




Speech By  
**Annastacia Palaszczuk**

**MEMBER FOR INALA**

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**APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; REVENUE  
AMENDMENT AND TRADE AND INVESTMENT QUEENSLAND BILL**

 **Ms PALASZCZUK** (Inala—ALP) (Leader of the Opposition) (11.02 am): I am pleased to rise today—Queensland Day—to respond to the 2013 state budget. Queensland Day is the day we celebrate the birthday of our great state, the day we come together to revel in our good fortune at living in probably the best place in the country. Unfortunately, under this LNP government the best place in Australia has entered a frightful new era and the budget that its Treasurer handed down two days ago gives us nothing to celebrate. That budget is one of blatantly broken promises. It is a budget that betrays Queenslanders. It is a budget that lets Queensland down.

As I look around the House I see a government that is arrogantly pleased with itself. I see a government that has just as arrogantly used its huge majority in this place to abuse the trust placed in it by Queenslanders at the last election. They have presented a budget of broken promises: broken promises on taxes, broken promises on jobs, broken promises on debt, broken promises on deficits, broken promises on privatisation and, above all, broken promises on the cost of living. This is a Treasurer who, when he was in opposition just a year before the election and in June 2011 delivered the same response I am delivering today, promised definitively that he would lower the cost of living. He has failed and he has betrayed the people of Queensland. This is a Treasurer who, during that same speech, told Queenslanders that their electricity bills would be less under the LNP. He has failed and he has betrayed the people of Queensland. This is a Treasurer who also, at the same time, which was immediately after our worst summer of natural disasters, said an LNP government would not be caught short if they were in the same situation of having to carry out a mass repair and rebuild of our great state. This week he changed his tune and blamed the dismal state of his budget on floods and storms.

The LNP budget is a direct indictment on the character and the honesty of the Premier and his government. This is not the government Queenslanders thought they were voting for in 2012. It is a serial offender when it comes to breaking promises and it is Queensland families who are now paying the price. I ask each member of this place, including the Premier and the Treasurer, to actually get out amongst Queenslanders and hear what they are saying. More to the point, I challenge them to actually spend some time in their electorate offices and come face-to-face with those families who are hurting. I do and I can tell members that what is happening to the average householder in my electorate is simply horrifying. It is horrifying because people are struggling to pay the very basic bills. Such is the fear associated with an impending bill, they are literally living in the dark. Every time one of them opens one of those bills they will think of Campbell Newman's broken promises.

That is why today I am calling on Queenslanders to fight back against the Premier's assault on their cost of living. I am rallying Queenslanders to use their household accounts to hold the Premier to account for his string of broken promises. I am asking Queenslanders to ensure that they keep hold of their power bills, their water bills and their insurance renewals between now and the next election and then make a judgement as to whether the Newman government has truly kept its promise to cut the cost of living. Prior to the last election the Premier published a contract with Queensland which he

urged voters to keep so that they could hold his government to account for its promise on the cost of living. Let us see if at the end of this term of government he can really claim that that contract should remain valid.

The 2012 budget was dominated by the callous sacking of 14,000 Queenslanders and the cruel cuts to front-line services across our state, both of which were of themselves broken LNP promises. These cuts included front-line positions, such as the axing of around 800 nurses, despite the LNP's commitment to revitalise front-line health services. At the same time, the LNP was forking out money it said it did not have getting Liberal Party life member Peter Costello to produce a so-called independent Commission of Audit. Mr Costello is as independent from this government as Mal Meninga is from Queensland's State of Origin team. Of course, that is where the comparisons would end, largely because not even Mal would be raking in Mr Costello's \$3,300 a day to draft foregone conclusions. As the shadow Treasurer has already explained to the House, Mr Costello's \$2 million audit was simply a tool to create a make-believe crisis, a Trojan horse for the Premier's programs of cuts, sackings and sell-offs. Much of that carnage was already inflicted in the budget last year.

In my budget reply speech last year I said that the LNP's austerity drive would lead to slower economic growth and higher unemployment. The evidence is now clear. The Treasurer's own budget papers reveal an economy that is slowing and an unemployment rate that is higher. Today's unemployment rate of 5.6 per cent is higher than when the LNP was elected. In fact, unemployment under the LNP has already peaked above six per cent—higher than during the darkest hours of the global financial crisis. Around 24,700 full-time jobs have been lost under the LNP. If Queensland's participation rate was the same today as it was in March 2012 the unemployment rate would now be over seven per cent. Sadly, many Queenslanders who have been looking for work have been forced to give up. As it is, over the next year, Treasury expects the unemployment rate to average six per cent. That is a full half a per cent higher than when the LNP was elected. It makes the Premier's promise to track towards a four per cent unemployment rate by 2017-18 heroic at best. The budget shows unemployment in 2016-17 is forecast to be 5.25 per cent, meaning unemployment would have to drop by 1.25 per cent in just one year for him to reach his target.

