



Speech by

Dr DAVID WATSON

MEMBER FOR MOGGILL

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BEATTIE STEALTH TAX

Dr WATSON (Moggill—LP) (Leader of the Liberal Party) (10.04 a.m.): Today's Budget does what no other Queensland Budget has done before. From July next year, it will hit every new school, hospital, courthouse and road with a BST—a Beattie stealth tax—of 6% on all capital works. That will happen from 1 July next year. The BST will rip hundreds of millions of dollars out of health, education, law enforcement, public housing, emergency services and transport. No department will be exempt.

We have done a quick calculation and, based on last year's Budget, the tax grab will be more than \$300m. To pay that BST, departments will have to sell community assets such as schools, hospitals and police stations that are deemed to be inefficient. The only alternative will be to slash programs and cut staff such as teachers, nurses, doctors and police. This is the same sort of slash and burn policy that Labor used to close railway lines and other regional services under the former Goss Government. They have learned nothing. The net result will be fewer schools, hospitals, police stations and courthouses.

The Premier claims to have boosted capital works by 6%, but he is pulling a swifty. That 6% is a one-off paper entry this year only to offset a totally new and identical liability to Treasury under the BST. The Premier is giving with one hand and taking with the other. That 6% does not provide one extra dollar for bricks and mortar. Every last cent will go back to Treasury and next year will be a totally different ball game. There will be no 6% offset on new projects, just a 6% liability.

The Premier did not have to introduce this tax. It is a very nasty optional extra that seeks to make a virtue of odious comparisons. There is no more reason for this BST in Queensland than there was in the past for petrol excise, bed taxes, death duties and other charges levied by interstate or Federal Governments. The buck stops with the Premier and acting Treasurer.
