



Speech by

Mr DOUG SLACK

MEMBER FOR BURNETT

Hansard 21 July 2000

BUDGET 2000

Mr SLACK (Burnett—NPA) (11.38 a.m.): When I unwrapped this year's State Budget I found one of the glossiest, slickest-looking sets of documents that had ever masqueraded as the financial blueprint for spending in this State. Honourable members will remember that we just about needed a wheelbarrow to take the Budget documents to our offices. But with the words of the Treasurer ringing in my ears, I went directly to the Budget Highlights, Budget Paper No. 6, looking for this record capital works expenditure in my own electorate. Members can imagine my disappointment when I turned to the Budget Highlights for the Wide Bay-Burnett and found a single-line entry for Bundaberg which reads: "Additional amenities at Kepnock State High School". This is the very same \$300,000-odd that was announced in last year's Budget. The document states—

"Wide Bay-Burnett

Upgrade of the court facility at Maryborough.

Maryborough hospital redevelopment.

New police station at Fraser Island.

Upgrade of Maryborough-Hervey Bay Road and Tin Can Bay Road."

Maryborough and Hervey Bay have done very well. Both seats are held by the CCA, and they were formerly held by Labor, whereas Burnett does not get a mention. Kepnock State High School is the only facility in Bundaberg to get a mention. I just wonder whether this Government is taking Bundaberg for granted. It certainly is allocating funds to the Maryborough and Hervey Bay electorates. I wonder why. A recycled project was the best the Government could come up with as a Budget Highlight for an area which is crying out for a genuine start on water infrastructure and real jobs.

The point I wish to make is that much of this Budget in respect of capital works is not new money. It is recycled money. In fact, only 10% of the money allocated in the Budget is for new projects. I think that is a very potent symbol of this third—and hopefully last—Beattie Labor Government Budget. This Budget is, sadly, an elaborate exercise in aesthetic packaging. It is pretty, but it is littered with deceit, as the previous speaker said. Just scratch the surface of this Budget and it is patent why there has been so much attention to spin and to tarding up the truth.

But no amount of glossy packaging can hide these three truths: (1) this Government has failed to position Queensland, with all its relative geographic advantages, at the forefront of the crucial Asian economic recovery; (2) this Government has lost its footing as the dominant force in employment and economic growth relative to other Australian States; and (3) this Government has undermined business confidence in Queensland by lagging behind in infrastructure spending, weakening our investment attractiveness through its shameful industrial relations policies, and it has destroyed business optimism by cowardly running around this State talking up GST doom and gloom. Morgans Stockbroking economist Michael Knox quickly identified the "disappointing outcomes" that would flow from this Budget when he said that it predicted the same kind of underperformance in employment growth as last financial year.

It comes as a great disappointment to me that, after the drive and progressive attitude the coalition Government had engendered through its Economic Development and Trade Department,

Queensland has lost its competitive edge in the global marketplace. When we consider all the relative merits of our State—our clean and green image, our natural assets, our low-tax status and our proximity to Australia's major trading partners—this Government should be ashamed. The Beattie Labor Government inherited an economic momentum which hit a high of 5.7% annual growth and an employment growth rate which accounted for up to 40% of all jobs created in Australia in 1997.

Mr Hamill: Your Budget Papers were predicting 3.5%.

Mr SLACK: I hope the Treasurer is listening, because these are relevant facts. Our major trade diversification strategies into emerging markets—Europe, the Middle East and the USA—helped to cushion us from the hard reality of the Asian economic downturn of 1998.

This Budget brings to prominence the growing disparity between Queensland and the economic performance of the rest of Australia. We all know that growth indicators can fluctuate at the whim of international market pressures and the Australian dollar. But when Queensland starts performing poorly in comparison with our nearest competitors, there is cause for concern. When Queensland posts three consecutive downgradings of the forecast growth rates over three Budgets, there is cause for very grave concern.

I imagine that no-one is more surprised about this unenviable backwards slide in our economic position than the self-acclaimed supersalesman himself. I do not doubt that the Premier is doing the hard sell during his overseas missions and that he is handing out glossy magazines and compact discs in the same cavalier way that he has approached this Budget. Perhaps it has not yet occurred to him that our potential investors look beyond the shiny brochures and well-spun words to the underlying fundamentals of this Government's policies and its ability to actually get the major projects done. They look at the inordinate lead-up times to major projects such as the Nathan dam and the Chevron gas pipeline and this Government's dithering and indecision on the Nelly Bay Harbour development on Magnetic Island and the road corridor to Townsville. Investors look at the major projects such as the light rail project, the billion-dollar Sudaw Development infrastructure development, including the proposed Coonarr coal port, which has stagnated. The Minister for Mines and Energy spoke this morning in a ministerial statement about the outlook for coal, so there is no reason why this Government should not have been driving that project.

