



Speech by

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MEMBER FOR FERNY GROVE

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TREASURY (COST OF LIVING) AND OTHER LEGISLATION AMENDMENT BILL

Mr SHUTTLEWORTH (Ferny Grove—LNP) (3.19 pm): I rise to speak to the Treasury (Cost of Living) and Other Legislation Amendment Bill 2012 and the importance of the passage of this bill through the House in a manner that will allow the Campbell Newman government to deliver on our election promises to the people of Queensland and the people of Ferny Grove. A linchpin of our commitment to the people of Queensland and my commitment to the people of Ferny Grove was to address their cost of living that, under Labor, escalated at levels well beyond traditional indices of CPI. Constantly we hear from those opposite that their appalling decisions to tax at every turn were a result of the GFC and, therefore, beyond their control. Their decisions to relentlessly impose costs upon all families—be it through increased water and electricity charges, the removal of the fuel subsidy or the removal of the stamp duty concession on the primary place of residence—were all blamed on the global financial crisis. Certainly I am not about to refute the fact that the GFC occurred. However, I question how it is that the very term ‘global’ seemed to escape those further along this side of the House. Continuously they lay blame at the feet of the GFC for the downgrade of our credit rating. They blame the GFC and use it as justification for the increased taxes that have occurred, all during the mining and resources boom. How is it that other jurisdictions within Australia, and ironically within the same globe, that have also suffered the effects of the GFC have managed to retain their credit ratings and how is it that they have per capita debt levels far lower than those of Queensland?

I would suggest significant contributors to the environment that necessitated the relentless pursuit of tax revenue were the inability of the former administration to rein in its waste and to effectively manage projects and, unfortunately, the difficulty it faced in paying back the interest after our AAA credit rating was lost. In fact, recently we heard that this is the state’s fastest growing expenditure item. Like most Queenslanders, I was appalled to learn during the last sittings that the debacle of the Health payroll system is now set to cost Queensland taxpayers in excess of \$1 billion and, more alarmingly, the downgrade of our credit rating is costing us \$700 million per year in additional interest payments. While that may well fund the blow-out in the cost of the new Children’s Hospital or, indeed, pay for the repairs of a flawed payroll system, it could also build us new schools, maintain dilapidated public housing or employ new police and teachers.

At times throughout its governance, the previous administration was a little delusional. For example, on 28 September 2005, when questioned by Phil Reeves about electricity competition, former Premier Mr Beattie said—

If people live in largely the south-east corner, the first choice they will have is that they can leave the current system with Energex and they can go out and become part of the brave new world of choice, which I think will charge up to \$150 a year less.

...

They will be able to decide whether they go into the new system or not. If they do, they are likely to pay up to \$150 a year less.

...

In other words, 1.2 million Queenslanders will be able to access \$150 roughly a year.

I ask members present today: how many Queenslanders do you think are paying \$150 less for electricity? Mr Beattie went on to say—

One fact is certain: we have the fairest and strongest system in Australia and that will not change. This is a great day for Queensland electricity consumers. They will pay less.

I have here a few figures that would seem to indicate that that is nowhere near the case. On 19 June 2007, under the ministerial guidance of my predecessor, electricity prices increased by 11.37 per cent; on 7 February 2008, a further seven per cent; on 9 June 2009, 11.82 per cent; on 28 May 2010, 13.29 per cent; and on 31 May last year, 6.6 per cent. My maths would have that total 50.08 per cent.

Mr Newman: What was inflation?

Mr SHUTTLEWORTH: I am glad the Premier interjected. Throughout that same period of time, the CPI increase was a measly 23.9 per cent. By anyone's reckoning, that increase is very hard to justify. It brings into focus the stark contrast between the over-taxing policies of the previous administration and the benefits apparent to all Queenslanders as a result of the cost-saving measures forming part of this cost-of-living bill. By freezing tariff 11, families will save an average of \$120 per annum.

Now I will review another area of cost saving: motor vehicle registration. In 2006 in the electorate of Ferny Grove there were 14,238 dwellings and almost 25,500 motor vehicles. It is clear that the decision by the LNP Newman government to hold the registration on family motor vehicles will be warmly welcomed by all. To reflect again on the contrast between the previous administration's continual hikes in registration and the LNP's cost-saving measures, I reflect upon 1983, when I first registered my V6 LH Torana in New South Wales. Back then, registration charges in Queensland were significantly cheaper than in New South Wales. The table included in this month's QPL Post shows that if I had registered my car in May of this year I would have been \$161.30 better off in New South Wales and \$265.70 better off in Victoria. We have fallen a long way behind on the cost-of-living affordability scale. What has happened to our low-cost, low-taxing state of Queensland?

