



Speech by

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**MEMBER FOR INALA**

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## **APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; FISCAL REPAIR AMENDMENT BILL**

**Ms PALASZCZUK** (Inala—ALP) (Leader of the Opposition) (11.01 am): The state budget presented on Tuesday distils the reasons for the widespread disappointment and lack of trust Queenslanders are already showing in the LNP government. It reveals why more and more people in this state are realising every day they simply cannot trust the word of the Premier, his Treasurer or ministers. Even local LNP members cannot be relied on to stand up for those who voted them into this House. Despite all their pre-election claims and promises, the LNP's first budget delivers slowing economic growth, fewer jobs and higher unemployment. This is part of a cruel hoax that is the LNP government and its first budget.

The budget is already falling apart. One day budget initiatives such as cutting front-line fire service jobs are in; now apparently they are out. One day we are told all the LNP commitments are fully costed, but now we read of massive cost overruns. This budget really is a once-in-a-generation document. It is a generation since we saw a government act so callously and with such aggression against wage earners. Not since the days of Sir Joh Bjelke-Petersen have we seen a government use its big majority in the House to act so arrogantly.

There is an alternative approach to this budget and it is what Labor has always done: it is to manage the public sector with sensitivity and compassion and ensure the number of jobs match service demands of a growing population. We respect people while the LNP treats them cruelly and forces them to live in fear just so it can play politics. The alternative strategy is simple and the LNP should take note. First the LNP should try having fully costed election commitments. Secondly, do not pay a political friend to cook the books to come up with a dodgy debt figure that has no credibility. Do not run around talking down the state and driving down confidence. Do not pick a number out of the air for the size of the public sector to justify your mass sackings and cuts to front-line services. Finally, perhaps it is an idea to tell your backbench before you deliver your budget speech that you are going to slash services in their area. This will avoid the embarrassment we see today of a government forced to recast its budget just two days after delivery.

The Treasurer will go down in history as having delivered a record deficit this financial year as the LNP struggles to pay for its unfunded election promises. This budget springs new taxes and new charges. It increases the taxation burden on Queenslanders. This budget exposes the LNP's hypocrisy on debt by exploding the claims it has made against the former government. It shows that the LNP will not pay down one cent of debt before the next election. It is now quite happy to have a debt running at levels it repeatedly described as a debt binge.

This is a budget that clumsily attempts to cover up the hoax of their pre-election claims with the now widely discredited claims of the made-to-order Costello audit. This budget provides a snapshot of the fundamental breach of trust for which the LNP and this Premier are responsible. Before the March election the LNP promised higher standards, better front-line services, more jobs and lower living costs, but in just less than six months all those commitments have been ignored or trashed. Everyone has seen the LNP for what it really is and seen its leaders for what they really are. Queenslanders were promised a government

of humility, grace and dignity. The one they got is arrogant, mean and vindictive. This is a government that told one story before polling day and has done the opposite once in office.

Before the election the LNP leader said to 14,000 government workers that they had nothing to fear from him or his party. Little did they know that in the LNP's language that promise means 'we will sack you'. It means 'we will make you feel the fearful chill of having no income to put food on the family table, to pay your mortgage or rent, to send your children to school or to take a family holiday.' Queenslanders did not know before the election that when the Premier said he would improve front-line services he was actually saying 'the LNP will sack front-line workers and cut front-line services'. When the Premier said before the election he would respect the independent industrial umpire, he was actually saying 'the LNP will wind back industrial laws without notice; cut conditions and entitlements at the stroke of a pen regardless of court challenges.'

But more and more Queenslanders are learning to translate LNP into plain English. Having cracked that code they know they can never trust a word this government says—its Premier, its ministers or its members of parliament. In every community across this vast state more and more people who voted LNP are wondering why they did. As I travel across the state this is exactly what people from all walks of life are saying to me. Their reward has been to see jobs and front-line services removed or downsized in their local communities. The LNP looks on jobs as numbers on a list to be reduced. Labor sees the people who hold those jobs and the men, women and children who are the families or dependants. Every single one of those 14,000 jobs this government is cutting will take a heavy personal and emotional toll. There will be a financial toll as well, as those being sacked shut their wallets and their chequebooks and put away their credit cards and face the uncertainty of a crowded jobs market. The ripple effects of that will be felt by business operators of all sizes throughout local, regional and state economies.