By stark contrast, the Labor Party will continue to give jobs a top priority. That includes jobs for people who currently do not have one, job security and fair wages and conditions for those who do and the necessary and vital planning for the jobs of future generations of Queenslanders. There is nothing more important to Queenslanders than work. There is nothing more critical to holding families together than holding down a job. Queenslanders are hurting. They are disappointed and they are scared of becoming desperate. They are scared of not being able to pay the rent. They are scared of not being able to pay the mortgage. They are afraid that if they have not already lost their job they are in danger of doing so. This government talks about fighting the cost of living, but it sacks thousands of people and smothers growth, causing higher jobless rates. The fact remains that you have no hope of battling the rising cost of living if you do not have a job. Labor has a proud record of creating jobs, protecting jobs and preparing Queenslanders to enter the workforce. We have already committed to restoring the Skilling Queenslanders for Work program. Last year that program was savagely cut by the LNP, which cast aside the disadvantaged and long-term unemployed the program supported.

We are committed to retaining our best and brightest. Under the Newman government and its program of slashing jobs, we are in danger of losing a generation of our smartest minds. Under Labor's Advance Queensland policy, to be released later this year, we will bring together the best minds in the state in science, engineering, medicine and other highly skilled fields to stimulate and foster our reputation as Australia's most comprehensively knowledge based state. We will act to keep a new generation of Queenslanders right here in Queensland. We are committed to helping those who have been left behind by this government.

The reckless austerity drive imposed by the LNP has driven many Queenslanders to despair. Many people are out of work, many people are struggling to pay their bills and many people are struggling with the rising cost of living. However, there is almost nothing for them in this budget. The government has shown little in the way of compassion to those whose lives have been torn apart by its cruel cuts.

At the same time as unemployment is up and things such as the electricity rebate have been cut, the LNP has cut much needed funds for emergency financial counselling to our most vulnerable Queenslanders. Free financial counselling can help save those on the brink of financial collapse. A relative outlay by the government can make a huge difference to those reeling from the LNP's policy decisions. The opposition urges the government to immediately look into ways it could reinstate and also increase funding to those services. We also call on the government to pick up the phone and accept the federal government's offer to fund the Tenant Advice and Advocacy Service. The cutting of

TAAS funds is more politics from a government that is more interested in pushing Tony Abbott's barrow than securing real outcomes for Queenslanders.

What we have seen globally is that austerity generally leads to an economic slump. Here in Queensland, independent commentators and analysts, including Deloitte Access Economics, CommSec and the Commonwealth Bank, have already observed that the LNP's cuts are choking the economy. The LNP's economic slump, aggravated by the sacking of workers and cuts to front-line services and community groups, has led directly to a revenue slump. Falls in revenue include \$800 million in transfer duty and \$2.62 billion in royalties over four years compared to the 2012 budget. The Treasurer has complained about the lack of money flowing into Treasury coffers. Well Treasurer, if growth is strong, revenues are strong. If people are in jobs, revenues are strong. If companies have the confidence to invest, revenues are strong. If the Premier and the Treasurer do not spend a year denigrating the state's performance, talking about us being on a high dive into the abyss and comparing Queensland's economy to that of Spain, revenues are strong. This government has abandoned pro-growth policies and embraced pro-tax policies, placing Queensland in a difficult position. Even with the Treasurer's massive tax increases of nearly \$1.2 billion, this budget outlines increased fiscal deficits of \$1.38 billion in 2014-15 compared to the previous government, with a return to a fiscal surplus now not slated until 2015-16. Yet again, it is another broken promise. This surplus rides on the back of the LNG industry, an industry ushered into Queensland by the former Labor government. Labor initiated that industry from day 1. It has transformed areas such as Gladstone into the state's powerhouse. It is that industry that the government admits will now chart Queensland's economic future.

For all the Treasurer's attempts to spin the financial management of the former government, the indisputable fact is that that government delivered seven surpluses in 11 years. That includes surpluses in 2008-09 and 2009-10 during the depths of the global financial crisis. That was a time when global growth contracted for the first time since World War II. At the same time, Labor undertook a massive building program that not only delivered new infrastructure but also created and protected jobs. In stark contrast, the Treasurer is now presiding over the two largest fiscal deficits in Queensland's history. The Treasurer's increased deficits lead directly to the Treasurer's increased debt. Yet again, it is another broken promise. At the election the LNP's economic blueprint committed to reducing debt and every LNP frontbencher talked about reducing debt, yet today they are increasing debt as they increase taxes and send more Queenslanders to the jobless queue.