Public transport costs are another significant contributor to the cost of living. Whilst it is clearly not a component of this bill, it is worthy of mention to highlight yet another area where the proactive and positive actions of the LNP government are delivering real benefit to the people of Ferny Grove. We have brought to an end the skyrocketing fare structure that we all endured under the taxing regime of Labor through halving the planned increases and providing free transport to go card users on their 10th and subsequent journeys each week.

Another example of the benefits of the bill is evidenced in a review of stamp duty on the primary place of residence. A little over a year ago, on 13 March 2011, the then Treasurer, Mr Fraser, described stamp duty as a relic and an inefficient tax. He went on to say that it would be at the top of his hit list at the federal tax summit later that same year and he hoped that within five years the tax would be abolished. Just 94 days later, on 15 June 2011, Mr Fraser announced a decision to double the stamp duty for homeowners who change their principal place of residence.

Within the electorate of Ferny Grove there are plenty of small business operators in the real estate sector. To say that of late times have been a little tough for them would be a massive understatement. The removal of the concession on stamp duty was the straw that broke the camel's back, and since the announcement of this initiative agents have enthusiastically and regularly checked with me to reconfirm our commitment to remove that impediment on their business. It seems that they are nervous and thought that perhaps this commitment would be rescinded. I can understand their wariness. After all, it was about this far into the term of the 53rd Parliament when things began to get quite flaky, when assets we were promised would remain ours were sold, when the fuel subsidy we were promised would remain went and when the commitments and promises made prior to the 2009 election were struck off, never to be delivered.

Can I say to those small businesses throughout the Ferny Grove electorate that are eagerly awaiting the delivery of our pre-election commitments to watch this space. The removal of the sustainability declaration and the reinstatement of the stamp duty concession on a primary place of residence are just days away. Clearly, those on the far end of this side of this House have no idea how to manage finances. This is evident through waste such as the Health payroll system, Traveston Dam, the Children's Hospital and the desalination plant. They revert to the only idea they have, the only solution they ever turn to—that is, to increase taxes.

Incompetence and a lack of project management capability, which automatically translate into additional taxes under the Labor regime, have thankfully been brought to an abrupt end. This cost-of-living bill, introduced well within the first 100 days of an invigorated and highly competent Newman-led LNP government—will deliver on one of the five totems—one of our core pledges to our communities, that we will lower the cost of living.

Families like Paul and Anne's from Arana Hills who, with their three children in tow, met with the now Premier and me at a listening post during the campaign highlighted their disappointment with the Labor

government and how it seemed to have lost touch with the Aussie battler. Paul and Anne had over many years made the decision that Anne would remain at home to raise their children and provide them with the stable and nurturing environment they desired. Over the past year, with the cost of living spiralling out of control, they simply could not make ends meet. They reluctantly made the decision to have Anne return to the workforce, undertaking shelf packing of an evening.

They were devastated that, in their minds, Labor's own mismanagement and waste had now placed additional burdens on their family and forced them to compromise their child's wellbeing. They were bitterly disappointed that their youngest child could not be afforded the same nurturing environment as had their two elder children. That is their perception of their situation. While those a little further along this side of the House might quip at their situation, this is a direct and tangible example of how Labor's mismanagement is costing Queensland families through higher prices and compromised standards of living.

Conversely, this bill will see a huge number of small businesses throughout the Ferny Grove electorate and the state of Queensland experience significant savings through the increased payroll tax exemption thresholds. It will see many families save up to \$7,000 through the reinstatement of the concession for stamp duty on a primary place of residence. The tariff 11 freeze will deliver significant savings to every Queensland family. Small businesses will benefit from the removal of a significant red-tape burden in the form of the removal of the sustainability declaration. I applaud the Treasurer and the Premier on the drafting of this bill and congratulate them on their insight and demonstrable understanding of the cost-of-living pressures being felt throughout this state. This bill will restore business confidence and significantly reduce the costs of living for most Queensland families. It seems to me that within this government's first 100 days Queensland really is on the way to getting back on track. We are showing the people of Queensland that this can-do Newman government is one that would make any Nike marketer justifiably proud, as we just do it.