The flow-on effects of this government's mass sackings and savage cuts to front-line services are bad enough in our big cities, but they also hit hard in the many smaller centres in rural and regional Queensland. When this government cuts jobs, families or individuals leave town looking for a new one. When that happens children are taken out of local schools. In turn, school enrolments drop so fewer teachers are posted to local schools. There are fewer paypackets being spent in local shops, or garages or with local tradies. There are fewer people to support local sporting clubs, service groups and other community activities. This is the anti regional, anti rural economic blueprint the LNP is delivering to Queensland—or, more correctly, inflicting on Queensland.

We have a big state with a big future, but we have a government that talks big and thinks small. We need to build a future for our great state. Instead of building, we have a government that tears down, sacks, cuts and destroys. We have a government that almost daily reveals its twisted priorities. It is a government that has never stopped fussing over the plans to give itself a new executive building in the heart of the Brisbane CBD, while ignoring the needs of our regions. It is a government formed from a party that traces its heritage back to the Country Party, yet it freely rips jobs and services out of regional centres, thumbs its nose at the bush by threatening to close agricultural colleges and ignores the complaints from communities about the adverse impacts its changes to public holidays will cause.

The only thing this government knows is how to play the blame game, so it is important to set out the position this LNP government inherited from Labor. Let me outline a few facts that those opposite no doubt do not want to hear. Labor left the budget tracking to surplus in 2014-15. We planned to achieve that without resorting to mass sackings and savage cuts to front-line services. The difference is that we had fully funded election commitments. The LNP budget is projecting debt to increase by more than \$20 billion over the forward estimates, just as Treasury under Labor did. This LNP government that refers to Labor's debt binge has already started borrowing again. In August it borrowed \$1.65 billion, but when asked the Premier was not able to tell us how it would be applied. Neither was he able to outline his government's total forward borrowing program.

Labor left office with a state debt at \$62 billion. Despite the Premier, Treasurer and others citing a figure of \$65 billion, the budget papers confirm the \$62 billion figure as set out in the budget update before the election. Of that amount, \$30.2 billion was held by government owned corporations such as port authorities. They have an income stream from users such as resource companies who repay that debt. Labor left net debt, factoring in investments and money in the bank, of \$24.92 billion. That was less than New South Wales at \$40.27 billion and less than Victoria at \$25.6 billion. The LNP plans to increase net debt to more than \$40 billion, yet we hear no mention of a debt binge.

When this LNP government took power, Queensland had an unemployment rate of 5.5 per cent. Over 14 years in office, Labor supported the creation of more than 740,000 jobs across the Queensland economy. More than two-thirds of those were full-time jobs. Labor delivered a fall in unemployment down to 5.5 per cent from a peak of 9.8 per cent when the LNP was last in government. The Australian Bureau of Statistics highlighted this as the largest fall in unemployment of any state in the nation in that period. The LNP's budget cuts have contributed to Queensland having 7,340 more unemployed than in March, with 1,994 Queenslanders becoming employed in just the past month. Already under this government's program of cuts, we have seen the trend unemployment rate increase from 5.5 per cent to 5.8 per cent.

The forecast for unemployment this financial year is six per cent. That is the highest unemployment figure reached under Labor during the worst global financial crisis since the 1930s. The Treasurer's own budget documents outline that this increase in the unemployment rate is partly a result of his government's job cuts. The LNP is nowhere near meeting its target of lowering unemployment to four per cent in six years, with unemployment still projected to be above five per cent in four years time.

The impacts of these cuts and high unemployment flow through to the budget. Put quite simply, if people are not working then employers are not paying payroll tax, and without an income people are not spending money at the shops, which flows through to the state's GST revenue. It is not a complicated concept. You have to invest to deliver a return. This applies as much to investment in people and in society as it does to investment in business.

In response to devastating natural disasters that inflicted \$7 billion worth of damage and crippled mining royalty revenue, Labor held its nerve. It decided to keep building and rebuilding our state to support jobs. That is something that the LNP government now implies the previous government should not have done. They make out that deficits impacted by natural disaster spending are a sign of mismanagement. This Premier likes to imply that we should have just pulled up the handbrake on our infrastructure projects so that we maintained a surplus.

