



Speech by

Mr G. HEALY

MEMBER FOR TOOWOOMBA NORTH

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1999 STATE BUDGET

Mr HEALY (Toowoomba North—NPA) (5.22 p.m.): I welcome the opportunity to participate in this Budget reply debate. Firstly, I wish to make a few comments on the Appropriation (Parliament) Bill 1999 and the provisions in that legislation which will see moneys allocated over the next 12 months for the Legislative Assembly and the Parliamentary Service.

I believe it is important that members of this House are given the opportunity to access the technology necessary to carry out their responsibilities as members of Parliament. I really cannot believe that here we are, less than four months out from the turn of the century, and members of this House are still not only not provided with computers in their parliamentary offices but also computer equipment on their desks in their electorate offices. I realise that there is a Speaker's Technology Advisory Group, and I realise that a lot of hard work has been done over the years. I can remember that, as far back as about 1992, when I was first elected, a trial was being conducted involving people such as the former member for Lockyer, Tony FitzGerald, and others with computer equipment in parliamentary offices. It seems that not a lot has transpired since then from that particular trial. I know that other trials have been conducted, and I ask: what is the result of those trials?

We have the Premier telling us that Queensland is set to become the Smart State. Yet members of Parliament in his own State, unless they purchase or lease equipment themselves at their own expense—as some of us do—are not provided with access to computer equipment in their parliamentary offices, let alone able to access email or the Internet. I realise that this access is available through the Parliamentary Library and other staff offices, but goodness me! In any commercial office these days, and in any Public Service office anywhere, the staff have a computer screen, a keyboard and a printer in front of them. It is just staggering. I believe that the provision of this equipment would make the work of members of Parliament a lot easier. It would certainly make access to our electorate offices a lot easier. And in the long run, I believe that it would have to be a cost saving.

I know that the computer technology that is available is certainly changing with the pace of time. And whereas I appreciate the efforts that have been made so far, I really do believe that, in this day and age, this is something that we really have to consider. If some members do not want it, or they cannot or will not use it, so be it. But I believe that we should find out who does, and provide them with a resource that, quite frankly, is almost essential in this day and age.

The budget for the Parliament is, I believe, a very important one. It is important that we are able to provide that service to members of this House. This is our House, and we spend a fair bit of time in this House. We certainly all appreciate the amount of work that is done by members of the Parliamentary Service. They do a great job. But it worries me when—as was raised in this House the other day by the member for Broadwater—we see things like telephones being ripped out of certain areas that are accessed by members of Parliament. I cannot understand why telephones are being taken away, because members who want to make a telephone call will then do so on their mobile phones at a cost which would be considerably higher than it would be if they were making a call on a normal phone. With the numbers in the Parliament being so close these days, members are spending more time closer to the Chamber and, therefore, they require services such as telephones. It is a backward step that some of those services are being taken away.

I believe that the jobs that have been done in the renovation of Parliament House have been very good, particularly in the bedrooms that are supplied for members. This program was started under the previous coalition Government by Speaker Turner. The work that has been carried out is extremely good, and I encourage further renovation of this Parliament House, which is the most important place as far as the people of this State are concerned and, of course, the members who serve here from time to time.

I turn now to the Appropriation Bill and the 1999-2000 State Budget. I have no doubt that this Budget will have a negative effect on business confidence in this State. The comments that came from business and industry leaders after the Budget was delivered were not actually glowing in praise for the efforts of the Government. Members of the QCCI did not exactly jump out of their seats with ecstasy after the Budget was handed down. In fact, while making cautious comments—

A Government member: Carla Gerbo was pretty happy.

Mr HEALY: I will come to that.

In making cautious comments about the perceived increase in capital works funding, the QCCI showed more than a little concern about things such as changes to payroll tax arrangements, and it has every reason for showing concern. More businesses—not fewer—are now going to be caught up in the payroll tax net once compulsory superannuation contributions are included in the new payroll tax regime. As the member for Moggill and shadow Treasurer has stated, while the Government is set to cut the headline rate from 5% to 4.9% next year and 4.8% the year after, with superannuation now set to be included for the first time Queensland businesses will find that their total liability actually increases by thousands of dollars. That means that compulsory superannuation contributions will add 7% to payroll calculations this year, 8% next year and 9% in the year 2001. And while the tax grab gets bigger each year, businesses will be reluctant to create jobs. That is another disincentive for business which has been created by this can't do Beattie Labor Government.

