



Speech by

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MEMBER FOR CABOOLTURE

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1999 STATE BUDGET

Mr FELDMAN (Caboolture—ONP) (12.23 a.m.): It is with great pleasure that I rise to speak in this Budget debate. I am pleased to see a credit Budget, although there are some areas of concern. I support the concept of accrual accounting. However, it would appear that, in this case, the system has been a vehicle for some fairly rubbery figures. It is apparent that, under the traditional cash accounting method, we would be contemplating a Budget sliding into deficit.

The Australian newspaper estimated that, if translated into cash accounting terms, the Budget would actually be \$300m in deficit—perhaps more—if the Government had not factored in underspending on its capital and recurrent accounts. Of course, when one transfers from a cash basis to an accrual basis, it will be positive or negative depending upon the balance of the prior year. In this instance, the Budget's surplus figure exists simply because the accrual based accounting method captures more revenues than the cash system would have. The benefit then is overstated, but only in the first year. As I have already stated, I do support accrual accounting methods and believe that this method will give a more meaningful long-term view of the State's financial position and budgetary allocations.

In relation to growth, the increase in gross State product for 1998-99, although down almost one percentage point from the 1997-98 result, has come in at a satisfactory 4.75%. This Budget's target of 3.75% looks achievable, but the downward trend will continue unless some of the warning signs are heeded.

I also have grave concerns about the components underpinning these growth figures. There is perhaps an air of complacency, with an assumption that the historic and projected figures for gross State product are entirely satisfactory and adequate. One major problem is the over-reliance on the household consumption component of those figures. Household consumption is divided into 13 categories and includes alcoholic beverages and tobacco. Gambling expenditure is also included in the household expenditure figure under the category "Recreation and Culture".

The inclusion of gambling in particular is of concern as we are all aware of the increase in gambling over the years. Growth with a large component delivered by gambling is unhealthy and fragile. Forward Estimates in the Budget papers indicate the expectation of a windfall from gaming—a \$101m increase in tax revenue from gaming. But it is nice to see that the Government that puts out the bait does have some compassion for the bunnies—a meagre amount of compassion only: the Gambling Help-Line. I note that the toll-free Gambling Help-Line was piloted in three regional centres providing 24-hour support, crisis counselling and referral to local services for gamblers, their families and others adversely affected by gaming. An independent evaluation of the projects has been completed, but I note that it is only consideration that will be given to expanding the Gambling Help-Line in 1999-2000 following the analysis and independent evaluation of the pilot services that operated in Cairns, Rockhampton and Mount Isa in 1998-99.

One can only wonder: at what cost will this gaming revenue be ripped from the pockets of Queenslanders and off the dinner tables of their families? For every dollar of gaming income, there is certain to be a corresponding increase in the expenditure of the Department of Health and the Department of Families, Youth and Community Care as welfare workers struggle to ameliorate the

enormous social costs in shattered families and deprived children. This Budget is a risky Budget in the extreme. Being founded and highly dependent upon an assumption of sustained solid growth, it is obvious that in the event of growth stalling—and in the current economic climate, that is a very real threat—the deficit would balloon out to dangerous and damaging levels.

We are all aware that we have an overheated economy at the moment and face the very real prospect of a major correction in the stock market. Should this occur or should our trading partners in the Asian region not continue to recover from their economic crisis, Queensland will be in financial trouble. This Government has taken a large risk with this Budget. We just hope that Queenslanders will not suffer.

The negative net export figure, with imports outstripping exports, is at least in part a product of our current obsession with economic rationalism. This trend towards increasing reliance on imports—and I note up they are up by 6.5%—will eventually have to be addressed. I believe that this Budget goes only part way towards that goal. In concert with the negative export result for 1998-99, our reliance on commodity exports as a percentage of total exports has well and truly been highlighted.

These two factors—negative or low net exports and the high percentage exported as commodities—underline the urgent need for Governments, both State and Federal, to provide meaningful incentives to manufacturing and value adding initiatives by the private sector. At the same time, the State Government should be pressing the Federal Government to introduce disincentives to imports. For the delicate and politically correct souls who cannot even bring themselves to say the word "tariff", there are numerous other mechanisms which are used in every country in the world except Australia to nurture their own manufacturing, primary production, and value adding industries. Primage is a good example.

The Government has made some small attempt in this area but has not faced up to the seriousness of the situation and has not afforded these measures the high priority that they deserve and perhaps demand. The projected growth in business investment, in buildings and in machinery and equipment, represents a decline in the rate of growth and indicates soft business confidence. These figures further underscore a fundamental weakness in an economy sadly lacking in manufacturing and value adding sectors. Little money has been directed at encouraging and promoting growth in these industries.

