



Speech by

JEFF SEENEY

MEMBER FOR CALLIDE

Hansard 3 June 2003

STATE BUDGET

Mr SEENEY (Callide—NPA) (Deputy Leader of the Opposition) (11.31 a.m.): There is no greater indicator of the failure of the Beattie Labor government than Queensland's current unemployment rate. There is no greater indicator of this government's failure than its lingering promise of a five per cent unemployment rate, which it has consistently failed to achieve. On 26 June this year the Beattie Labor government will mark five years in office. That is the date by which the Premier said he wanted to achieve a five per cent unemployment rate.

Budget Paper No. 2, which will be released by the Treasurer this afternoon, will contain the state government's projected unemployment rate for 2003-04. It is a safe bet that this year Queensland will still have the highest unemployment rate in mainland Australia. That will be an illustration of the failure of the Beattie Labor government. It will be an illustration of the way rhetoric has taken over from the delivery of so many promises by the Premier and this government.

This afternoon there will also be an indication of the budget situation in the third budget deficit in a row. For the last three years Treasurer Mackenroth has forecast a state budget surplus, but for the last three years he has delivered a deficit. If the Treasurer this afternoon tries to predict a surplus yet again then he can expect to be greeted with scepticism by all Queenslanders—and so he should be.

Even though the Treasurer initially predicted that the current financial year would end with a \$23 million surplus, in the mid-year budget review that prediction was revised to a \$741 million deficit. To reach that \$741 million deficit figure the Treasurer had to forecast some marked increases in revenue—increases in revenue that are unlikely to be achieved in reality.

Budget Paper No. 2 will contain the state government's projected surplus for 2003-04 as well as the actual deficit for 2002-03. It will be interesting to see. I think the House can expect the Treasurer to continue the strategy he has adopted in the previous three budgets of projecting a figure that simply cannot and will not be achieved.

We will also see this afternoon in Budget Paper No. 4 the government's budgeted figure for its Capital Works Program. Capital works are pivotal to generating employment in Queensland. Capital works expenditure is the amount to be spent on roads, hospitals, schools and public housing in the year ahead. For three budgets in a row the current Treasurer has failed to spend what he said he would spend on capital works. Despite the promises, despite the figures that have been included in the budgets—figures which give the picture that the government will invest in those much-needed areas of service delivery—that money remains unspent at the end of the past three years.

When the Treasurer comes in here this afternoon, as he almost inevitably will, and promises another big capital works budget, the people of Queensland should treat that promise and those budget figures with due scepticism. For three years in a row that money has not been spent. For three years in a row the budget has been padded out with capital works figures that have not been realised. For three years in a row the budget has promised an injection of badly needed capital into roads, hospitals, schools and public housing, yet that injection of capital has not eventuated. That is dishonest and deceitful.

Mr Terry Sullivan interjected.

Mr SEENEY: The figures are there for the member for Stafford to see. He should have a look at the financial figures, not just the budget figures that the Treasurer brings into the House this afternoon

or that he has brought in in the previous three years. He should take the budget figures and compare them with the actuals. He should compare the budget figures for the last three years with the actuals. Not once in the last three years have the budgeted figures for capital works been spent, as we have seen when the actual figures have been made available for the parliament to consider—not once.

How can this parliament or the people of Queensland expect that this year will be any different? The member for Stafford might like to have a look, before the Treasurer comes into the House this afternoon with this year's budget, at the previous three budgets that the Treasurer has brought down and look at the projected surplus figures. For three years in a row the Treasurer has projected a surplus that eventually became a deficit. The budget process has become a farce in that respect.

The picture painted every year by this government in its budget documents is never delivered in reality. It has not been delivered in reality over the last three years. There is no indication that this year will be any different. There is no indication that the budget the Treasurer will present this afternoon will be realised when the actual figures are made available later in the financial year.

The mid-year budget review is a classic case in point. The mid-year budget review revised taxation receipts expected for this financial year upwards to the tune of \$466 million—that is \$466 million extra that the Treasurer had to write into the mid-year budget review to try to achieve his budgeted surplus. On top of that we have seen hidden taxes, fees, fines and charges, including the ambulance levy that was jammed through this House last week.

On top of that we have seen the raids on government corporations that were so extensively made public in the last couple of weeks. The Treasurer said that he had been forced to raid the government owned corporations to fund a pre-election war chest. That is what he said to the *Australian Financial Review* on 30 May this year. He called them special dividends. They were created and designed to fill in the black hole in the budget. Those special dividends include \$165 million set to be extracted from government owned power corporations. The companies will bring forward dividends by 18 months. They are special dividends; they are not the normal dividends that those corporations pay in profit. They are special dividends that have been created by incurring debt that every Queenslanders will have to repay. There is nowhere else that that \$165 million can come from except out of the pockets of every Queenslanders.

Mr Lucas interjected.

Mr SEENEY: Out of the pockets of the Queenslanders that the member for Lytton represents so callously and carelessly. It is the constituents of members such as the member for Lytton who will, unknowingly in lots of cases, repay this \$165 million every time they pay their power bills for years to come.

The Ports Corporation booked a lease agreement which allowed a return to shareholding ministers of \$215 million—\$215 million! That is on top of the \$30 million from Energex, the \$20 million from Ergon, the \$10 million from Q-Fleet and \$10 million from DPI Forestry. This is the sort of stuff that Alan Bond and Christopher Skase would be proud of. This is 'Mackonomics' at its best. A new term has been coined to properly illustrate just what is going on in terms of Queensland finances—'Mackonomics'—and it is a term that Queenslanders will come to dread as they repay this debt in the years ahead.

These figures are over and above the budgeted figure for distributions that the government expects to receive this year—that is, \$869 million which was revised upwards in the mid-year review to \$908 million. Add those two figures together and it means that we are expecting the government to collect at least \$1,358 million in dividends in the 2002-03 year. We expect to see similar figures collected next financial year, and we will see that illustrated in today's budget. Thus far we know of the next installation of special dividends—\$30 million from Energex and \$20 million from Ergon—that have been projected. The Treasurer's inability to get any forecast correct is something that the people of Queensland and this parliament should be aware of when we consider the budget documents this afternoon. He expected a surplus of \$29 million in 2000-01 and delivered a deficit of \$850 million. He expected a surplus of \$24 million in 2001-02 and delivered a deficit of \$894 million. The budget figures that the Treasurer will present this afternoon cannot be taken seriously.

Time expired.