



Speech by

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CLEAN COAL TECHNOLOGY SPECIAL AGREEMENT BILL; APPROPRIATION BILLS

Mr HORAN (Toowoomba South—NPA) (10.52 am): On this red Friday when so many shires are protesting about how the heart and soul is going to be ripped out of their communities, I wish to comment on the budget. As I start, I am reminded of the Mayor of Warroo Shire, based at Surat. Mayor Donna Stewart is often held up as a great mayor because of the way that that little township and the shire have been revitalised. Every Anzac Day, as mayor she stands at the cenotaph to receive the two or three remaining veterans of the district. How many of those shires will no longer have a mayor to represent them and acknowledge the great efforts that those veterans have made? It is the shire councils that maintain cenotaphs in such a respectful way.

This budget was brought down in a time of great plenty. Normally, it would be a hard budget to criticise because there is so much money coming in that the government should be able to do something with it. We should be in the soundest economic position that the state has ever seen. Despite the fact that Queensland is at the zenith of the greatest economic boom that we have ever experienced, we have the greatest amount of debt that the state has ever seen and I doubt will ever see again.

By the year 2010, this state will have a combined government and government owned corporation debt of \$52 billion. If we take a round figure interest rate of six per cent to seven per cent, the taxpayers of this state will be funding an interest bill of over \$3,000 million per year. Before we even get into the barriers, before each year has even started, the taxpayers are going to have to fund the government owned corporation debt through water charges, transport charges, rail charges and the like, and they will also have to fund the government proportion of that debt through increased taxes.

In this time of plenty we are being tipped over and drowned in massive government debt, and the greatest example of that is the Beattie car tax. This week, in a bill associated with this budget, we saw that the average battler in Queensland who wants to buy a second-hand Falcon for \$1,500 will have to put their hand in their pocket and find another \$225. A contractor, farmer or business person who wants to buy a Toyota LandCruiser trayback for work will have to put their hand in their pocket for another \$1,200 in stamp duties on that vehicle. Because of the financial mismanagement of the Beattie government, every single motorist in this state will have to find hundreds or thousands of dollars extra every time they buy a car.

There will be a 50 per cent increase for four-cylinder cars, a 75 per cent increase for six-cylinder cars and a 100 per cent for eight-cylinder cars such as the Toyota LandCruiser that I mentioned, which uses new technology and is actually more efficient than a six-cylinder car. That is what is happening in this state.

Like others, I would like to draw a comparison with the federal government. In 1996, the Howard government inherited a \$96 billion debt from the Labor government. Because of earlier high interest rates, that cost \$8.5 billion a year. Every year the federal government had to find \$8.5 billion a year that could not be spent on things that were needed in Australia. Over about 10 years, the federal government has repaid \$96 billion, so now extra money is available. The taxpayers of Australia have had tax relief and

superannuants have a scheme that can provide them with some security in their old age in return for all the work that they have undertaken.

In Queensland, at the height of the boom, we are taking on absolutely massive mountains of debt. After the federal budget I heard the Prime Minister remark that, in a time of great plenty, they provided for today and they provided for the future. They paid off that \$96 billion debt so that Australia has become one of the very few nations in the world that is a net saver and not a net borrower. As a result, on top of all of the taxation concessions to people and the good arrangements put in place for superannuants, the federal government has been able to provide for a future fund.

By 2013, for the first time in history, the Commonwealth government will be able to pay the superannuation of its workers. Defence force personnel, federal police, public servants, quarantine officers and so on will have their superannuation paid out of the proceeds of that future fund. The federal government will not have to take millions or billions of dollars out of its current financial statements to pay annual superannuation. It will be there, provided for.

In addition, the federal government has developed a future fund for the education industry. This year, \$5 billion was allocated to that fund. Can members imagine, in a number of years time, having \$50 billion for tertiary education in Australia and the interest that that would earn? This massive boom and good financial management have provided for our children and education facilities into the future. That is what government financial management is all about. Since 1998 when it took power, if this government had been gradually upgrading roads and building the dams and pipelines that we suggested back in 1998—indeed, we provided the initial seeding fund to have the plans developed—we would not see the obscene financial rush and mess that is happening.

