



Speech by


**Hon. Jeff Seeneey**

**MEMBER FOR CALLIDE**

Hansard Thursday, 13 September 2012

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

 **Hon. JW SEENEY** (Callide—LNP) (Deputy Premier and Minister for State Development, Infrastructure and Planning) (12.12 pm): I certainly share the enthusiasm of the Premier for the budget that has been introduced into this parliament by the Treasurer, the Hon. Tim Nicholls, the member for that wonderful seat of Clayfield. I think this budget will be a real watershed in Queensland's history. The first LNP budget is the budget that will put Queensland back on track. What a contrast the speech was that the Treasurer made here on Tuesday when he introduced the budget to the effort that we heard from the opposition leader just a few moments ago. I think I have heard probably 14 budget reply speeches in the years that I have been here—14 speeches—and I have never seen an opposition leader fail so completely to address the issue of what the alternatives are, because for an opposition leader a budget reply speech is the one big chance of the year. That is the big day for an opposition leader.

**A government member:** And she squibbed it!

**Mr SEENEY:** It is the big day for an opposition, and she squibbed it! They squibbed it! The opposition squibbed it—totally and completely squibbed it, totally and completely ignored the opportunity to put forward an alternative! Do honourable members know why? We all now why: because they do not have an alternative. They do not have an alternative. Just as last week in the media when they were asked five times for their alternative and they had no answer, here today in the parliament the opposition leader proved that they still do not have an alternative. They do not have an alternative. They have not had an alternative for years to the Labor way of more debt, more debt, more debt and more debt. That is the only alternative that Labor has had for many years, and the budget situation that we inherited bears stark witness to that lack of ideas and lack of alternatives. I think it behoves us all to recognise the scale of the task that was undertaken by the Treasurer in preparing this budget, the difficulty of the task that confronted this government when we came to power and inherited such a horrific financial situation—something that we knew was always going to be bad but we never imagined just how bad it could be, just how irresponsible the former government could be to allow it to get to that stage. The work that was done by the Commission of Audit clearly identified the size of the problem—quantified the problem—for the Treasurer and his staff and all of us in the government. It quantified the size of the problem that we have to address.

It is, as I said this morning, responsible in addressing that task to look at both sides of the budget equation—to look at the expenses side of the equation and also the revenue side of the equation. Unfortunately, the media coverage has all been about the expenses side of the equation and the difficult decisions that had to be taken to address that. But since we have come to power in the five months since the election we have in my department especially been moving to address the revenue side of the budget equation, because it is equally important in ensuring that we get Queensland back on track. We have moved in a whole range of ways to address the problem of state revenue. We have moved quickly to do what we said we would do before the election—that is, grow the business of the state, boost the income of the state by ensuring that this was a place where people could invest, that it was a place where business could grow and develop. It is in every Queenslanders' interests that that is an overriding feature of the

Queensland economy, particularly in the resources sector. In those four sectors that we identified as being the pillars that underwrite the Queensland economy, we have moved to do what we can to boost those four pillars. But particularly in the resources sector, we have moved to ensure that the resources sector can continue to make the great contribution that it has done for many years to the Queensland economy and so that it can do that in the years ahead.

We have moved to address the approvals system, which, as I indicated earlier this morning, industry leaders recognise as being one of the great impediments to profitability of the industry. The Coordinator-General has moved to halve the approvals time that is involved with major projects, and we will continue to reduce those approval times. We have put in place the cabinet committee which will for the first time take a long, overdue look at the whole cost structure that surrounds the industry, especially the cost structure that is imposed by state governments, because after 14 years of a state Labor government that philosophically did not believe in the coal industry there have been regulations added to regulations which now create an impediment not just to profitability but to investment per se in the coal industry. We on that cabinet committee—myself, the Treasurer, the Minister for Natural Resources and the Minister for Environment—will forensically and determinedly look at all of those regulations to ensure that we have the world's most efficient coal industry for the benefit of the people of Queensland.