For the information of the member for Sandgate, I point out that the QCCI's industry policy and research manager was quoted in Wednesday's Courier-Mail on this issue. In fact, in that article, Carla Gerbo warned that the cascading nature of payroll tax meant that those companies paying the tax would pass it on to their customers and could contribute to significant increases in the final cost of goods and services. As well, she went on to say that the inclusion of superannuation contributions meant that a significant number of companies would now be liable for the tax and that the existing 5% of companies already paying the tax would have an added tax burden. So again, so much for jobs, jobs, jobs when this smoke and mirrors Budget continues to create uncertainty and confusion out there in the wider business community. It is a smoke and mirrors Budget that does nothing for business and investor confidence in this State.

This is a Budget which has revealed some back-of-the-book figures, indicating a nasty little underlying deficit that the acting Treasurer failed to mention during his Budget Speech but which has since been revealed by the independent ratings agency Standard and Poor's and which has been referred to by many members on this side of the House.

When I picked up the Courier-Mail on the Wednesday morning after the Budget and started reading how the Budget had been reported, and how the Courier-Mail interpreted what it considered to be the highlights of the Budget, I began to realise that there was something missing. There were stories on biotechnology, stories on education, stories on health, stories on law and order, stories on the environment and, in fact, stories on most things. I thought to myself, "What about Queensland's second biggest industry? What about the tourism industry?" This Government keeps trumpeting about the importance of the tourism industry to the economic growth of this State. For months and months we had the Premier coming into this Chamber with ministerial statement after ministerial statement, telling us how important the tourism industry is and what this Labor Government was going to do for that industry.

What did I find on reading through the Courier-Mail the day after the Budget was delivered? Nothing! Not one positive story about what this Government plans to do for the tourism industry in Queensland in this Budget! Do honourable members know why? I will tell honourable member why: because suddenly tourism is not the flavour of the month with this Government. What has happened is that the Premier has found another of his little toys and has gone off on a tangent. Yes, it might be biotechnology and we do have a lot of potential in biotechnology. But let me say something: it is the tourism industry in this State which works, and works well, and has a proud history of working well.

We should be continuing to encourage the tourism industry in this State with massive increases in funding. When the acting Treasurer was delivering his Budget Speech I started to follow him and I thought, "Well, the acting Treasurer, who has trumpeted the tourism industry, must be going to come up with something shortly when he talks about this Government's initiatives in regard to tourism." We went through the Budget page by page and there was no mention of tourism until, finally, we came to page 16 and found a six-line paragraph dealing with the tourism industry in this State. That was it!

This Government has tried to hide a funding cut to the tourism budget in real dollar terms. In fact, the Government included a story on tourism in one of its leaked stories a couple of days before the Budget was delivered in an attempt to try to soften the blow. Honourable members are aware of the leaks that seem to appear a couple of days before the Budget is delivered. Normally, these are the really soft announcements to let the people of Queensland know that some big initiatives are going to come out of the Budget.

What happened in this case? Tourism funding was included in one of those soft leaks. It has not worked. This Government cannot try to fool the tourism industry this year in the way it tried to fool the industry with last year's Budget because the figures do not lie. The tourism industry knows that last year's Budget clearly showed that the amount budgeted for 1998-99 was \$47.2m. It is there in black and white in last year's ministerial program statements. What is the figure that is there in black and white this year? It is \$46.008m.

The Government can go off all it likes about one-off special initiative funding to combat the Asian economic downturn in last year's Budget over and above the base funding allocated to Tourism Queensland. That is the line that is being used. The truth is that that funding is not there this year. This year, the Government has quite dishonestly changed the explanation. The Government has said, "Oh, we have increased the base funding with a \$6m allocation over three years with \$3m allocated in this year's Budget." The Government cannot fool the tourism industry.

I am not the only person who has picked up on this little smoke and mirror trick. Let us have a look at what the tourism industry is saying. The Tourism Council of Australia's Gary Smith said this on the Cathy Border show on ABC Radio on Tuesday afternoon—

"Well, Cathy, we're obviously very disappointed. I guess what we're seeing is about a \$1 million total cut in funding to the tourism budget that Tourism Queensland has to work with. Effectively that's the...5 million last year that the special rescue package put in place after the Asian crisis, that's been now replaced with a 3 million special grant, so you've effectively got a net decrease there and we're disappointed given the challenges that are facing the industry at the moment."

The following appeared in the Gold Coast Bulletin—

"Gary Smith, president of peak industry body Tourism Council Australia, said yesterday the overall allocation to Tourism Queensland has been reduced and this was disappointing."

