



Speech by

**Mr R. QUINN**

**MEMBER FOR MERRIMAC**

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Hansard 27 October 1999

**APPROPRIATION BILL  
Estimates Committee A  
Report No. 2**

**Mr QUINN** (Merrimac—LP) (Deputy Leader of the Liberal Party) (2.40 p.m.): In rising to take part in the second part of the Estimates Committee A debate, I really want to make three comments. The first comment follows on from some of the comments made by the Treasurer. He made the point that there has been record expenditure in terms of the delivery of services in this Budget. That is true, but the Government has done it on the back of an underlying Budget deficit of \$1.2 billion. Governments can have record expenditure when they run a Budget deficit, which is what this Government has done.

Those figures are in the Budget papers and they are confirmed by Standard and Poor's assessment of the Government's Budget. That puts into context the delivery of the services. As I said before, the Government can have record service delivery, but it also has to be mindful of the Budget deficit that we have. The reason I state that is that it is very easy to get onto the deficit merry-go-round but it is extremely difficult to get off. Once the Government is on that deficit teat, to wean itself off takes an immense amount of political will. Standard and Poor's have recognised this by saying, in their assessment of the Budget document, that if the forward Estimates are realised in the next couple of years, then the Budget will turn around, but if the forward Estimates are not realised, then the deficit will not turn around and we will go down the path of other States. I think that that is a warning bell. The light is not on green: it is on yellow; it has not quite reached red. However, we need to be aware of the underlying financial position of the Budget, and it is a Budget deficit. From that the Government cannot escape.

The second comment that I wish to make is in terms of the priorities of the Government. It comes on the back of the statement of reservations in the document by the coalition members in which they have noted a 41% increase in the expenditure of the Premier's Department. They contrasted that with increases in other areas, such as the Police Service, which has a 0.1% increase; Health, a 3.6% increase; and Education, a 3.6% increase. I think that, when one is looking at the delivery of services against how the money coming from a Premier's Department is spent, that is of concern. Not only is the percentage increase of concern but also is the actual increase, because taking into account the equity return, the Budget increase for the Premier's Department has to be around \$55m or \$56m. When that amount is contrasted with the amount for a major service delivery department, such as Health or Education, one sees that it is not much less than what those departments received. So when one is talking about the delivery of services in terms of Health and Education, it has to be put in that context.

The third comment that I want to make also relates to a section in the statement of reservations and it concerns overseas education services. One of the great things about Australia and, in fact, Queensland in particular, is that, in terms of tertiary institutions, we have a high reputation overseas. For quite some time our universities have been very active in attracting overseas students into our universities for the benefit of themselves and the State in general. As the member for Burnett said, over the past year or so there has been a downturn in our share of the national intake of students. We need to be aware of that, because this is a very lucrative market in which our universities are well placed to capitalise. In terms of marketing our universities' product overseas, we ought to be aware of any assistance that we can give to them, not only in terms of South-East Asia where they have suffered an

economic downturn over the past 12 months to 18 months but also in terms of sourcing out new markets, such as South America, Europe and North America. I believe that those areas in which we have not previously been active are ripe for trade missions overseas to market our education system as a whole and, in particular, our university or higher education services. As I said before, it is extremely lucrative, it is worth about half a billion dollars each year to Queensland and it is one where we have unbounded expertise and a very high reputation. The more that we can market our services, the more our reputation will increase and, in terms of fees, the more we can charge.

Time expired.

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