Labor achieved low unemployment by investing in infrastructure and protecting or creating jobs, particularly during the worst global financial crisis since the 1930s. During the global financial crisis, unemployment peaked at six per cent in Queensland. Labor never lost its nerve by keeping Queensland workers in jobs, by building hospitals, schools, kindergartens and roads that will benefit us for decades and generations to come. This was a generational change. We did not put up the shutters. We saved or created jobs through projects such as the \$1.762 billion Gold Coast University Hospital, the \$417 million Richlands to Springfield rail line, the \$1.4 billion Queensland Children's Hospital project, the \$334 million Townsville Hospital project, the \$446 million redevelopment of the Cairns Base Hospital. Those were all undertaken through the budget strategy the LNP has spent every waking moment criticising. We can only conclude that if the LNP had been in office, Cairns, Mackay, Rockhampton and Mount Isa would not have benefited from those hospital projects. The Gold Coast University Hospital and the upgrade of the PA Hospital would not have gone ahead. We invested in infrastructure because we know it means more than better services and facilities; it means jobs for Queenslanders. It was investing in our future, built for Queensland families. None of that would have eventuated under the LNP.

However, since March we have seen the Premier and ministers falling over themselves to cut the ribbons on those projects or to gain media coverage by inspecting them and saying how great they are. Funnily enough, they never mention the fact that the LNP would never have built them. The LNP thinks it is okay to cut the ribbon and take the credit for infrastructure, while criticising the way it is funded, yet Labor left office with a per capita taxation \$440 lower than the national average.

The LNP budget abdicates the government's responsibility to build a better future for this and coming generations. It has few ideas of its own and has relied almost entirely on Labor initiatives for its \$15.5 billion Capital Works Program. If we look at this budget's list of major capital works, we see that it consists almost entirely of Labor projects. The base hospital and foreshore developments in Cairns are there and so too is the expansion of the Townsville Hospital and the Townsville Port Berth 10 upgrade. There are many other hospital projects listed: Gold Coast University Hospital, Sunshine Coast University Hospital, the Mackay Hospital redevelopment, the Rockhampton Base Hospital expansion, the Mount Isa health campus redevelopment and the Queensland Children's Hospital. There are also new or upgraded ambulance stations and fire stations. The upgrade of the RG Tanna Coal Terminal in Gladstone is also there. I repeat: those projects were started under the budget strategy the LNP has spent months and years attacking. I say again, none of those projects would have eventuated under the LNP.

An independent report by Pitcher Partners last year found Queensland had the best taxation environment in the nation for small to medium sized businesses. Labor kept taxes low while investing in our growing state. The LNP have announced a number of new taxes including increased mining royalties, stamp duty adjustments, levies on offenders and new gambling taxes.

Labor recorded a budget surplus in seven out of the past 11 years. The only periods of deficit coincided with the year of the September 11 terrorist attacks, the onset of the global financial crisis and the two years following natural disasters. And, once again, you do not need to take my word on this. It is all set out in the Treasurer's overseas calling card, the QTC investor blue book. That is the document the Treasurer took overseas and handed out to potential investors. The QTC analysis speaks of Queensland's 'excellent financial management on a very positive liquidity'. It says the state's 'ratio of financial assets to total liabilities indicates its relative financial strength compared with other Australian states'. The Treasurer's overseas calling card also says—

Queensland's employment growth rate had consistently exceeded that of the national economy.

Over the forecast period, employment growth in Queensland is again expected to exceed the national average.

And the QTC analysis goes on—

Strong investment and growth in recent years have accelerated Queensland economic activity relative to the rest of Australia.

Let's hear some more from the QTC analysis. On taxation it says—

Queensland's taxation environment is favourable compared to other Australian states and territories ...

And on interest payments it says—

The amount of money spent by Queensland on interest payments, when expressed as a share of revenue, is also low relative to its international peers ...

That does not sound like a 'basket case' to me, as the Treasurer would have us believe. Let's remember that the QTC's analysis is not based on less than six months of LNP government but on the legacy inherited from Labor. The Treasurer tries to wriggle out of his hypocritical statements by saying there is a difference between our state's economy and its finances. So apparently he gives all credit to Labor for a strong economy but tries to argue Labor's financial strategy has nothing to do with achieving that result. Again, I refer to the QTC's quotation of ratings agency Standard & Poor's about Queensland's 'excellent financial management'.

While at home the Treasurer says the state's finances are 'in a shocking state'. But during his overseas trip he hands out a document that says the complete opposite. Standard & Poor's in September last year outlined how Labor was on track to restore the AAA rating but that the state had been set back by natural disasters. Standard & Poor's also said—

Hard-hit by natural disaster over the past year, the Australian state of Queensland remains a strongly rated government entity on a globally comparable basis.

