxpayers' paradise" followed by "Queensland, sunny one day cheaper the next", which appeared in the Daily Telegraph. Closer to home for some members of the National Party, it must have been galling to pick up the Queensland Country Life and see the headline "QFF, UGA supports Beattie Govt budget". The article stated—

"Queensland Farmers Federation has given the Beattie Government's budget, announced on Tuesday, a tick of approval."

In an article in Queensland Country Life, on behalf of the Queensland Graingrowers Association, Brendan Stewart said—

"After consideration of the positives and negatives, I believe it is fair to say the Beattie Government's first budget is farmer friendly."

Overall there has been a very positive reaction to a Government that is very positively getting on with the business of governing, and getting on with the business of delivering jobs, which was our No. 1 priority.

It was in relation to the issue of jobs that honourable members opposite seemed to have some differing points of view. We had the Leader of the Opposition being critical on the basis that there did not appear to be enough money being set aside for the Jobs Plan. I would like to remind the Leader of the Opposition, who also spent some considerable time suggesting that it was really his former Government's Budget that we were considering, that, in the May Budget of the coalition, there was no jobs plan at all. There was no initiative to give that substantial boost to training and apprenticeships. It

just was not there. The inclusion of the Jobs Plan, that \$283m initiative, really put the stamp of this Labor Government on the Budget. It is very clearly our Budget, because it reflects our priorities.

I was dismayed to hear the honourable member for Moggill, the Leader of the Liberal Party, criticise the Jobs Plan, because he seemed to think that they were not real jobs. He should tell a person who has been out of work for months and months that they do not have a real job if they obtain employment, a traineeship or an apprenticeship. That demonstrates how totally out of touch is the Liberal Party in its leafy confines of the western suburbs of Brisbane. It is about time it got out in the community and talked to real people who are frustrated because adequate training and employment opportunities simply have not been made available to them. In the interests of social justice, this Government is determined to open up those opportunities. We will do so, despite those nitpicking criticisms that we heard.

The other comment that I felt it was most important to address in relation to the Budget is the attempt to try to talk down the job-creating potential of our Budget. We heard certain members talk about the Capital Works Program and question how the Capital Works Program would deliver more jobs than the Capital Works Program that the coalition had foreshadowed in May.

I put on record that the Government believes that its program will generate 41,000 more jobs than the coalition's capital program it announced in May. The reason for that is that, in the total capital figure that was used to calculate jobs, there was something of a difference caused by a decrease in the capital outlays figure and an increase in the plant and equipment expenditure. On the one hand, that represented some decrease in jobs, but through our program in the roads area there is the result that there is a net gain of 1,000 jobs. So those figures were based on departmental and Treasury forecasts looking at the mix of works and looking at the direction of those capital funds. Obviously, the deployment of those capital funds will have quite different outcomes in terms of their job-creating potential. This Government has gone to maximise the job-creating potential of the record \$4.8 billion Capital Works Program.

The other issue in relation to capital works, which I believe became something of an obsession for the honourable members for Toowoomba South and Maroochydore, related to the capital works budget and their quite false claims about the Health capital works on the Sunshine Coast.

Ms Spence: Outrageous.

Mr HAMILL: It was outrageous. For their information, they really ought to go and have a look at the proposals that they made back in May and compare them with our proposals in September. The most telling thing is that not one cent has been removed from the hospital projects in Nambour and Caloundra. However, it is interesting to look at the coalition's May Budget figure because it claimed that, in the case of the Caloundra Hospital, by the end of June this year it would have spent \$1.63m on that redevelopment program. The September Budget figures show that, in fact, they did not deliver. They managed to deliver only \$267,000 worth of work in the period up to the end of June this year.

In the case of the \$26m redevelopment of the Nambour Hospital, the coalition claimed in its May Budget papers that it would spend \$1.7m by the end of June. Again, it failed to deliver. That is the story of its life. The coalition simply failed to deliver on capital works and it failed to deliver on decency in Government. In relation to the Nambour Hospital project, instead of getting \$1.7m of that capital redevelopment in place by the end of June, in fact it got only \$678,000 worth of work completed by the end of June. Even the Deputy Leader of the National Party ought to understand, he being a former Health Minister, that when undertaking capital works of that nature, they are in a sequence. One cannot just jump to the end of the project; one has to do certain preparatory work and crank up that project. The reason the outlays as shown in the Budget papers for 1998-99 in relation to those two hospitals are less than the projections made earlier this year is that the coalition did not deliver. Those two hospitals are but two examples whereby the coalition failed to deliver the \$452m worth of capital works that were to be delivered last year. There is a backlog that was not delivered and the jobs associated with that backlog were not delivered.

The other issue that arose in the debate related to taxation. We heard a certain amount of wailing about the Government's very responsible decision to defer the changes to land tax and stamp duty, which were foreshadowed back in May. The honourable member for Indooroopilly is present in the House. He was one of those members who whined most of all in relation to the impact that decision to defer those further changes to land tax will have on the business community. I draw the attention of the honourable member for Indooroopilly to an article in the Gold Coast Bulletin of Wednesday, 16 September, which was the day after the Budget was presented, titled "Reaction to Land Tax Delay is Mixed". It states—

"Gold Coast Combined Chamber of Commerce president John Witheriff says an extra six months of land tax would have little effect on businesses and investors."

