



Speech by

## Lawrence Springborg

MEMBER FOR SOUTHERN DOWNS

Hansard Thursday, 18 June 2009

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### APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; INFRASTRUCTURE INVESTMENT (ASSET RESTRUCTURING AND DISPOSAL) BILL; FUEL SUBSIDY REPEAL AND REVENUE AND OTHER LEGISLATION AMENDMENT BILL

**Mr SPRINGBORG** (Southern Downs—LNP) (Deputy Leader of the Opposition) (12.35 pm): In the lead-up to Tuesday's much heralded budget, introduced by Treasurer Fraser, there was much anticipation, there was much fanfare and indeed there was much spin permeating the community at large. It got to such an extent that Channel 7 committed themselves to doing a live broadcast of the Treasurer's budget speech, but after 20 minutes they chopped it off because they could find nothing live. Most people thought they were turning up to a B-grade poetry recital. Indeed, since then, the budget speech is proving more popular than Mogadon as a sedative.

Is it any wonder that the Treasurer is the most unpopular member of the Queensland Legislative Assembly? Is it any wonder that he is less popular than 40 candidates who did not win their seats in this House at the last election? Is it any wonder that he got a lower primary vote than 40 losing candidates at the last state election? We saw that here the other day.

The best way to draw a comparison is to say that going with the Treasurer is like being in a car with a hoon driving recklessly. You start out with a pristine new vehicle; well, it was a bit battered around the edges courtesy of former Treasurer Bligh and some of her predecessors, but for all intents and purposes it was not in bad shape. So you get in the car with them and you are going along on the journey. You know that they have got reckless habits; you know that they have got quite a malicious approach on the road. You warn them not to go a certain way and you warn them not to go at a certain speed. Then they crash into a tree and total the vehicle and they jump out and say, 'What are you going to do about it?' So your starting point is completely different when you have totalled the Queensland economy—just like the man in that analogy has totalled the vehicle of Queensland. That is the reality and that is what we actually have.

This document, which is the budget speech, is not a written budget speech; this is a written confession. This is a written confession by the Treasurer of Queensland—a written confession of betrayal, a written confession of deceit, a written confession of dishonesty, a written confession of Labor's incompetence, a written confession of all of those things which are so inherently ingrained in Labor's DNA, a written confession that this government has taxed the people of Queensland beyond what they are capable of sustaining, a written confession that the government went to the last election and deliberately hid from the people of Queensland the fact that Queensland was in a very bad state—indeed a worse state than what the government owned up to at the state election. What the government tried to do—

**Mr Fraser:** We put out a full update three days before calling the election, you fool.

**Mr DEPUTY SPEAKER** (Mr O'Brien): Order! Treasurer, that is unparliamentary. I ask you to withdraw.

**Mr FRASER:** I withdraw.

**Mr SPRINGBORG:** A plea for redemption and a plea for absolution from the Treasurer. Indeed, I remind the House of a former local government minister in Queensland, not very much removed from this man in fact, who at a public meeting in my electorate in May two years ago responded to a question about whether there would be regional councils under the government's amalgamation proposal by saying, 'No.' I just wonder if this is the same person who is today's Treasurer—the man who went to the last election completely constraining and manipulating the facts, knowing full well what the government intended to do.

The Premier talks about narratives. We know what this government's narrative is. It is very, very clear. It seeks—as Labor always does—to blame somebody else or some external circumstance for its own incompetence. What this government does not tell us about in these budget papers, or in any of the budget documents, is the \$34½ billion of windfall revenues that this government raked in from 2000 to 2008, \$17 billion of which came from the Commonwealth government. As it is now attempting to blame external factors on its having a diminished revenue inflow—which you can in recent times—the government chooses to overlook the fact that there is the \$20 billion worth of windfall revenues somewhere in there, if you discount the \$14½ billion it has taken out that has gone somewhere, that has disappeared into the ether, and which it does not want to know about while it tells us it wants to go forward without looking backwards. Is it any wonder that we have such economic incompetence on the other side of this House?

This government has been running a structural deficit. This government has run a structural deficit ever since Peter Beattie's days. Inherently that means that, despite the warnings which came from a whole range of people, including those on this side, respected economists and Standard & Poor's as early as March last year to the Senate Standing Committee on Economics, this government did absolutely nothing. A structural deficit is something which was always going to be a diabolical formula for future generations of Queenslanders.