Labor left Queensland as the only state with long-term superannuation liabilities for government workers fully funded. As detailed in the budget papers, we left the state economy growing at four per cent—a rate that was the second fastest behind Western Australia. Labor in government oversaw growth in the size of Queensland's economy from \$178 billion to more than \$258 billion. That is growth in the economy of a staggering 45 per cent in just 10 years. Our exports have also grown by 21.8 per cent over that time, or at a value of \$12.2 billion. In just the last term of government, \$45 billion was invested in infrastructure across the state.

We left Queensland on track, as forecast by Queensland Treasury, to have growth leading the nation this financial year—growth undermined by this government's crusade against jobs. The LNP slash-and-burn approach is not only hurting front-line services but also damaging the broader economy. In fact, the LNP's own budget papers confirm that next financial year their cuts to investment and culling of jobs will contribute to the slowing of economic growth. Under the LNP, our economic growth is falling from where Labor left it at four per cent last financial year.

Since being elected, both the Premier and his Treasurer have been working overtime to talk down Queensland, its economy and its budget position. The Premier has broadcast to the whole world that we are 'bankrupt' with an economy on par with Spain's. He has never hesitated to spread the view that our state is on 'a power dive into the abyss'. The Treasurer has eagerly joined in, using terms to describe our state such as 'a basket case'. He even came up with his own version of the 'dive into the abyss' by likening our position to rowing backwards over Niagara Falls. If either or both the Premier and Treasurer were in charge of a publicly listed company, its share price would be through the floor. Shareholders would be dumping their stock and fleeing in all directions.

The LNP's mass sackings and savage cuts to front-line services are having a major impact on economic confidence. We have raised the concerns reported to the Australian Stock Exchange by infrastructure company Seymour Whyte about the uncertainty being created by the LNP government's approach. We have also seen major mining companies like BHP Billiton speaking openly about downscaling their investment in our state because of the way this government has lifted royalties. Once again there was no mention of lifting royalties before the election.

Since March we have regularly heard the Premier, the Treasurer and others denigrate the public sector and the very role of government. This fits with the LNP's headlong rush to privatise anything it can lay its hands on in government. There is nothing wrong with the profit motive. But under the LNP it seems anything that does not return a profit is to be abandoned. Like an echo of the Tea Party in the US, this hard right-wing, economic rationalist LNP is determined to downsize the very role and responsibilities of government. Labor looks on public housing as a hand up for people and families in need. The LNP sees no use for it unless it is a potential money spinner. Agricultural colleges, hospitals, schools—they are not seen by the LNP as investments in the greater good but as assets ripe for privatisation. This hard right-wing, Tea Party style ideology has found its voice in the Premier and his Treasurer.

Since being elected the government sought to have a former Liberal politician Peter Costello head a supposedly 'independent' audit of the state's finances. The Costello audit itself is a prime example of this government's twisted priorities. This is a government that cuts a grant of \$30,000 a year to the Queensland Association of School Tuckshops, yet has no problem paying its mate Peter Costello \$3,300 a day to drum up made-to-order criticisms of Labor's record.

The Costello audit created its doomsday forecast of a future debt of '\$100 billion' using two false assumptions: that any government elected in March would do nothing to manage debt and spending; and that the next five years would repeat the previous five—including another global financial crisis and a string of natural disasters. The first flawed assumption completely ignored the efforts of the previous government.

The fact is Labor had a savings plan that delivered savings of \$737 million after new spending at our last budget update. The previous government had already taken measures to responsibly manage growth in government workers through a carefully managed voluntary program, not through mass sackings. Similarly, the Costello audit used the flawed assumption about another GFC and a repeat of a string of natural disasters to reach its mythical '\$100 billion debt'. We all know that is a figure for which five LNP members have had to apologise for or retract in this House.

Audit member Dr Doug McTaggart, when under oath in the Queensland Industrial Relations Commission, disputed the Premier's claim that the government was borrowing to pay public servants. Dr McTaggart also conceded that the Costello audit was not resourced to do its own economic modelling. He said the audit's criticisms of Treasury's forecasts were based on opinion rather than economic modelling. And we all know whose opinion it was—Peter Costello's. So let me repeat: Labor left gross debt of \$62 billion and net debt of \$24.92 billion.

