



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard Wednesday, 12 May 2004

MINISTERIAL STATEMENT

Federal Budget

Hon. P.D. BEATTIE (Brisbane Central—ALP) (Premier and Minister for Trade) (9.36 a.m.): Last night the federal Treasurer delivered a budget that further widened the gap between those who are better off and the battlers. It is a budget driven by ideology and cynical politics. The average taxpayer is already paying \$5,500 more income tax every year under the Howard government. However, the tax cuts announced last night will help only those who are earning more than \$52,000 per year.

Mr Horan: Whinge, whinge, whinge.

Mr SPEAKER: Order! The member for Toowoomba South!

Mr BEATTIE: Big earners get big tax cuts under this budget.

Mr Johnson interjected.

Mr SPEAKER: Order! The member for Gregory!

Mr BEATTIE: Average weekly earnings in Queensland for those working full time are around \$48,200—about \$4,000 short of where they need to be to get a tax cut. But the average weekly earnings for all employees, which includes part-timers, are \$35,500—some \$17,000 short of receiving a tax cut from the Liberal Treasurer. This means that the average Queenslander will not get back any of the thousands in extra tax that they have been paying.

Mr Seeney interjected.

Mr SPEAKER: Order! I intend to listen to this statement. If the member does not want to listen to it, he can leave the House.

Mr BEATTIE: Nationally, 8.5 million Australian families will not receive a cent in tax cuts. What is more, they will have to pay more for health care and to give their kids an education as the federal government moves increasingly to a user-pays system to deliver basic services.

More than \$15 billion in tax cuts have been targeted at those who earn more than average weekly earnings. This is a tragedy for those Australians who are most in need. So much could have been done to boost the health, education and transport sectors, but was not. In the lead-up to the budget, I called on Mr Costello to show some care and compassion in his spending and put several areas of need in Queensland on his budget map. Last night, he threw care and compassion out the window. He has not taken the opportunity to reverse the cuts to hospital funding of \$160 million imposed on Queensland by the federal government last year.

Opposition members interjected.

Mr Horan: You got more money. Tell the truth.

Mr SPEAKER: Order! The member for Toowoomba South!

Mr BEATTIE: Members should just think about the extra operations that could have been delivered and the thousands of Queenslanders who will now miss out on operations that would improve their quality of life. This is at a time when the Howard government has wrecked Medicare—

Mr Horan: More money.

Mr SPEAKER: Order! The member for Toowoomba South! That is my final warning.

Mr Horan interjected.

Mr SPEAKER: Order! I intend to hear the statement.

Mr BEATTIE: This is at a time when the Howard government has wrecked Medicare, driving down bulk-billing rates and forcing Australians to pay more to see a GP or put extra pressure on our hospital emergency departments. This budget fails the almost 35,000 Australians who are turning away from university and TAFE every year because of inadequate federal funding being turned. The 25 per cent HECS hikes, legislated last December, mean that on average the cost to students and families will be an extra \$1,336 each year from 2005. There is no new funding in this budget for vocational education, even though skills shortages are readily beginning to bite and thousands of Queenslanders are being turned away. This falls pathetically short of the extra \$348 million—

Mr Johnson: That is because of policies of your government. That is why.

Mr SPEAKER: Order! Member for Gregory, I now warn you. This is my final warning.

Mr BEATTIE: This falls pathetically short of the extra \$348 million that was needed. The small increase of 1,410 places to Queensland was already funded. So where is the \$3 billion over the next five years just to bring Queensland's national highways to a reasonable standard? The Commonwealth has put in only an extra net \$1.9 billion over five years in roads and rail funding for all of Australia. That is a pathetic disgrace. Those who are stuck in traffic on the Ipswich Motorway, the Pacific Highway and the Bruce Highway have had it confirmed once again that the federal government has no interest in them at all.

What is the Howard government's game plan to home affordability? While most states have been delivering cuts in stamp duty for first home buyers, as we did, the federal budget does nothing for first home owners. As expected, there is nothing extra in the budget to help those who need public housing. The disadvantaged have never been a priority for Mr Costello.