I will give members an example of what is happening. The recycled water pipeline is costing hundreds of millions of dollars more than what it would have cost had it been done in an orderly fashion. The documentation is not ready. People are standing around being paid high amounts of money because the documentation is not done. At one stage, 72 of the easements were not completed. We are hearing reports of people who think they will get 'X' amount for their easement—and that is what it is worth—for a pipe to go under a corner of their paddock, and they get 10 or 12 times as much out of the blue because of this obscene rush. This is because we have a Deputy Premier who is also the Treasurer and also the Minister for Infrastructure who has said that this pipeline will be laid in record time. That is what is costing so much money in this budget. Projects such as the pipeline will cost hundreds of millions of dollars more than what they could have cost had they been constructed in an orderly, progressive fashion out of each of the past budgets.

As I have said, Queenslanders are often asking for more. They would like some more services. I am one who is asking for more mental health services in my electorate. On the subject of mental health services, I wish to say that it was very deceitful for this government, where the policy has always been that proceeds from taxation and royalties et cetera go into consolidated revenue and from there into the Education budget, the Health budget, the Police budget and so on, to all of a sudden impose this sneaky 50 per cent to 100 per cent increase in the tax on the purchase of a car. The government gave it a nice, soft label so that people would think, 'It is for mental health.' That is one of the most deceitful things that I have seen happen in this parliament. The Treasurer admitted in this parliament that the tax was to ensure that the budget stayed in surplus. Because the government did not have enough money for the Health budget, it had to find some more money some other way.

We are seeing in Queensland the results of financial mismanagement in a time of plenty. We have come to the stage of an obscene panic and nothing has happened. There has been a no new dams policy for years.

Mr DEPUTY SPEAKER (Mr English): While the member pauses for breath, I would like to acknowledge in the public gallery students, staff and parents of the Chatsworth State School, which is in the electorate of Gympie that is represented in this chamber by David Gibson.

Mr HORAN: As I was saying, we have not seen good financial management over the years. We have seen crisis after crisis. Every time there is a crisis the government buys its way out of trouble. It whacks up the wage rises to people who are so discontented about what is happening in their department in order to lower that discontent and then it tries to move on. It is a political solution to something that needs good management. All that has done is cost this state an extra many millions of dollars.

In summary, here we are in a time of plenty, but we have the expense of running the government departments going up by 10, 12 or 13 per cent every year. We should be providing for the future, we should be reducing debt because of what we have done in other times, but instead we are just racking up this massive mountain of debt. I would like the Treasurer in her reply to indicate to us the repayments schedule for these debts and where that is located in the budget.

As I said, there will be about \$19 billion of government debt and \$32 billion of government owned corporations debt by 2010. All of that debt has to be repaid—not only the interest on it but also repayments on the debt, otherwise the interest burden will hang over the heads of our young people in the future.

During the speech of the Deputy Premier and Treasurer to parliament, the primary industries and fishery industry in Queensland and the families who support those industries were snubbed. I do not think I have ever listened to a Treasurer's budget speech that did not mention primary industries and fisheries. Together they are an \$11 billion industry and the second biggest export industry in this state. They provide an enormous amount of direct and indirect employment and value-adding. I think it really describes how this government feels about primary industries and fisheries that those industries would be left out of such a landmark statement as the Treasurer's annual budget speech.

But no wonder those industries were left out because, for the sixth year in a row, the budget for Primary Industries and Fisheries has been cut. For the past five years the budget cut in the department has been quite clear. This year, the political spin is that the department has received a 4.4 per cent increase. But this year an entire unit, around 200 staff, from the Department of Natural Resources and Water and other staff from the Environmental Protection Agency have been transferred into a new biosecurity unit in the department of primary industries. So if we compare apples with apples and we take out the costs of those hundreds of staff—their cars, their buildings, their superannuation and everything else—in the annual account of the department the budget for the DPIF has been cut. No wonder DPIF staff feel lost. They do not know the direction the department is going in. Recently, the department offered 121 redundancies. That brings the number of redundancies under the Beattie government to well over 400.

Those 121 redundancies—the loss of good corporate knowledge, experienced people, field officers, extension officers and other people—will be replaced by 100 new staff. One would think that a department would be bringing in new, fresh staff all the time and having small, modest increases in the department so that the department could do the new and additional work that is required to be done. If members read through the Ministerial Portfolio Statement of the minister for primary industries they would see that it contains a re-run of what it has been doing—it is a continuation of this, looking into this and looking into that. That Ministerial Portfolio Statement contains nothing new, nothing exciting and nothing refreshing. No wonder the recent staff survey shows that morale in the department has plummeted and that staff have gone into a passive and protective type of approach rather than getting out there and doing things.