The LNP likes to scaremonger about gross debt but, as University of Queensland economics professor John Quiggin has said, it makes no sense to talk about your borrowings without talking about how much money you have in the bank and what assets you have. This is what Queensland's net debt shows us, and I say again: Labor left Queensland with a net debt lower than New South Wales and lower than Victoria.

Professor Quiggin has produced one of several assessments exposing the Costello audit for what it is—a cover story for ideological mass sackings and savage cuts to front-line services. It is instructive to read Professor Quiggin's independent assessment of the 2012 budget in which he states—

Overall, the budget manages to combine the worst of all worlds: panic cuts in crucial areas of public services hand in hand with pork-barrelling and vote buying that are outrageous even by the depressing low standard of Australian state politics, all justified by the tired and discredited theatre of commissions of audit, black holes and the rest.

But even after hiring Peter Costello the LNP was unable to find any black hole in the budget left by Labor. In fact, the Costello audit pointed out that job cuts were needed to fund the LNP's election promises. The Premier and Treasurer knew the state's financial position before the election. They have repeatedly cited Treasury's January 2012 Mid Year Fiscal and Economic Review that set out a debt of \$62 billion by the end of 2011-12 and a projected debt of \$85 billion by 2014-15. I repeat: the LNP has committed to the same level of debt by 2014-15. In other words, despite ranting about a debt crisis, this government is increasing debt by more than \$20 billion. This government is not paying down debt, and the cuts to services in this budget are not about paying down debt.

Most Queenslanders understand that we are not in a debt crisis. They understand that, when you borrow to build a hospital for a regional centre, it is an investment for future generations, not one that you make every year. These are the types of investments that have been supported by borrowings and will be repaid over the life of the infrastructure. The Newman government's mass sackings and savage cuts to front-line services are not to pay down debt but to fund LNP election promises.

The Treasurer said on 22 March 2012 that he was targeting \$4 billion in savings over three years as part of his election plan. Then—surprise, surprise—after the LNP's Costello audit the Treasurer tells us that he needs savings of \$4 billion. In the Costello audit language, these savings were needed 'after policy decisions are implemented' to not increase debt more than that projected by the previous government. The 'policy decisions' are election promises.

The simple fact is that front-line service cuts and mass sackings are to pay for election promises made this year and to position the government to fund its promises at the next election. Many honourable members may recall the now infamous news conference on 22 March with the Treasurer when he could not explain how his election promises would be funded. The Treasurer and Premier on 22 March stuck to their position that somehow they would use natural attrition within the public sector workforce to make the necessary savings. They said they could maintain growth in front-line services by budgeting less than inflation plus population growth. The simple fact is that you cannot budget less than inflation plus population growth for employee expenses and not cut front-line services.

This budget details some of the savage funding cuts this LNP government has made to community groups and projects across the state. The scene for these ideological cuts was set when the Premier first slashed funding for the Premier's Literary Awards. His disdain for the arts has continued with cuts to a range of other schemes and organisations. Although to give him credit, at least the Treasurer did tell the Premier not to cut the Premier's Literary Awards.

In addition, we have seen the department of communities' grants slashed by \$368 million with no detailed explanation; grants to community groups by Queensland Health slashed by \$120 million; and local

government grants and subsidies slashed by \$60 million. None of these cuts were mentioned prior to the election. The Premier and Treasurer through their web of spin concealed their cuts from Queenslanders before the election. Their broken promises are now revealed in this budget—all 14,000 of them. These job cuts represent an active political choice. They are simply unnecessary. Labor had a return to surplus locked in with a gradual reduction in infrastructure spending as we completed natural disaster recovery works and the biggest hospital building program in the nation.

Once the budget had returned to surplus in 2014-15 and with generational infrastructure delivered, Labor planned to gradually pay down debt just as we paid down debt of \$9.25 billion before the natural disasters. This was a plan towards surplus and debt repayment that was thoughtful and responsible. It was a plan that maintained stable investment in our economy and phased that investment down from a generational peak over a period of time. It was not an approach of taking a wrecking ball to services and jobs and regional communities.