The absence of national competition payments in the budget papers, interestingly, beyond 2005-06 is a \$150 million sleight of hand by Mr Costello. This is effectively a \$150 million cut in service delivery—\$150 million less to be spent on schools and health. I know that Mr Costello has called for an inquiry into the future of national competition policy, but he has treated the states with contempt by cutting competition payments.

Queenslanders will see through the Howard government's cynical attempt to buy them off at the next federal election. Over the eight years of the present federal government new spending in non-election years averages \$3.9 billion. In election years the new spending average is \$32.7 billion. Funny about that!

Obviously the coalition does not care about the environment. There was not one word in the Treasurer's speech, and there is no funding for tree clearing. There was not one word about the environment. This means that, when it comes to the federal government's Kyoto targets, Queenslanders are being forced to go it alone in bearing the cost.

With a surplus of over \$10 billion per year available due to the contribution of the long boom, the credit for which mostly belongs to Bob Hawke and Paul Keating, the federal government had an opportunity last night to make—

Opposition members interjected.

Mr SPEAKER: Order! The House will come to order.

Mr BEATTIE: As I was saying, with a surplus of over \$10 billion a year available due to the contribution of the long boom, the credit for which mostly belongs to Bob Hawke and Paul Keating, the Howard government had an opportunity last night to make decisions for far-reaching benefit to Australia that addressed in a real and substantive way the needs of this nation over the next 20 years as the baby boomers age.

It could have made lasting investments in roads, transport and water infrastructure, increased health funding in the face of demands from an ageing population and increased the national education and training effort to further lift our productivity going forward to help pay for the demographic changes. It could have made changes to taxation aimed more at national savings through putting greater emphasis on addressing iniquitous triple taxation of our retirement savings. Instead, it has squandered it on a cynical, short-term, election-driven \$15 billion bid to shore up the coalition higher income earner vote in key marginals. Costello's budget, as I feared, has left a bad taste in the mouth for Queensland. He has put his political future and this year's election ahead of the needs of Queenslanders.

I want to say one other quick thing about the state of growth in Australia. Last year Queensland's growth was 5.3 per cent. If we took Queensland out of the national growth figures and considered them, we would see that the growth for the rest of the Australian states was 2.3 per cent. Queensland has been and is the engine room of Australia. We were entitled to a fair go when it came to education and health. We have been denied that in the budget. The reality is that unless we get—

Opposition members interjected.

Mr BEATTIE: I think I am entitled to—

Opposition members interjected.

Mr SPEAKER: Order!

Mr BEATTIE: I would think that after the last couple of weeks and the Opposition's performance in this House it would have actually had some respect for this institution.

Mr Horan: You interject all the time.

Mr SPEAKER: Order!

Mr Horan: Look what happened to our member for Burnett yesterday.

Mr BEATTIE: Mr Speaker, how many times do we have to warn him?

Mr SPEAKER: Order! The House will come to order.

Mr BEATTIE: The member for Toowoomba South is one of the rudest members in this House.

Mr Horan: I don't fall for your stunts, that's why.

Mr SPEAKER: Order! The member for Toowoomba South. This is my final warning.

Mr BEATTIE: I think his electorate would be pretty disappointed if it knew how he performed here.

When it comes to the growth of this country, Queensland is the engine room. We were entitled to a fair go last night. The battlers have missed out. I would like to see National Party and Liberal Party members go out and explain to all Queenslanders who earn below \$52,000 why they are not going to get tax cuts. They can go out and explain why people are waiting in hospitals. They can explain why kids cannot get into universities. They can go out and explain—

Mr Schwarten: The long waiting list for public housing.

Mr BEATTIE: The long waiting list for public housing. I will be happy to go out in this election campaign. They can have their screaming and ranting—

Opposition members interjected.

Mr SPEAKER: Order! I have talked before about talking across the chamber. The Premier is on his feet. I intend to listen to him. If anyone in this House does not want to listen, I invite them to talk now so I can warn them and remove them from the House.

Mr BEATTIE: I simply want to conclude by saying that I am happy to go out and fight for Queenslanders. I am not going to roll over and accept some contribution from my federal colleagues. It is about time the opposition stood up for Queensland.