Each and every year this government spent beyond its means just because it could. We have already heard from the Leader of the Opposition and the shadow Treasurer a number of very prophetic and very salient sayings as to why we need to be very careful about that. If we look at revenues versus expenditure in what is proposed in this year's budget in the forward estimates, the government will be spending more than the revenues that it will receive. The government is now talking about fire sales, which I will address in a little while.

This government has also tried to create, as its predecessor did, a narrative that seeks to equate maximum expenditure with maximum service delivery and maximum outcomes for the people of Queensland. Nothing could be further from the truth. As we all know, you can have two households getting exactly the same amount of money, living in the same circumstances, spending their money differently—one not being as diligent as the other, one not putting money away for the future, one on the verge of declaring itself bankrupt; and the other which is quite capably living within its means. That is what we have had here in Queensland.

Despite this big spending in all of the areas that this government alleges, are people any safer in their homes? Are people better off in our hospital system? Despite this so-called record spending in education, are our educational standards and our educational outcomes better than they were 10 years ago? The answer is overwhelmingly and resoundingly no, and national benchmark reports are actually proving it. This government is spending money in many cases for the sake of spending money. The Auditor-General recently reported on this in his review of the way the government was running expenditure and administering the health system in Queensland. Where is the fundamental evidence that the people of Queensland are better off as a consequence of better spending? Bigger spending is not necessarily better spending, and that is the point that we are making here.

Let me put this into context. The Gateway Bridge duplication project will cost about \$1.8 billion. If we are now looking at \$85 billion worth of borrowings plus the dissipation into the ether of \$34 billion worth of windfall revenues, where is their multitude of gateway bridges around Queensland? Ipswich Road is predominantly funded by the Commonwealth. Where are these gateway bridges which are being replicated around Queensland? They are certainly not being replicated in the regional areas of Queensland. By and large if you look at the area of state responsibility, they are not being replicated in the city of Brisbane or in the large cities surrounding Brisbane. Let us not accept this nonsense that the more you spend, the better the services.

Let us look at the South East Queensland Regional Plan. On the day the government announced it, it said that this was a \$55 billion spending plan for the future. What happened? Two years later the government revalued it to \$106 billion. There were no more projects; it simply revalued the plan. Again, there were no more projects, just spending more money. We have to stop being mesmerised by the amount that government spends and start concentrating on what government actually delivers for the people of Queensland.

There has been an ultimate betrayal of the people of Queensland by this government. There has been deceit which has been unheard of and is without comparison in the history of public administration in Queensland. We have a government that went broke in a boom. We have a government that planned for \$65 billion worth of borrowings and a structural deficit prior to anyone inventing the term 'global financial crisis'.

Queenslanders are asking this: how can we be worse off than New South Wales, the basket case of Morris Iemma's New South Wales, assisted by the Premier's chief of staff, who is now the chief of staff here, Mr Kaiser? People are asking this question: for all of the problems that exist in New South Wales, the incompetence of the Labor government and considering that it is almost a rust-belt state due to maladministration, how can New South Wales keep a AAA credit rating? How can it be projecting \$67 billion worth of borrowings when Queensland is projecting \$85 billion worth of borrowings?

That \$85 billion does not stop there, because when we consider what the government is going to have to borrow just to run the ship of Queensland it is likely to add at least another \$13 billion over the next three to four years. It will be very close to \$100 billion in the not-too-distant future. So how did it come to this? Victoria is able to run a surplus. Victoria is able to keep its AAA credit rating. Even Tasmania, which was running a AA credit rating before the global financial crisis, did not manage to get itself downgraded while this government, arguably in the greatest boom state in Australia, with everything going right for it, did. Let us look at the lie that was told by certain people during—

**Mr DEPUTY SPEAKER** (Mr O'Brien): Order! Member for Southern Downs, the word 'lie' is unparliamentary and I ask you to withdraw.

**Mr SPRINGBORG:** Mr Deputy Speaker, I withdraw. The deliberate untruth was proffered by members opposite that Queensland and Australia were in a recession. We have had Kevin Rudd, the Prime Minister, in the last week running around saying how great it is that we did not fall into a recession in Australia. He is their great hero. Even their own budget paper predicts that we might get into a recession next year—not this year but next year. It is interesting to look at the budget highlights to see mention of the times when we were in deep recession, like the 1980s and again in the 1990s. I pose this simple question for people to consider: were the railways of Queensland sold when Queensland was last in a recession in the 1980s or the 1990s? Was the fuel subsidy scheme abolished or a fuel tax introduced in the 1980s or the 1990s when we were in a recession? No.