The cuts in this budget are not only unnecessary, heartless and cruel but also reckless. They are reckless cuts pushed on Queenslanders through a reckless and dishonest political strategy. In his deceitful way, the Premier deliberately raised the possibility of sacking 20,000 government workers. The Premier has been going around Queensland like a broken record telling us the state is borrowing to pay the wages of those 20,000 government workers. Dr McTaggart disproved that. But two weeks ago the Premier admitted he knew how many jobs would go. He told Queenslanders that the budget had been finalised. Yet he refused to tell anyone if they would be losing their job and how many people in total would be the subject of his mass sackings. What sort of government would leave its own employees in such a cruel holding pattern? Only this government.

The LNP's efforts to sack as many of its own employees as possible, cut back front-line services and wind back public investment represent a false economy. It is concerning that the Treasurer cannot see that. It is more concerning that the Premier simply does not understand it. The government cuts are reaching far beyond government workers and cut deep into the private sector. This government is hitting long-term unemployed job seekers through scrapping the Skilling Queenslanders for Work initiative. The government has identified it will save \$53 million from cutting this initiative. However, a study by Deloitte Access Economics prepared for the education department outlines that the initiative would have generated \$1.2 billion in tax receipts to 2020 with a wider economic contribution of \$6.5 billion over this period. The study outlines that tax receipts from the jobs created from just this single initiative would average \$109 million per year. This is more in tax revenue than would be saved in interest costs from restoring the AAA credit rating.

The report further outlines that 57,000 Queenslanders found work through this initiative between 2007-08 and 2009-10. Around 8,500 of them would not have found a job any other way. The cutting of this initiative is simply ill-considered. The minister responsible, in answer to a question on notice, revealed that he cut the initiative without waiting for the Deloitte report detailing the merits of the program. The savings delivered to Commonwealth welfare support payments if you just count the 8,500 people supported into work are in excess of \$108 million a year. Cutting this initiative has as much logic as the sell-off of caravan parks—another broken election promise. Creating homelessness by throwing out people in caravan parks to fund community housing simply does not make sense. I have met many of these people in Hervey Bay and they simply cannot understand why it is happening to them and why they have been chosen by this government.

It is also a false economy to undertake mass sackings that affect our ability to respond to natural disasters. It was the determination and hard work of staff in QBuild that allowed all but two schools out of a total of 411 flood affected schools to re-open. QBuild is also often the first on the scene after school fires or other damage, but this government has only looked at how much QBuild costs to operate and has taken an axe to its ready-response capacity. It was the hard work of the staff at RoadTek that helped Queensland to have more than 40 per cent of the 9,200 kilometres of flood affected roads operational within just five months. Once again, this government does not care about this and has taken an axe to RoadTek. The World Bank has used the model of Queensland's response to natural disasters as a guide for 'good practice'. It is a pity this government decided to selectively forget these government workers who should be praised for their efforts to serve our community. Their future is now bleak.

It was through Emergency Management Queensland's helicopter rescue wing that so many lives across Queensland were saved. This government is now looking to outsource that crucial life-saving service. This decision risks removing the flexibility needed to meet the recommendations of the flood commission of inquiry to have stronger central coordination of emergency helicopter response.

When Labor left office, Queensland's economy was projected to grow the fastest in the nation this financial year. The impacts on economic growth of cutting government investment are permanent. It means that the economy will grow off a lower base over years to come. The Premier keeps saying that he is making these cuts for a reason and that it is all Labor's fault. These cuts are not about improving the budget position, nor are they about improving our future in the long term. They are ill-considered and

would never be contemplated by a Labor government. Over the long term, these cuts only stand to see Queenslanders receive less support, particularly those who can afford it least.

Government is about investing in our society to maximise our shared potential. It is not about running budget surpluses for the sake of surpluses or running a surplus at the cost of economic growth and future government revenue. It is not about shedding responsibilities for helping and protecting your own citizens. Not everything in government is about running at a profit. Yet this LNP government is going head first down the privatisation road.

Let us not forget the legislation that was introduced without consultation and at the eleventh hour before this budget sitting that has removed employment security and protection from outsourcing for all government workers other than police and those in government owned corporations. It allows this government with the stroke of a pen to outsource or privatise hard-working, front-line government workers. The LNP is looking at privatising everyone's job—including hospital cleaners, paramedics, firefighters, hospital pharmacy services, hospital ward staff, nurses and allied health professionals. This is the LNP's own form of Work Choices.