Even the business community on the Gold Coast does not believe the coalition. Such is the loss of credibility that this motley crew has endured over the past several months.

Mr Briskey: They are out of touch.

Mr HAMILL: They are totally out of touch with the unemployed, out of touch with the welfare sector and, clearly, have lost the confidence of their own constituency in the business sector.

Overall, the debate has been particularly instructive to me. I was enthralled, shall I say, to try to get my head around the contribution of the honourable member for Caboolture, who seemed to think that somehow running a surplus in the Budget was an act of fiscal irresponsibility. I say to the honourable member for Caboolture that this Government is not into 2% cascading taxes and it is not into printing money, although I could perhaps arrange some sample bags for the honourable member if that would help him digest the Budget papers.

However, I think that the most instructive contribution of all came from the honourable member for Tablelands, the Education spokesperson for One Nation. When praising the Budget, he actually conceded that he could not even balance his own chequebook let alone anyone else's and, accordingly, he would not try to bag the Budget. He described himself as a dumb country boy. I think that sort of self-deprecating behaviour ought not be encouraged. I hope that the training programs and opportunities for adult education that we will afford through this Budget may be availed upon by the honourable member for Tablelands so that it would help him to analyse the Budget the next time it comes around.

However, I say to the honourable member for Tablelands that I did investigate the matter that he was seeking to inquire about in relation to the Malanda High School. I would like to mention that vocational education is a very high priority for this Government. In fact, in my time as Education Minister in the former Labor Government we pioneered a number of changes to curriculum to provide more opportunities for young people in the senior high school to avail themselves of vocational education. I want to assure the honourable member that, under the Labor-initiated Building Better Schools Program, that facility at Malanda will indeed be upgraded this year. So that is another example of this Government delivering.

The other point about which I would be remiss if I did not address it in my reply is the issue of growth. This Government has faced up to the problems that are taking place in our region. That is why it made a critical analysis of the growth forecast contained in the coalition's May Budget document and downgraded Queensland's growth expectation to 3.5%. Yesterday in this House, it was interesting to see coalition relations at work. On the one hand, the Leader of the Opposition was saying that he had fireproofed the Queensland economy against Asia. I reckon that the Romans probably thought Nero had fireproofed Rome, too, in the same fashion as the Leader of the Opposition, when he was Premier, had fireproofed the Queensland economy. As is typical of the Leader of the Opposition, he poured scorn on the growth forecasts that are contained in these Budget papers and suggested that they were far too bullish. The Leader of the Opposition believes that growth will not reach the sorts of levels that we believe are achievable, given the data that we have at our disposal.

Mr Briskey: What did the Leader of the Liberal Party say?

Mr HAMILL: Well may the member ask what the Leader of the Liberal Party said. When he was actually on track, he suggested that growth would meet the forecast contained back in May of 3.75%.

Mr Briskey: He is at odds with the Leader of the Opposition.

Mr HAMILL: He is an honest toiler; I will give him that. I hope that the Leader of the Liberal Party is right, because if he got it right on this one, we would see the unemployment rate fall further than the 8.5% that we have forecast for the June quarter. The Government is prepared to err on the side of caution in relation to growth forecasts. When I left the Chamber yesterday, having been entertained by the dynamic duo opposite, I went to BIS Shrapnel, which was forecasting even greater growth than either I or the honourable member for Moggill. I hope that the Leader of the Liberal Party and I are wrong and that BIS Shrapnel is right, because that will further help us to achieve those important targets for increased jobs growth.

The last point that I make in relation to this issue—and I am watching the time——

Mr Purcell: You have got three minutes left.

Mr HAMILL: A good Minister knows where his support lies. Despite the carping criticisms that we have heard, this Budget has been extraordinarily well received. The Government has placed its economic credentials before the community and it has received overwhelming endorsement.

Mr Briskey: Because it's a jobs Budget.

Mr HAMILL: Because it is a jobs Budget and because the Government has got on with the job of delivering its election commitments in the way that we said we would, that is, within the budgetary framework that we inherited. We did not complain and bleat about the economic irresponsibility that had been perpetrated by our predecessors; we got on with the job and we have delivered a Budget with a stronger surplus projection than the coalition forecast back in May. Indeed, we have delivered a Budget that has a heart and that recognises the social responsibilities of this Government in terms of

community initiatives—our social responsibilities in terms of jobs for our young people and our kids in schools; our social responsibilities in terms of those whose names are on hospital waiting lists, the aged, those who are receiving palliative care or home help services and those in the community with a disability, who have been neglected by successive Governments for too long.

This is a very positive and a visionary Budget and I am proud to have been able to deliver it for the Government. I believe it creates a blueprint for many other Labor Budgets like it.