It is for the benefit of the people of Queensland that we undertake that task—not for the profitability of the coal companies, but for the benefit of the people of Queensland—because, while the coal companies can operate profitably, they can make a reasonable contribution to the Queensland economy, and they should. Some of the comments that we have heard over the last few days from some of the major coal companies do themselves no credit. They certainly stretch the bounds of credibility when they react as they have to the suggestion that they should bear their fair share of addressing the financial situation in Queensland. They are part of the Queensland economy. They are part of the Queensland community. They are part of my community. They are part of my electorate and they, like everybody else, are not immune from the difficult task that we have to undertake to rectify 14 years of Labor mismanagement and set this state on a financial path that will guarantee the future of generations of Queenslanders. I am happy today to say to those companies that they need to take the opportunity that we are offering to ensure that we do have the world's best coal industry, that we do have an efficient industry in Queensland that can play that part in the Queensland economy for years to come.

If anyone is interested in this issue of coal royalties, I point out to them that the Treasurer has provided in Budget Paper No. 2 on page 60 an excellent table. It is the first time I have seen such information provided in that detail. It is something that every member should get a photocopy of and make sure they are aware of. That table sets out the royalty that is payable per tonne on Queensland coal—the coal that Queenslanders own—the current schedule and the new schedule from 1 October following the announcements that were made in the budget. That table indicates that a lot of the comments that have been made by some of the industry leaders, who should know better, are quite clearly misinformed. For example, for coal that is worth under \$100 a tonne, which is the great bulk of the thermal coal in Queensland, there is no increase in royalties. Companies mining coal at \$100 a tonne will pay to us—the people of Queensland—\$7 a tonne in royalties. There is no increase. At \$150 a tonne—as you climb up the scale of value—the old royalty was \$12 a tonne. That has been increased to \$13.25 a tonne—an increase of \$1.25 a tonne. That is hardly the stuff to cause the calamitous outcomes that have been predicted by some of the mining industry executives in the past couple of days. If you go further up the scale, towards the top end of the coal values, at \$200 a tonne currently the people of Queensland receive \$17 a tonne. That will go to \$20.75 a tonne—an increase of \$3.75 a tonne on that high-value coal, which is the minority of the coal tonnages at the top of the market. So it is a royalty regime that will guarantee a sustainable, efficient industry. But most importantly, it is a royalty regime that is set in stone for the next 10 years. In terms of value for mining companies and for investment decisions, that cannot be underestimated.

I think the Treasurer has made some difficult decisions on the expenses side of the budget, but the decisions that we have made on the revenue side of the budget, while also being difficult, are fair and will create a sustainable source of revenue for the people of Queensland so that we can overcome the financial mess that we inherited from the Labor Party and so that we can ensure that we deliver the services and deliver the infrastructure in years to come. Obviously, those changes do not produce a major impact in week 1, or week 2; it will be over a period of time. I believe that, over the next 10 years with that royalty regime in place, the coal industry can make a major contribution to the task of building the infrastructure—building the schools, building the hospitals—and providing the services that the people of Queensland so badly need. I look forward to working with the coal industry in the short term to get the regulatory environment right so that that can certainly happen. I have long championed the interests of the coal industry in this House and I will continue to do that, just as have other members who represent regional Queensland.

I will now turn to some of the comments that were made by the Leader of the Opposition in relation to the impact on regional Queensland. It makes me almost puke to sit here and listen to the members of

the Labor Party talk about their interest in regional Queensland. For 14 years regional Queensland had been shafted, to use the colloquial term, by Labor Party governments. There is nobody in regional Queensland who would dispute the fact that the Labor Party government for 14 years completely ignored the interests of regional Queensland. For country towns and country people, 14 years of Labor was almost a death sentence. Over and over again we came in here and heard budgets delivered that took away every chance of delivering services in regional Queensland, that did not invest in the infrastructure that regional Queensland required. So to sit here this morning and listen to that absolute rubbish from the Leader of the Opposition was a little bit more than this bear could bear.

This government is well represented by members from regional Queensland. I look around this chamber and I see some of the champions of regional Queensland who have taken up the battle on behalf of regional Queensland for so many years and who will, as the strategies that have been put in place by the member for Clayfield start to bear financial fruit, ensure that regional Queensland will get its fair share. Already in this budget we see the Royalties for the Regions program. I would have to say to the Treasurer that not a lot of money has been allocated, but the program is there and the structure is there. We will ensure that, as the royalty regime delivers royalties to the Treasury in years to come, that that program directs those royalties back to regional Queensland. That is a promise that I make not just to the people of regional Queensland but to the Treasurer and the Premier as well. We will direct them back to regional Queensland. The Treasurer can be assured that the members who represent regional Queensland will be at his door ensuring that they do.

