



Speech by

Mr L. SPRINGBORG

MEMBER FOR SOUTHERN DOWNS

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JOB CREATION

Mr SPRINGBORG (Southern Downs—NPA) (Leader of the Opposition) (11.30 a.m.): This morning in parliament I asked two questions of the Minister for State Development regarding important job creating projects for Queensland. One question related to a long-term company in this state which has contributed significantly to our economy—that is, Incitec—and the other question related to the PNG gas pipeline.

I have been somewhat interested over the last couple of years to note the public relations exercise mounted by the state government in promoting what it has said it has been able to do in attracting major investment and head offices to Queensland. While we have supported the government's involvement in attracting head offices to Queensland, I believe it is fair to say that the government has taken its eye off the ball in some other very important areas. It is not only a matter of creating new jobs in Queensland and attracting new head offices to this state; it is also a matter of going a bit further and putting effort into ensuring that there is no net job loss.

Mr BARTON: Mr Deputy Speaker, I rise to a point of order. I make it very clear that that office has not been lost as yet. We are still working with Incitec following its amalgamation with Pivot. The member is misleading the House.

Mr DEPUTY SPEAKER (Mr McNamara): Order! There is no point of order.

Mr SPRINGBORG: Job creation and business attraction to Queensland is not only about getting new business and new opportunities for the state; it is also about making sure that there is no loss of what exists in the state. There should be no net loss of jobs and head offices in this state. That has been the concern of the coalition in Queensland. We will be happy to continue to support the government in any reasonable effort to attract head offices to Queensland—Virgin, Boeing or whatever—but we also want to make sure that the government is accountable and that the government pays a significant degree of attention to keeping what we have. Otherwise there is no net gain. We have to have net gain in job creation as a consequence of attracting head offices to Queensland. I think that is an extremely important point.

This morning I asked the minister a question about Incitec and the corporate rejigging which may happen this week as a consequence of a shareholders meeting and about whether that would mean the head office would be lost from Queensland to Victoria or some other place. Interestingly, the minister did not deny that that was a very real probability. He actually said that it was being considered and it was likely that there would be some head office rearrangement. That means to me that there is a very real likelihood that we will lose many of those corporate positions in Incitec from Queensland to Victoria. I understood the minister to say that up to 96 jobs may go if Incitec takes this decision.

We want to know what the minister for the 'grunt department', as the Premier calls it, is doing about ensuring that these jobs stay in Queensland. What is the minister doing about ensuring that Incitec will continue to base the head office operations that are a part of this new entity in Queensland? That is what we need to know. We are encouraging the government to ensure that those positions stay in Queensland because they are senior, well-paid positions. Importantly, a loss of those positions will undermine gains which have been made in Queensland over the last decade or so by consecutive administrations in attracting major head office investments to this state.

The other day in Brisbane I attended a boardroom luncheon. I was asked and encouraged by people attending that luncheon to ensure that we do all we possibly can, along with the government, to

encourage head office investment in this state. We do not want to be known as a branch office state. We want to be recognised as a state which is good enough, smart enough and large enough to maintain head office operations.

When I was at the biotech conference in Toronto last year, at the invitation of the Premier, it was made abundantly clear to me that many people were interested in investing in Queensland but they saw us as a branch office state. There was not necessarily the overall infrastructure which comes as a consequence of being a major head office state to encourage them to take the next step to invest, notwithstanding the best efforts of the government in terms of incentives and so on. The more head offices we can attract here and keep here, the more some of those other pieces of support and infrastructure which are necessary to attract others can be put in place. I am talking about direct flights from, say, here to the United States, which would be great to see. All of those sorts of things can come as we establish ourselves and become seen as a major place for investment as well as head offices.

Dr Watson: Professional service firms and all the other kinds of businesses.

Mr SPRINGBORG: As the member for Moggill says, professional service firms and all sorts of other things hang off being a proactive head office state and having some of those key offices here in Queensland.

I was most concerned that the minister indicated this morning that at the very least there was likely to be some rejigging of those head office operations. There was no denial from him that we could lose up to 100 corporate jobs. I think that would be a major loss. Later the Premier talked about other operations he was attracting to Queensland. There is no point concentrating on what new offices we can attract if we are not concentrating on what we can keep, because we become a net loser.

I refer to the PNG gas pipeline. The minister says that Chevron is out of it. Nothing in the minister's statement this morning encouraged me to believe that this project would necessarily go to the next stage. This is a major proposal which has been around for a long time. Certainly there have been some issues with regard to benchmarks for decisions to be made—it was the end of March and now it has gone into April—and with regard to the commercial commitment that is necessary for the volumes of gas which will be imported for that project to go ahead. We are hearing all of these sorts of things and we are hearing what is allegedly being done, but let us sit down and put it on the ledger and find out what is actually coming to pass.

We also need to consider that against a number of other important factors. Queensland is heading for a third budget deficit in a row. That has never happened before. On the government's own figures there will be a deficit of \$741 million this year. That is if its investments can return zero per cent for the year, not the minus five per cent they are currently returning.

The government is broke. The government is not in a position to continue to properly administer this state. There has never ever been three budget deficits in a row in this state and there should not have been three budget deficits in a row. I note that the Treasurer and the Premier claim that this is as a consequence of world markets which have unfairly dealt this blow to the Queensland government. What I will say is this: when the Borbidge/Sheldon coalition government was in place in Queensland between 1986-88, we had the Asian economic crisis. During the Asian economic crisis we had a budget surplus; we did not have a budget deficit. So this government is not the only government in the history of Australia which has had problems with regards to international events which could potentially impact on its economy and its budget.

If we look at the federal government, for example, it has the same sorts of issues with regards to investment and the impact of this overall global issue, but it is looking at bringing in a budget surplus, as I understand it, of around \$2 billion. Why can this government not do similar things?

We heard a lot from the Minister for Employment this morning on job creation. Our job creation rate as a percentage of the overall proportion of Australian jobs has decreased significantly since this government has been in office. If we look at what the Beattie government has to do in the next 57 days to achieve its five per cent target, it has to create 36,350 jobs. It is not going to do it.

Time expired.