The government's own budget papers openly declare that a range of jobs will be outsourced in our state's hospitals: pathology, radiology, biomedical technology, linen services and administrative tasks such as internal audits. All this from a government that sacks doctors and nurses because somehow the LNP thinks they are not front-line jobs. The Premier yesterday could not even tell us how many more nurses and doctors will be sacked from our hospitals. By contrast, in our last five years in office, Labor employed 5,000 new doctors, nurses and allied health professionals. What is next for the public sector? For the next wave, just look at New South Wales where the O'Farrell government is seeking to remove leave loading and remote area allowances and other entitlements from 80,000 of its employees.

The Premier's decision to not put up one cent for a National Disability Insurance Scheme pilot project is a disgrace, but to follow that up by scrapping the small subsidy Labor introduced for taxidivers who pick up passengers with a disability was just cruel and heartless. This is the government that also slashed the Tenant Advice and Advocacy Service and went out of its way to frighten public housing tenants. Its cuts have also extended into Indigenous alcohol rehabilitation and mental health services. The LNP has also slashed the air travel subsidy scheme to remote communities in the Cape and Torres Strait.

By contrast, the Labor Party in Queensland wants our society to be one in which every Queenslanders has a fair go. We believe in equality, opportunity and fairness. The values we hold mean we believe in every person having the same opportunity to achieve their goals and maximise their potential. We also embrace the word 'value' in another meaning. Labor values people and the contributions they make through the work they do. This Premier, his Treasurer and many of his ministers have been downright gleeful in announcing the number of jobs they are cutting. In fact I think they even used the word 'excited'. Last Tuesday the Premier said with a laugh, 'I said originally 20,000. It's going to be less than 15,000 but you'll have to wait til the budget.' It was a disgrace that the Premier inflicted a two-week wait on his own employees before they found out how many would be sacked when he already knew the number.

My grandfather was a boilermaker and my great-grandfather was a blacksmith. They knew the value of hard work. They knew about the dignity of work and the self-respect you gain from having a job. They also received recognition when they left those jobs after years and years of service. Labor in this state will always stand up for jobs. The LNP looks on the people they are sacking as just numbers. This government has stripped away people's dignity and self-respect. Labor recognises their value as people—people who have families and who contribute to communities and economies across our state. They are people who work hard to build a better Queensland. We value people; those in the LNP do not.

We also value the future of education in our state. We have a proud record on education. Our record is defined by growth and positive initiatives, unlike our opponents who slash and burn. Let us not forget that it was Labor who did the following: introduced the prep year; raised the starting age for year 1 to bring Queensland students into line with other states; and started the move to shift year 7 into high school. We worked with the federal government to invest almost \$900 million to provide universal access to a quality kindergarten service for all Queensland children by 2014.

Thanks to the former Labor governments that the LNP constantly attacks, since 1998 we now have almost 9,000 extra teachers employed in our state, almost 4,000 extra teacher aides and 63 new and replacement schools. What is this government's biggest achievement in education so far? Sacking 405 education department employees. Even the so-called education 'initiatives' in this budget are Labor projects, including the new Mackay Northern Beaches State High School, an upgrade to Dysart State High School and a special education facility at Dakabin State High School.

Labor left Queensland as the second strongest growing economy in the nation in terms of raw numbers, but it is the diversification of our economy brought about by modern, efficient and effective Labor governments in Queensland that makes this state such an attractive place for investment. We are far more than a mining economy like Western Australia, and we are far more than a four-pillar economy, as this LNP government likes to make out. The four pillars, while significant and important, make up 42 per cent of our

state's economy so that means that this government has no vision for the remaining 58 per cent. But Labor does. We want to see initiatives in sectors like manufacturing, tertiary education and our finance and service industries. We need to look beyond our shores to help Queensland industries and exporters tap new opportunities.

There is a vast economy and vast opportunities developing in the tropical world. About 50 per cent of the world lives in the tropics so Queensland has a distinct advantage of being one of the few developed nations with strong R&D in tropical science. We are well placed to meet these opportunities in the areas of health, education, urban design and services to industry. But to do so our skills and productivity must increase and we must invest in R&D and innovation. My deputy will have more to say about this later.

Research and development is fundamental to that, and we will be saying more on that in the future as well. Labor wants to invest in our economy and focus on good governance, not on ideological and ill-considered cuts. Fundamentally, this government does not understand that you need to invest to create growth and jobs and to deliver a return. We recognise the benefits of relatively low-cost programs such as Skilling Queenslanders for Work. We would look at doing an immediate review to re-establish that program to allow it to play its valuable role in building our state's skills base.

