



Speech by

**Hon. Jeff Seeney**


**MEMBER FOR CALLIDE**

Hansard Friday, 14 September 2012

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## **MINISTERIAL STATEMENT**

### **State Finances**

 **Hon. JW SEENEY** (Callide—LNP) (Deputy Premier and Minister for State Development, Infrastructure and Planning) (9.38 am): On coming to the government we were faced with some dire financial circumstances. Treasury told us that the path which Labor had this state on was clearly unsustainable. Debt levels were high and continuing to escalate. Deficits were the order of the day and also growing. The ratings agencies had downgraded Queensland's AAA credit rating, and we were told of another looming downgrade. It is increasingly obvious that the former cabinet had also been told of this situation. What we now know is that last year the Bligh Labor government, as detailed in the House yesterday by the Treasurer, had a secret plan to heavily cut Public Service numbers. But, as usual, when confronted with a difficult decision, they could not take it.

We have confronted those questions, we have confronted the problem, we have accepted the reality of the problem and we have a clear course of action to solve it. Firstly, we have acted to lower the recurrent expenditure of the state. Among other matters, regrettably, that meant significant job losses in the public sector, but those job losses were offset by \$800 million in redundancy payments. So \$800 million has been allocated in the state budget for redundancy payments for the people who, regrettably, have had to leave the Public Service. We never hear the opposition talking about that \$800 million.

Secondly, we are working to grow the revenues of the state. Regrettably, that also meant increasing mining royalties—an action which has also had its critics. While members on the opposition benches join the chorus from the critics on both sides of the budget equation, they should always be reminded that they are the cause of the problem. For the last 14 years, they have been the government that has taken Queensland to the point of financial ruin. In the mining industry in the last 14 years, they have piled regulation upon regulation which has been done no doubt to pander to their Green allies and secure their election preferences. We are offering the industry a significant review and an examination of Labor's red and green tape with a commitment that, where it is not justified, where it is not efficient, where it hinders productivity and where it hinders production, we will remove it.

As I have told the House, royalties are but one part of the cost that government imposes on the mining industry. Regulation, on the other hand, imposes significant costs and we are offering the industry a long overdue opportunity to remove many of those costs. Today I can inform the House that at least some significant sections of the industry are starting to see the sense in this review and are offering to be participants in this process. Later today the Resources Cabinet Committee, which was outlined by the Treasurer in the budget, will meet for the first time. I again urge the coalmining industry to take the opportunity this committee offers. They should make submissions. They should appear before the committee. They should take this opportunity to address their whole cost structure. We in the government are determined to ensure that more coal is exported from Queensland each year for the benefit of all Queenslanders.