The Government seems to be singularly unwilling or unable to take the bit between its teeth to actually get the job done. I note Mr McGrady's statement this morning relevant in particular to thermal coal, because thermal coal is the major coal in the Surat/Dawson basin—4.1 billion tonnes of it—and the project needs to be driven by this Government to get it off the ground. I see a singular lack of action in that direction. In fact, once the Pacific Motorway is completed, this Government will be hard pressed to claim credit for any major projects which are actually under way. This is at the heart of this Government's inadequacies. It can no longer ride on the coat-tails of major projects that were negotiated, committed and started by the coalition and previous Governments—projects such as Sun Metals, which really meant jobs, jobs, jobs for Queensland and which this Premier put at risk by refusing to uphold the legislation relating to greenfield provisions. This was a disgraceful situation, as I was one who had assured the Korean investors that Queensland had thrown off the industrial relations bogey of the past and was a stable place to invest.

In terms of investment, I can assure the Government that there are no pluses in the industrial unrest that is currently besetting this State. It is crucial that that industrial situation be brought to a resolution, because the rest of the world is watching us and the rest of the world's investors are watching us, and they are nervous about our industrial situation. I have always felt that and had to defend it on many visits overseas when I was promoting this State and promoting doing business in this State. So I felt utterly ashamed when this Premier went missing in action—on account, no doubt, of his union sensitivities—and severely damaged our international reputation in the process in relation to the Sun Metals fiasco.

The future of business in this State depends on people who, by their very nature, are innovative and independent. Businesses require staff who are competent and who contribute to the productivity of their enterprise. In order to do their job, they need business legislation which supports them in their endeavours rather than unnecessary bureaucratic meddling which inhibits their flexibility and undermines confidence. Since 1998 this Beattie Labor Government has done just that. It has interfered with workplace agreements and taken unfair dismissal laws beyond what is reasonable. It has dismantled industrial relations mechanisms that provided an equitable balance between the rights of workers and the right of the community to economic prosperity unmarred by industrial strife. This is undermining confidence in our workplace environment.

Investment is all about confidence—I cannot reiterate that too much—and growth is all about confidence. At a time when business faces the biggest tax reform in our history, this Government is selfishly running around the State undermining that confidence further. The GST will deliver about \$3 billion-plus worth of savings to our export industries through the removal of hidden imposts on business. It is unquestionable. The export industry supports it. It has not questioned that \$3 billion-plus saving. It

is unquestionable that this is a plus to the sorts of operators and exporters that bring the most employment to this State. It is a plus for the mining industry, for example, which is being hindered by the unresolved native title issues.

At the end of the day, small business naturally will be apprehensive about change. But the sort of scaremongering being perpetrated by Labor over the GST, to quote the Premier, is anti-Queensland. This week, the Government's Federal counterparts had to apologise for failing to disclose full details of Labor's GST price research, which showed that more than half the prices surveyed either fell by more than anticipated or did not increase by as much. When will this Labor Government apologise for deliberately undermining business confidence in this State and costing Queenslanders jobs? I repeat: costing Queenslanders jobs.

As I said at the outset, this Government is concerned primarily with spin, glossy pictures—as we saw in respect of this Budget—and big smiles for the camera. However, unless the fundamentals are right—and this is something the Government cannot understand—people will not be taken in for long.

Queenslanders need a stable and responsive work environment, a cheap and reliable power supply and proper infrastructure. The lack of genuine commitment to this infrastructure—roads and water—by this Government is contributing to the general malaise of regional development. The Deputy Premier has announced several policies with the aim of fostering economic resurgence in the regions. One that he is shamelessly claiming credit for is the reincarnation of the former abattoir land at Bundaberg as a food processing precinct—something formulated and begun by the coalition. I am pleased to see that the Government is continuing this vital project in this Budget, but I am concerned about some other regional development programs.

I understand that ill-conceived planning for 60 regional trade and investment officers has irritated local councils, which are better placed—they know they are, and the Deputy Premier ought to know they are—to promote regional development, instead of being told how to suck eggs by a central bureaucracy. I understand there may now be as few as 16 positions brought into being. Once again, all of this is just window-dressing if the Government lacks the commitment to foster major projects in regional Queensland and water infrastructure, as I mentioned earlier.

I am heartily sick of Labor's bleating about water studies and processes that, in many cases, we initiated. In my region, we developed the groundwater rescue package for the Burnett during our term in Government, and the whole of the Burnett River catchment study as a precursor to the WAMP. There has never been any argument about doing the environmental studies and carrying out comprehensive monitoring. This is the scientific approach to minimising impacts and maximising benefits to water users.