There are so many things in regional Queensland that need to be repaired after 14 years of Labor government. Some of the difficult decisions that the Treasurer has had to make on the expenses side of the budget have been portrayed as somehow taking away services from regional Queensland. Let me use one example that is close to my own heart and that is the example that was raised this morning about the rural bushfire brigades. It is a complete and utter nonsense to suggest that cutting the bureaucrats out of the rural bushfire brigades will affect the firefighting ability of the rural fire volunteers, who are my mates. It is an absolute insult to those people—those guys who go out in their own vehicles in their own time to fight fires in their own communities—to suggest that some overweight bureaucrat in a regional office in a shiny uniform makes any contribution to their efforts.

Let me share with members an example that I had a few weeks ago. I was asked to open a rural fire brigade shed at the Monto airport that was built by the Hurdle Gully brigade—mates of mine: Peter Sharp, Neal Darlington and Hilly; blokes I have known since I was a kid. They got together and built their own shed—\$10,000 worth of shed. They went down there on the weekend and put it up and were very proud of it. They got me along to open it. So I am standing up there making a speech to open it and I look across and parked in front of the shed are two \$60,000 vehicles that two bureaucrats from Bundaberg drove over to the opening in.

**Mr Rickuss:** With the blue lights on, too.

**Mr SEENEY:** Blue and red lights on the top. They were two \$60,000 vehicles, neither of which would be one ounce of good at a fire because they are Toyota LandCruisers with air conditioning. You cannot put a tank or a pump on them—or anything. They are for driving bureaucrats around. I stood there in front of the \$10,000 shed that the volunteers had put up themselves and said, 'There is \$120,000 worth of vehicles there in front of me and two slip-on units in the shed worth 1,000 bucks each.' In the shed, the gear to fight the fires was probably worth a couple of grand. The gear to transport the bureaucrats out to the official opening was worth 120 grand. That is the problem. That is the Labor way. When Labor puts money into services, it goes into bureaucracies; it does not go into service delivery.

The same story could be told over and over again by my colleague the Minister for Health. I have been to hospitals where the hospital car park looks like a second-hand car yard there are so many Queensland Health cars. The services in the hospital are not up to scratch, but every bureaucrat has a car. It is the same philosophy. That is what we are moving to address across every department. We will ensure that the limited number of dollars that the Treasurer gives us for regional Queensland will go to service delivery. We are going to ensure that the limited number of dollars that regional Queensland gets will be used to the best effect. The limited number of dollars that my colleague Jack Dempsey gets for rural fire brigades will go to Sharpy and Hilly and Neal Darlington to fight fires. They will not go to overweight bureaucrats in shiny uniforms and \$60,000 vehicles with blue and red lights on the top, as the member for Lockyer says. Similarly, with Health, the money that goes to Queensland hospitals in regional Queensland will be about delivering services, not providing new cars for bureaucrats to drive about in order to hold endless meetings and conferences.

That is the challenge for us. It is about a new way. It is about service delivery, not about growing bureaucracies. It is about the LNP way, not about the Labor way. It is about making sure that we deliver the services in an efficient way; that we do it in a way that our people elect us to do; that we do it in a way that ensures the state has many more good budget speeches in this place from LNP Treasurers—and I hope for quite a while it is the LNP Treasurer from Clayfield.

It is a great honour to be here in this House when the first LNP budget is introduced. It is a great honour to be part of the team that put that LNP budget together. In years to come some of the decisions that we have taken in the last five or six months—some of the difficult decisions that we have taken together—will be looked back upon and recognised as being incredibly significant for Queensland's future. It will take time, but I think everybody who was in this parliament when this budget was considered can be proud of the fact that they were part of an effort to turn around a financial situation that was heading to a place where no Queenslander would want it to go. We took the difficult decisions. We recognised the realities. The solutions to those problems are included in the budget which the member for Clayfield introduced into this House and which I am very proud to support.