That whole attitude is filtering down from the top of the department: it is all about process, it is all about not upsetting anyone, it is all about keeping the spin right. At the end of the day the taxpayers of Queensland are forking out about 30 per cent more tax in this budget than they were some three years ago. They are the ones who are paying, but they are not getting a 30 per cent increase in services.

During the last election campaign the coalition had an exciting primary industries policy that really did some things for this state, for primary industries and for fisheries. It included an extra 50 extension officers and stock inspectors. It included a 20 per cent increase in research and development. It included some exciting plans to bring the agricultural colleges under the umbrella of the DPIF. It also involved research colleges that had relevant field days. This made the colleges the sort of places that people wanted to go to. Our policy also included setting up a biosecurity unit. I am pleased that the biosecurity unit is being established. The coalition's policy also included setting up a special drought unit and a biofuels unit so that we could be at the forefront of developing biofuels.

Certainly, over recent years the fishers—the families who rely on fishing throughout the state—have received a hammering from both the federal and state governments with regard to licences and areas in which they can fish. If there is one group that needs some support, research and help it is the fishing families of this state. But again, all we see is another budget that, on a true comparison with last year, has been cut. So on a true comparison basis, for the sixth year in a row the budget for the DPIF has been cut.

There would not be one department in the whole of this state government's operation that has consistently received budget cuts over the past six years. The budgets of other departments have all gone up by heaps as the largesse of the extra taxes, the extra royalties and the extra GST has all rolled in. But it looks like it will be the DPIF that is going to pay for that largesse—the farmers, the fishers, the foresters around this state. It looks like they will pay for this massive interest burden that will sit on the shoulders of everyone in this state for the next 20, 30 or 50 years arising out of the mountain of debt that is being racked up. I think it is time that the second most important export industry in Queensland was treated with a little bit more decency by this government and not treated, once again, like a dirty doormat.

In the few minutes that I have left to me I will speak about three important issues for my electorate. There are a number of areas in the budget where funds are provided but it does not go into great detail. One of those is the area of disabilities and accommodation. I would like to speak today about the needs of elderly people who are carers of elderly children with disabilities, in particular intellectual disabilities. Many of these people are now in their 70s and 80s and many of their children are in their 50s and 60s. Crisis

accommodation is found for them when their parents die. It is a big panic, but somehow or other crisis accommodation is found.

I think that in a time of plenty we should be looking after our families in Queensland. Those people who have looked after those in their family who have a disability and who have cared for them for decades should be provided with the comfort and confidence that their children will be provided with a house—it could be villa-style accommodation—where they could be provided with some form of supervision so that their parents, particularly those in their 70s or 80s, could feel comfortable that if they pass away or are not able to look after them anymore because of their frail condition, at least their children are warm, well fed and in secure, safe and comfortable accommodation where they can be happy. I would hope that some of the money that is in the disabilities section of the budget can be used for that particular purpose.

I also refer to the Police Citizens Youth Club in Toowoomba which does an absolutely fantastic job. I regard that as one of the greatest organisations we have in our city and throughout the rest of Queensland. It provides thousands of young children with the opportunity to be in a club and to have the support of the Queensland Police Service and the volunteers and the instructors who work at the PCYC. It is a place where they can learn leadership. There are young teenagers who are learning to be youth leaders and leaders of the future. I think that the best single thing that we can do for our young people, in particular those who are in need of a hand and some activities and training, is support the PCYC. It has made an application through the Minor Facilities Program for \$133,000 for a new gym. Those details will be announced after the end of June, and I certainly hope that consideration is being given to the application by the Toowoomba PCYC.

We certainly need additional support for the mental health section of the Toowoomba Hospital. There has already been a situation addressed by the minister. I think everybody is well aware that it has suffered from a tragic plane accident, a lack of senior psychiatrists and staff, overseas trained doctors who have difficulty speaking English and serious problems of bullying in the management system. That mental health unit needs help. It serves all of south-west Queensland from Gatton and beyond. That is one area to which I want to see a substantial portion of the mental health money go.