




Speech by

Steve Davies

MEMBER FOR CAPALABA

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TREASURY (COST OF LIVING) AND OTHER LEGISLATION AMENDMENT BILL

 **Mr DAVIES** (Capalaba—LNP) (10.09 pm): It is with a great sense of anticipation that I rise to speak about an issue that emerged during the election campaign as the most salient of issues facing Queenslanders and the people of my electorate of Capalaba, and that is the cost of living. This Newman LNP government has wasted absolutely no time in taking action to reduce Queenslanders' cost of living, and I am proud to be part of it. The Treasury (Cost of Living) and Other Legislation Amendment Bill 2012 is designed to deliver on the promises that this government took to the election in March and will bring relief to every Queenslander who has suffered under the yoke of Labor's endless increasing taxes, charges and fees.

In addition, this bill is designed to ease the burden that faces small business—the backbone of Queensland and Australia's economy—by cutting red tape and allowing business to grow and prosper, not to tax them to the point of unsustainability. I am proud to be part of this government that takes the responsibility of taxpayers' dollars seriously. The former government squandered tax dollars and showed no concern about where their wasteful spending was going and no concern for those who were paying the bill for this waste. The LNP government received an overwhelming mandate to address the unchecked and improvident spending of the previous Labor government. This bill is the first step in achieving our goal to reduce wasteful spending and to ease the burden on the family home.

Specifically, this bill will reinstate the concession for transfer duty for homes, increase the payroll tax exemption threshold, freeze tariff 11 prices for one year, facilitate the establishment of the Office of Best Practice Regulation and remove the requirement for sustainability declarations. As I said in my maiden speech, Labor claimed to be the party of social justice. However, Labor's clumsy financial mismanagement has left Queensland with a massive debt that has made it nigh on impossible for any new significant social justice programs to be achieved. While lurching from one costly disaster to the next, Labor has also failed to address the lack of infrastructure, instead opting to leave Queenslanders with \$85 billion of debt.

What do Queenslanders get for this enormous price tag? My thunder was stolen a little bit by the member for Mundingburra, but it is worth repeating. Of course, there was \$600 million wasted on the failed Traveston Crossing Dam, the \$1.1 billion white elephant—and that is billion, not million—that is the Tugun desalination plant—

Mr Crandon: That was worth saying again.

Mr DAVIES: \$1.1 billion. That is incredible, is it not? The Queensland Health payroll debacle is going to end up costing taxpayers more than \$400 million and there is also the cost blow-out in building the Queensland Children's Hospital in the former Premier's own electorate, just to name a few.

Mr Choat: Don't forget the trains with no seats.

Mr DAVIES: The trains with no seats. This is simply not good enough. How did we in Queensland accumulate this monstrous debt during the biggest mining boom in the state's history? How is it that on average family power bills rose around \$700 over the past five years and water bills increased around

\$200 a year? How is it that we have some of the most expensive car registration and drivers' licences in Australia? It is because Queenslanders were suffering under the leadership of the worst Treasurer—a Treasurer who did not understand that simply digging his hands deeper and deeper into families' pockets to cover the costs of his own government's financial incompetence was no way to balance the books.

Now, we finally have a chance to set some things straight. This LNP government, through this bill, will deliver on our commitment to bring cost-of-living relief to Queensland families. This relief will be delivered by a measured, targeted and thought-through program that will deliver the best bang for taxpayers' bucks. We will introduce stamp duty concessions, saving Queenslanders up to \$7,000 on the price of their home. This will help stimulate our property sector—a sector that did it tough under Labor, as many real estate agents in my electorate well know. I know from talking to residents in Capalaba that my constituents will benefit from the freezing of electricity tariff 11, saving them an average of 120 bucks a year. We will deliver on our election promise to expose federal Labor's carbon tax as what it is: a toxic tax on the everyday home's electricity usage.

As I touched on earlier, this bill is also designed to bring relief to small businesses in Queensland. We all have seen how tough business is doing in Queensland and we are simply not prepared to sit back and allow this vital conduit of employment and economic growth to dwindle any further. Instead of encouraging small businesses to stagnate, we will provide incentives for them to expand. This expansion of business is vital in meeting our four per cent unemployment target as well as increasing revenue that is vital in getting our finances back into the black. This will be in part accomplished by increasing the payroll tax exemption from \$1 million to \$1.1 million, which is the first step in our commitment to increasing the threshold to \$1.6 million over six years. The new payroll tax exemption threshold will mean that approximately 1,200 employers, who would otherwise be paying payroll tax in 2012-13, will not be liable.

Reduction in red tape and tax is a long-held ideal of the LNP and I look forward to seeing the positive results that come from the implementation of this policy. Red tape will be further reduced by the introduction of the Office of Best Practice Regulation. This is designed to deliver a 20 per cent reduction in red tape, a major source of frustration for the business community and which has a substantial impact on profitability. By saying goodbye to the ridiculous sustainability declaration, households and businesses will feel another weight lifted from their shoulders. That will again encourage growth, rather than foster unproductiveness.

Finally, delivering these cost-of-living savings is vital in light of the up-and-coming ALP/Greens tax on the air we breathe. This carbon tax will no doubt have a detrimental effect on many of the 3,900 businesses in the Capalaba electorate—businesses that employ thousands and thousands of workers. One such business is JAG Welding & Fabrication, which is a small but successful family business started by the two Shepherd brothers only a few years ago in a small shed behind their family home which has grown into a large industrial building and which employs 13 Queenslanders. On visiting this business with the Premier during the campaign, the impact of the carbon tax was highlighted. Being an engineering business already struggling to compete against cheap Chinese imports and the strong Australian dollar, the impost that this new tax will have on this business will potentially add tens of thousands of dollars to the cost of materials and electricity without the ability to pass on these costs. For JAG and many other manufacturers and businesses like them in my electorate, this tax on productivity will certainly cost jobs.

Nothing affects the cost of living more than being unemployed. Those opposite claim to be the workers' party. As such, I now call on them for the sake of workers in my electorate—and electorates like it all around Queensland—to get on the phone to their cousins in federal Labor and tell them to stop this tax, to stop this madness. I say to the member for South Brisbane to get on the blower to her union mates. For the sake of workers, for the sake of working families, the unions must stand up and send a message to Canberra that this tax on jobs must be repealed.

Ms Trad: And you get on the blower to the public servants you sacked in your electorate.

Mr DAVIES: The member is a bit touchy. I say to the member to get on to her mates in the union. Paul Howes said that if the carbon tax costs one job, he will oppose it. It is costing more than one job, member for South Brisbane.

This LNP government is serious about the cost of living. We are committed to delivering results, not spin, and this bill is the first step towards reducing the burden that faces many families and business in Capalaba and the rest of Queensland. By delivering a four-pillar economy and reducing cost-of-living pressures, this government will be embarking on the challenging prospect of freeing this state from Labor's legacy of mismanagement and incompetence and we will begin to get Queensland back on track. I commend this bill to the House.