Too right it is disappointing! Those people know the facts and figures. They know that this smoke and mirrors Budget is doing nothing in regard to increased activity in tourism promotion in this State. That is a real shame because, after listening to the Premier and acting Treasurer for so long in the lead-up to this Budget, I expected to see massive increases in tourism funding. What did we see? We saw hardly anything at all. After 14 months, and in the face of inflation and declining tourist numbers, the Government has refused to increase spending on tourism promotion in real dollar terms. This is not a sign of a Government which claims to be committed to jobs in the tourism sector.

In the time I have left I want to comment on how the Budget will affect my own electorate. I want to make a few points perfectly clear. One of those points is that 99% of the funding allocated to Toowoomba for capital works in this Budget is for projects that were either started or were about to be started by the coalition Government.

Government members interjected.

Mr HEALY: Well, let us go through them. Let us have a look at what we received in this Budget, namely: \$2.4m out of \$60.3m for the Toowoomba Hospital redevelopment, which was an initiative of the coalition Government; \$1m out of \$5.7m for the acute mental health unit, an initiative of the previous coalition Government; and \$3.3m out of \$15m for the Baillie Henderson Hospital, a previous coalition Government initiative. We then come to the Toowoomba horticultural facility. This was a beauty. The facility had to be removed from old Education Department land to the present TAFE site after the Wilsonton campus of the Toowoomba State High School was built. The facility has been granted some money under this Budget but the planning was all undertaken by the previous coalition Government. We find that \$1.2m out of a total of \$1.6m has been allocated to enable stage 2 of the Wilsonton campus to proceed. That project was always going to proceed. It was an initiative of the previous coalition Government.

The other major initiative that we hope will take place in Toowoomba over the next few years is the construction of a new Toowoomba Police Station and replacement watch-house. This was an initiative of the former Police Minister, Russell Cooper. \$2m has been allocated in this Budget out of a total of \$10.5m. The previous coalition Government had planned and had started some \$95.8m worth of capital works for Toowoomba City. We find that \$10.6m of that money is made available in this year's Budget. I am pleased that that allocation is there. I say to the Government, "Thank you for continuing on with those projects because they are important for the City of Toowoomba." It was the good and

sensible planning by the previous coalition Government which saw a real increase in capital works spending in Toowoomba. As a result, we now see either the finishing off process or initial funding for coalition-planned projects in the Labor capital works budget.

I want to raise the issue of the manual arts block at the Toowoomba State High School. Unfortunately, the Minister for Education has left the House, but I know that he will get to read this speech. I know that he religiously reads Hansard every day, even when the Parliament is not sitting.

This little saga about the manual arts block at the Toowoomba State High School has been going on for as long as I can remember. I think it was a legacy of the Goss Government days. We thought we were close to getting a replacement facility when the coalition was in Government, but now it seems that the project has gone off the priorities list. Quite simply, the existing manual arts facility is old, it is outdated, it is too small and, more importantly, it is downright dangerous. Quite frankly, I cannot see how it passes workplace health and safety standards. The school has been after a new manual arts block for a long time. For some reason it has fallen off the list every year. I ask the Minister for Education to have a look at this and see if some of his departmental officers can restore it to the priorities list.

This Budget is like Keating's recession: it is the Budget we had to have. For months, the departments that are starting to leak like a sieve have been telling us that there is nothing spectacular about this Budget and that it was going to be a tough Budget. They are deadset right. Under Labor, Queensland lost not only its prized position as the lowest taxed State in the nation but also its competitive edge over our interstate rivals.

Of course, with the famous Beattie stealth tax—the BST—Queensland's fiscal outlook is indeed very gloomy. The BST could have myriad impacts right across this State, electorate by electorate. The Education Department will now be very shy about building any new schools, because that would expand their capital base and increase their exposure to the tax. So we may not see as many new schools being built. For exactly the same reason, the Health Department will be reluctant to build new hospitals or expand existing facilities. Because of the BST, there will be pressure on operating theatres, expensive electronic equipment and casualty departments. Hospitals may be forced to cut existing services to make savings that can enable crucial investments to be made elsewhere.

The same will apply to the Police Service and the new Department of Corrective Services. How many police patrols will be cancelled? How many small police stations, which are particularly crucial to rural and regional communities, will close as the police are forced to rationalise their capital base and/or cut services to minimise tax? Will the Department of Natural Resources be able to build dams? Some major projects would involve a massive capital cost. Will the department dare expose itself to increased tax?

The cost of water for new projects is already a major issue if construction proceeds. Of course, the tax will affect the generators of electricity or public distributors of electricity. Will this be the final nail in the coffin—if one were needed—for the Tarong Power Station expansion? Already, public generators pay massive dividends as well as income tax equivalents. Will this be the end of the hope in many isolated communities to have mains power? This is all because of the Beattie stealth tax—the BST—that will come back and bite the acting Treasurer in years to come.