Also, the decline in domestic dwelling investment is disappointing and the projected halt to that slide will be a vital benchmark which needs close monitoring and should have received greater impetus. A healthy building industry will always rely on a large component of domestic activity, and the flow-on effect of the building industry is a major influence on the State's economy and the noble aim of providing full employment. The reduction in domestic dwelling investment would lead one to assume that rentals are on the increase. The increase in rentals at the reduction of building would indicate a social problem within the community that the Government most certainly needs to keep an eye on. I am not convinced that the Government has placed a sufficiently high priority on stimulating business confidence.

Much of the thrust of this Budget has been on biotechnology. To be in the vanguard of biotechnology could indeed be to seek a crown of thorns. I support the notion of developing new technology in all fields, including biology, where there can be demonstrated benefits to mankind and to the sustainability of our environment. Unfortunately, though, the field of biotechnology is being increasingly hijacked by the school of genetic modification. There are major health concerns over genetically modified food throughout Europe and Asia. There is also major concern amongst consumers in America. Even though America is the leading producer of genetically modified food, this domestic buyer resistance is forcing Americans to dump their production wherever they can find an export market.

Undoubtedly, Australia's greatest marketing asset for our primary production export products is the clean green image that we have so successfully promoted. Given the level of concern over genetically modified foods, it is absolutely impossible for us to promote ourselves as leaders in the field of genetic engineering and contemporaneously to maintain our image as a supplier of the cleanest and most wholesome foodstuffs in the world. A few billion dollars earned in biotech industries would be quickly dissipated in damage to export markets for our existing production. Eminent academic professor Gordon Conway makes the point that, whether there is any risk or not, the perception in relation to genetically modified products is very real and it is that perception which is sure to be extremely damaging.

There is also justifiable concern amongst farmers over the possibility of one or two cartels capturing the exclusive rights to sell genetic material. This is a very real threat, with the technology already available to produce seeds which will be non-viable and plants which will not develop without the application of a trigger chemical which would be patented and marketed only by the company that

developed the genetic material. Pollens travel around the world and there is a genuine contamination threat to traditional, open pollinated varieties. There is a very real danger that everything we plant to grow foodstuffs to feed the world could be controlled by one or two mega-companies. This would be an intolerable situation.

I would caution against the blind obsession with biotechnology that is displayed in this Budget document. I note with some major trepidation that the Premier has alluded to the hard sell that he knows he will have to make to the wider community with biotechnology. He has proposed a biotechnology office to promote wider community understanding. I purposely ask that this not be an office of propaganda to front the multinationals that pervade this area of the industry. I hope that we do not blindly become the dumping ground of biotech and genetically modified foodstuffs that no other country, even America, wants. It is great to be at the forefront of an industry, as long as we do not kill our exports as a consequence.

I will now speak about my own little patch of country, just north of the metropolis of Brisbane. It is not a city, yet not all country either. I know that I fought hard during the last year and rattled the tin outside many doors—often enough to see such advances as the completion of the 25-bed mental health ward at the Caboolture Hospital and the \$2.5m upgrade of the Wamuran State School, both of which are still mentioned in this Budget as ongoing projects. The Wamuran State School was in such an appalling state that it was known as a demountable school. Other advances were the extra police allocated to Caboolture and Bribie Island, even though the recent direction in relation to leave and recreation leave hours has reduced the effectiveness of service delivery to this area in expectation of an increase in numbers of the thin blue line. More police are needed, especially for the new millennium celebration, Y2K and pending involvement in the protection and direction of overseas visiting teams and tourists associated with the Olympic Games.

A new ambulance station on Bribie Island was also welcomed. It is a pleasure to see the final touches being allocated in this Budget to the tune of some \$25,000. I thank the Minister for Emergency Services for the provision of the much-needed cutting and rescue equipment provided to the Queensland Fire and Rescue Service on Bribie Island. This much-needed resource will no longer leave the area of the Caboolture electorate exposed to the embarrassment of being unable to respond appropriately to serious motor vehicle accidents in which injured persons are trapped in vehicles, as was the case prior to this extra allocation.

The grant of the land and some \$4m to commence building the Caboolture aquatic centre and sports reserve is most welcomed by the community. The Caboolture Cricket Club is even now in deep consultation with council in respect of the two A-grade Brisbane standard turf wickets expected to be built in the next phase of this development. Enticing some Brisbane district club work will only increase the ability of our burgeoning junior cricketers to advance into the Brisbane competition and perhaps beyond to State representation.