Let us dispatch with the nonsense and admit that we are both getting advice from the expertise within the department. That advice was that the environmental credentials stacked up for a major storage on the Burnett. All it takes now is the political will to progress this project by actually committing resources—and I do not mean the fine print in the back of the Ministerial Portfolio Statements for land acquisition. The line item entry in this year's Budget is as nebulous and untraceable as every other broken promise on water by this Government. With no commitment to a major storage, no decision on a dam site and no environmental impact study in sight, the chances of the State Government using this budgeted money for land acquisition in this final year are less than zero.

Real water plans have names, time lines and locations. People will not fall for this one. How can the Government expect them to believe it after last year's Budget, when the Minister and the member for Bundaberg—and I am pleased the member for Bundaberg is in the House—claimed that there was money for the Walla Weir Stage 2. What happened to that Budget allocation? If the member for Bundaberg doubts what I am saying, I will quote from the Bundaberg News-Mail. It states—

"Mrs Cunningham said she had telephoned Natural Resources Minister Rod Welford yesterday"—

that is, after the last Budget, 12 months ago—

"and he had confirmed the funding for the investigation of Paradise Dam and stage two of Walla Weir was still included in the budget."

It is no wonder I am cynical when, in answer to a question on notice in 1998, Minister Welford said that the raising of the Jones and Bucca Weirs could be completed in 1999. The coalition had already approved the allocation of \$12.4m for the studies and start on the Walla, Jones and Bucca Weirs when we were in Government. We are supposed to be delighted that, three years down the track, this Government has included a phantom entry for land acquisition of \$9.5m.

If this Government were genuine about water infrastructure, it would have allocated money at least for the raising of the Bucca Weir. This is essential to allow for the replenishment of the Gooburrum aquifer, which is suffering from increasing salt intrusion, and will not interfere with the Burnett River

plans. For this Government not to provide for the raising of Bucca Weir is environmentally irresponsible. This was part of the groundwater rescue package.

I am extremely disappointed also, as the member for Bundaberg should be, that there was no mention of the Bundaberg Hospital in this Budget. I could not find it mentioned anywhere. The Bundaberg Hospital has been struggling for funding for years to be able to deliver services. Again, I put on record the wonderful job that the nurses and the staff at the Bundaberg Hospital do. No-one can say that I have ever said anything different. But there has not been enough funding to deliver the essential outputs from that hospital. I understand that there was an injection of funds recently to help it with its budget problems. But I do not see any indication within this Budget that that will be ongoing. Last year there was a terrific response to the allocation of \$2m for the Bundaberg Hospital. But where did that money go? Was it ever a reality? It is no wonder people are cynical about the Budget before the House today and what it contains.

Another issue in my area is the Agnes Waters police station. For the past three years I understood that it was to be coming forward. I felt confident that it would be in this Budget. The dogs were barking that it would be in this Budget. I looked through all of the glossy pages. Surely it would have been in the Budget Highlights document, where the Government tries to put its spin on what the Budget contains. There was nothing. All that was in the Budget Highlights document was an entry for a school in our region for which an allocation had already been made last year.

I refer to the Premier's comments this morning in relation to the sugar industry which, as everyone recognises, is in dire straits. There is no doubt about that. This morning there was an implication that this Government does not have the major responsibility; that the submission was to the Commonwealth; and that, therefore, basically it is for the Commonwealth to determine. Harry Bonanno was quoted this morning. I do not know whether the chairman of Canegrowers was quoted in context, out of context or even whether that was what he actually said. I question the way in which he was quoted. An article in News-Mail is headed "Budget fails cane farmers", and I will quote it in my remaining few minutes for the benefit of honourable members and in response to the comments of the Premier and the Minister for Primary Industries. It states—

"The Queensland sugar cane farmer was very much 'the invisible man' in the latest state budget which failed to recognise the major issues affecting the industry, according to the general manager of Canegrowers Ian Ballantyne."

I would not think he would be out of kilter with his chairman. It continued—

"Mr Ballantyne said that the Budget failed to acknowledge the economic crisis being faced by many farmers across Queensland.

"We understand the federal and state governments have discussed the industry's request for a rescue package but the Budget certainly makes no provision for delivering even the most meagre of benefits to this important industry which is teetering on the verge of economic collapse," Mr Ballantyne said.

"It is very disappointing for cane growers because it totally ignores the sugar industry's dire financial circumstances and contains nothing of substance to assist us in managing the present economic crisis."

Mr Ballantyne said Canegrowers was also disappointed at the absence of provisions for compensation arrangements to break the deadlock over tree clearing and to smooth the introduction of the water reform agenda."

Time expired.