Fundamental to our vision as a service based economy exporting to Asia, South America and further abroad is the protection of workers' rights. You cannot have a modern, educated and sophisticated workforce developing the technologies of the future with the industrial conditions of the past. Our first act would be to reinstate employment security and protection that this government has removed, and we will do this in consultation with the unions. We simply cannot risk becoming overreliant on the resources sector. That said, I am optimistic about the future of the mining industry despite this government's royalty increases. There were economists calling the end of the mining boom back in 2002 and on many occasions since then, but the mining industry has continued to grow from strength to strength in Queensland. As these countries develop in the future so will the size of their middle class as will demand for higher skilled workers and services. It is not just our geographical location, our pristine environment and our resources that make Queensland the best place to live; the source of Queensland's enormous potential is our people, our human capital. We need to protect skilled workers in regional industries to support the diversification of our economy and the skills of our workforce. We will be saying more on that in future as well.

Labor always stands for fairness. That will remain our guiding light as we develop the policies we will take to the next election. That is why we would invest in a trial site in this state for the National Disability Insurance Scheme. The NDIS is one of the biggest social reforms that we will ever see in our lifetime. Labor would commit the \$26 million for a trial site in our state that the Premier refuses to commit. We will put an end to the political games being played by this Premier. This commitment is less than one per cent of the state budget. Funding could come today from the \$15.4 million from the Public Sector Renewal Program and \$12.1 million from the Office of Best Practice Regulation. The NDIS is one of the biggest reforms. The NDIS is something the LNP does not understand. It is a helping hand, a helping hand that this callous Premier refuses to extend as he chooses to play politics with people's lives. Conservative leaders in other states have recognised that an NDIS trial is an opportunity to make a real and lasting difference in the lives of people with a disability and the lives of their families and carers. Queensland cannot afford to miss out on an NDIS trial site. I do not want Queensland to be left behind. We would sign up immediately. We would make it a priority.

The role of Premier involves representing Queensland, not just a political party. We will also act to re-establish the Tuberculosis Control Centre to ensure that Queenslanders have a point of coordination to manage any future potential outbreaks of tuberculosis. This is, again, at the centre of the LNP cuts as part of its savage program of cuts.

Labor has a positive vision for our future as a modern, diversified economy with economic growth that can lead the nation. We recognise the benefits of relatively low-cost programs such as Skilling Queenslanders for Work. Labor would immediately act to review Skilling Queenslanders for Work and the apprentice and payroll tax rebate. The payroll tax rebate was estimated to support some 19,500 apprentices and trainees, and I have discussed earlier the strong benefits of Skilling Queenslanders for Work. I will be discussing the future potential of these initiatives at the ALP state conference.

This government has a vision based on creating myths, fear, uncertainty and scaremongering. We want to support Queensland's economy to grow, not rubbish it as a basket case, constantly talk of a power dive into the abyss or declare that we are bankrupt. We have a plan to support growth across our entire state economy and the individual regional economies that make up Queensland. We are not satisfied with just focusing on four sectors at the exclusion of others. Most importantly, we have a vision for a society based on fairness and community.

Our party was founded on the important principle that everybody deserves a fair go in life, and we continue that commitment today. We want a society in which every Queenslanders has the opportunity to achieve no matter where they live, from the Torres Strait to Birdsville to the Gold Coast. We believe in



helping people from disadvantaged backgrounds into the security of a job, which improves not only their wellbeing but also the productivity of our economy. We believe in supporting the people who genuinely need it, people like those with disabilities, their families and their carers. We will continue to fight for the disadvantaged and disfranchised, the people whom the LNP sees as convenient political targets in their ideological vision of cutting services for the sake of it.

This budget should be put into a time capsule to be opened by future generations. In years to come they will see it as evidence of the government that doublecrossed Queenslanders. It will be the historical record of unnecessary and unfair mass sackings and savage cuts to front-line workers. Future generations will be able to see how this government ignored regional communities and the people living there who contribute so much to our state's overall wellbeing. They will be able to look back on the reckless, ill-considered, ideological cuts to jobs and front-line services that hit those regions so hard.

This budget is an attack on the people who make our state function, an attack that will cost our economy and our budget position over the long term. It is short-sighted. It is unfair. It is heartless. It is reckless and it lacks any sign of compassion. Queensland and Queenslanders deserve so much better.