The northern bypass has progressed beyond environment and traffic studies to the point of actual plans being on display rather than on the drawing board. We know that there are still a few minor obstacles to overcome, such as a couple of resumptions, the erection of noise barriers in certain areas and the location of on and off ramps. The initial problems associated with the Caboolture aerodrome, where the northern bypass intersects with the Bruce Highway, appear at this time to be solved to the satisfaction of all parties.

The Caboolture Airport supports the Caboolture War Plane Museum, which is proving a real boon for tourism in the area. Once again, the Caboolture Airshow spectacular proved a great success, with over 30,000 vehicles and 60,000 visitors to the show again this year. This makes it the second most successful airshow in Australia. That is a great credit to all those involved. The airshow ball this year attracted some 300 attendees.

The Bribie Island road upgrade is also continuing and the passing lanes already built are working for the effective and efficient flow of traffic to and from Bribie. I am sure that this will only enhance the attractiveness of a trip to visit Bribie as a preferred tourist destination, as this trip will be less stressful with the ability now to pass slower vehicles on the upgraded sections of road.

Speaking of approved roadworks and promises, I did not see in the Estimates any allocation for the promised upgrade of Lower King Street and Charles Street to alleviate the pressure on this intersection as traffic seeks to enter Caboolture's city heart from the Bruce Highway. Traffic congestion in this section of road from Charles Street to the highway must be urgently addressed, with traffic backing up out to the highway and actually over the Bruce Highway overpass. I highlight this as a priority so that action can be taken before serious tragedy befalls this area, especially around peak times when parents are taking children to one of the three schools located in Charles/Manly Street and Lower King Street, such as the Caboolture East State School, the Caboolture State High School and North Point TAFE Caboolture campus. This area also contains the Caboolture Hospital which, I am

pleased to see, has been given ongoing funding to the tune of \$8.7m. With the new mental health ward and private hospital co-location creating greater access, traffic to the hospital is increasing.

But that was the past. Let us look at the future for Caboolture under the Labor Government. As to education—we get some funding for the Tullawong State High School with a general learning area block and extending the existing music block. The Wamuran State School redevelopment continues. The Caboolture Special School has an administration upgrade. Beerwah, which is now in the new seat of Glass House, receives an eight-space general learning area block.

I also need to ask the Minister: what happened to the Caboolture State School's amenities block? This was an urgent need that I actually addressed to the Minister. That school has an old lower primary boys' toilet located under a fixed building that is an extreme health risk. I have already highlighted to the Minister this urgent need, especially the health risk aspects. The lower primary schoolchildren refuse to go to that particular toilet, and they sometimes hold on in an effort to try to get home before they actually have to use a place emitting such a stench, where liquid leaks onto the floor, and the tiles are falling off the walls. Q-Build have already been out, and they have photographed the appalling conditions of that block, yet nothing has been done. Perhaps the first severely ill child may stimulate this Minister into action to actually allocate some funding in this area. Again, I urge the Minister to look at the photographs that were taken and see the appalling condition of that particular amenities block so that it may be moved up the list of capital works expenditure for this year. It is an urgent problem that really needs to be addressed. As well, I could see no allocation for the secure covered area for the Caboolture State High School—another issue that I highlighted to the Minister—because that older State high school does not have enough covered areas.

It would be remiss of me not to warn to Minister for Health that the questions that I need answered at the Estimates committee will be in relation to HACC funding, especially for the Caboolture area, and especially for my pet area of Home Help services for the aged and infirm. I need to know about that, especially as there has been a flagged 9% increase in funding and the target numbers have been estimated to be increased from 29,950 clients to some 32,000 clients. How many are actually allocated to the Caboolture and Bribie Island areas, and what is the budget for the Caboolture Home Help services? It is not something that I can pluck readily from the output statement.

I might add that the elderly, who are only growing older while we wait to see what the allocation is going to be for Caboolture and Bribie Island, are actually being taken off Home Help services or having their Home Help services reduced. This is something that I hope the Minister will address. I really need the Minister to answer this question—and I will be putting it to her at the Estimates committee—about what sort of funding allocations she will be giving to the Caboolture area with respect to the growing aged population there. My particular concern is for the older people in that area. I really feel for them because of the situation in which they are placed. I have had people taken off Home Help who have clearly displayed an inability to do their own cleaning in their homes, particularly raising their arms to actually clean and dust high places and other awkward places.

Time expired.