What happened after the 1974 floods which devastated a lot of South-East Queensland as well as the rest of Queensland? Did the government have to go and sell the railways of Queensland to actually top up the coffers? No, it did not. Sir Joh actually built the Wivenhoe Dam. Sir Joh had money tucked away in hollow logs everywhere. This was exploited by the Labor Party under Kevin Rudd and Wayne Goss when they came to power in 1989. Let us put to bed this nonsense about blaming external factors.

There is another thing that this government does not want its new members to actually hear. That is that governments in Queensland historically ran a contingency fund where money was set aside to guard against costs associated with storms and tempest and other unforeseen expenditure. Some \$200 million from the previous coalition government days was frittered away—is gone, is kaput under the Labor Party. It does not have contingencies for the future. Let us stop blaming the storms. Let us stop blaming everything else. The majority of the problem this government has is due to its own absolute fiscal ineptitude.

A global financial crisis never forced anyone to be dishonest. A global financial crisis never forced anyone to conceal. A global financial crisis never forced anyone to be deceitful. Those opposite cannot blame an economic downturn on Queensland's credit rating being slashed when no other state has had its credit rating slashed in this current so-called global financial crisis. They cannot blame a world economic downturn for record debt levels when Queensland under Bligh Labor already had \$65 billion in debt. It goes on and on and on.

In the motion yesterday on whether these bills should be debated cognately we heard that there are so many things that this government is seeking to hide. The fundamental reason those opposite want to debate these bills cognately is that they could not get anyone on their side to stand up and debate the bills separately. There is no-one on the other side who wants to take the challenge and stand up and justify the introduction of a fuel tax in Queensland. There is no-one on the other side who wants to stand up and actually justify the fire sale of assets.

Now those opposite can get up and talk about the basket weaving and knitting classes and the other things that are facilitated in the budget but not talk about the substantial fiscal, economic and structural changes that this abomination is going to bring about in Queensland in the future.

There is no mandate for this government to abolish the Fuel Subsidy Scheme. There is no mandate to introduce a fuel tax in Queensland. This government concealed it from the people of this state. There is no mandate. If those honourable members opposite doubt what I am saying, go out there, walk down the

street and ask those people they come across, 'Do we have a mandate to introduce a fuel tax?' I will indicate that resoundingly and down to a person they will say, 'No, you don't.'

**Mr Horan:** That is why they didn't take it to the election.

**Mr SPRINGBORG:** That is why they didn't take it to the election. Similarly, if they ask people whether the government has a mandate to sell Queensland Rail, whether the government has a mandate to sell Queensland Motorways Ltd, whether the government has a mandate to sell our ports, they will say that the government does not have a mandate to do that. It did not seek a mandate. It sought to conceal its intentions from the people of Queensland. That is what is wrong.

This government proposes to sell these assets which have been built up by generations of Queenslanders. Rail was the thing that opened up Queensland. If it was not for rail Queensland would not be what it is today. We have a government that is attempting to sell those assets at the bottom of the market—hocked with as much debt as it possibly can. It has shifted its debt into rail, the ports and a whole range of government entities and hopes to sell them as some sort of lucrative opportunity.

The thing that is not being considered by honourable members opposite is that the maintenance of some government assets guarantees a revenue source. If those opposite cut off our most lucrative revenue sources and sell them at the bottom of the market, what are the other implications for the budget? It is the wrong time to sell them even if there is an ideological bent to privatise in Queensland.

One of the hallmarks, one of the defining legacies, of this side of politics is that we have always supported—the LNP and its predecessor—the retention of Queensland's historical no fuel tax. Queensland has the tyranny of distance that no other state has. The fuel subsidy gives us a competitive advantage that no other Australian state could even hope for. It keeps down the price of food, it enhances the capacity of people in regional and far-flung areas to afford to travel great distances to access health care and to even have social interaction. It keeps down transport costs. Importantly, it helps the tourism situation in Queensland. This was admitted last year by the former tourism minister who told this parliament in answer to a question that it is one of the fundamental advantages that we have in the drive tourism market. This budget is an abomination. The other pieces of legislation that hang off it as some sort of cancerous appendages are as well and do not deserve support.

*(Time expired)*