



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard 25 March 1999

MINISTERIAL STATEMENT

Premiers Conference

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.40 a.m.), by leave: My ministerial statement is in relation to the Premiers Conference on 9 April. Members are aware that I have written to the Prime Minister seeking to have four matters of great importance to Queensland placed on the agenda for the Premiers Conference on 9 April. They are, firstly, the GST and the need to make sure that Queenslanders receive their fair share of any revenue raised; secondly, illegal drugs, and the need to find new solutions to a problem which is killing about 600 Australians every year; thirdly, the security of our external borders and the need for increased surveillance to detect not just illegal immigrants but drug shipments; and, fourthly, health and the urgent need for additional funding for State health services from the Federal Government.

On the GST, I will tell the Prime Minister that we continue to oppose the proposed transitional arrangements for GST revenue distribution because Queenslanders will be short-changed about \$465m. Federal Liberal member, Alex Somlyay, agrees with us that Queensland is being unfairly disadvantaged. He says we are spot-on with our estimates and the position taken by the Treasurer on behalf of the Government. He is worried that the Sunshine Coast will miss out on adequate funding to meet the area's growth. I hope he convinces each of his Liberal and National colleagues in Queensland to make their voices heard in the party room as he has done publicly because the whole of Queensland will suffer if Mr Howard refuses to put things right.

I am also concerned that recent correspondence from the Prime Minister foreshadows an extension of the transition period beyond the current three years. If this happens, the loss to Queensland will be even greater than the \$465m we have already outlined.

Mr Howard and Mr Costello say that they are giving all the GST revenue to the States. If the GST comes in, all the GST paid in Queensland should be returned to Queensland. Under the current proposal, a GST means that Queensland loses on jobs and on its fair share of revenue.

I also believe that Premiers should be given more than one initial opportunity to consider the Bill dealing with the reform of Commonwealth/State financial relations. One opportunity to consider a Bill of this importance is grossly inadequate. That is all the Prime Minister is allowing. The States and Territories must be allowed the opportunity to examine later drafts of the Bill and engage in formal discussion on the Bill at the Premiers Conference.

I am also concerned at the increasingly flexible interpretation that Commonwealth officials appear to be placing upon the GST-based changes of "a minor administrative nature" which would only require majority support of the States and Territories as opposed to unanimous support. What may seem to be minor adjustments to the Commonwealth could have significant impacts on State and Territory revenues, particularly those of the smaller States. It is therefore important to define these "minor administrative" changes as being of \$20m or less.

What else do I want from the conference on the GST? Let me spell it out to the House. What the Government wants is to see financial assistance grants maintained in real per capita terms to reflect inflation and population growth. We want to see improvements in special purpose payments, particularly for education, health and national highways. We want to see a better deal for Queensland so that we do not continue to be short-changed \$60m in fuel transfer payments.

I am pleased that the Prime Minister has agreed to place illegal drugs on the agenda. I outlined some of my proposals on how to deal with the drugs problem in last night's 6 o'clock debate and in previous contributions in this House. I will be raising all these suggestions—and others—at the 9 April meeting.