The LNP government inherited a net debt of \$24.92 billion, which was lower than in Victoria and New South Wales. Today net debt is \$32.5 billion and is set to increase to \$41.9 billion in 2015-16. When you compare net debt without the self-supporting debt of government owned corporations, the picture is even worse. General government net debt for 2014-15 will be \$634 million higher than that projected under the former Labor government. The Treasurer's claims that gross debt forecasts have been reduced since their election simply uncovered the uncomfortable truth, which is that the Premier has already broken his promise not to privatise assets.

Regional Queensland is feeling the pain from this budget. Almost 75 per cent of the government's capital spending is confined to the south-east corner. Their new Executive building in the Brisbane CBD remains the only big signature project that they have initiated for themselves. Queenslanders voted for the LNP because it said it would get Queensland back on track. In reality, this Premier has derailed economic growth and delivered fewer jobs, lower growth, higher debt, increased taxes and a higher cost of living.

If last year's budget took the axe to jobs and front-line services, this year's budget takes the sledgehammer to household budgets across Queensland. Before the election the LNP told Queenslanders that it would deliver savings to household bills of up to \$330 per year. That was yet another promise that was not worth the paper it was written on. This budget delivers an increase to household bills of around \$600. Families in rural Queensland are set to pay even more with the new emergency services tax of at least \$90 and the costs for people living in cyclone or flood impacted areas will be even greater as the insurance tax slug for home and contents potentially will be in excess of \$285 per year. It was this Treasurer, when in opposition, who said insurance taxes were a 'windfall on misery'. Now he is responsible for massively hiking insurance taxes, when some Queenslanders are struggling to rebuild their lives and their businesses after the recent disasters.

In 2011-12 taxes per person in Queensland were \$2,271. In 2013-14 taxes per person will be \$2,528. For an average family of four that is a \$1,000 increase in taxes since the LNP was elected. Whether it is car insurance taxes, home and contents insurance taxes, fire taxes or even payroll taxes, this government is sticking its hands in Queenslanders' pockets like never before. These tax increases come after the Treasurer promised in December last year that there would be no new taxes in this budget and just weeks after he said Queenslanders would not be 'taxed into their graves'.

Even traditional LNP supporters in the business community are feeling betrayed. The ongoing lack of confidence in business circles will not improve by the Premier and the Treasurer going back on their word when it comes to payroll tax deferrals. A hike in payroll tax, as well as the royalty increases announced last year, sends the wrong message to the business community. It will not help boost investment and it will not boost employment. What is worse, this government proudly boasts about its lack of action to support business and generate jobs. The Premier and the Treasurer repeat their mantra that their government is 'an enabler' not 'a doer'. In other words, instead of a can-do government we are saddled with a do-nothing government—one that will not take the lead.

The LNP's unprecedented attack on household budgets is most obvious in its broken promise on electricity prices. As confirmed by the QCA last week, the LNP is delivering the biggest increase in the regulated electricity price in Queensland's history. When electricity prices went up by 6.6 per cent during the last year of the former government, the LNP said Queenslanders were being belted. The increase that the Premier has presided over is almost four times as big.

At the last election, the Premier told families and pensioners and people on low incomes that he would find a way to reduce the burden—to 'lower your bills', in his words. He broke that promise last year when prices went up by \$140 on average. Next financial year power bills will increase by 22.6 per cent or \$268 on average. It is even worse for elderly people living alone, with bills to rise by a whopping 27.9 per cent.

The Premier can spin it how he likes, but the massive increase in bills between this year and next year is solid proof of his broken promise. It was telling that the Premier and senior ministers did not have the courage to front the media last Friday to explain themselves. By arrogantly saying nothing they told Queenslanders everything about what kind of government they really are.

But let me remind the House and Queenslanders of the words of the Treasurer in his speech in the budget debate back in 2011. This is what he said—

Under our plan the LNP would be able to offer Queensland households lower power bills than Labor.

Let me repeat those words—

Under our plan the LNP would be able to offer Queensland households lower power bills than Labor.

Well, Treasurer, Queensland households are waiting for your offer. It is not just electricity prices that are rising, despite the Premier's promise to lower the cost of living. Bulk water costs will go up by \$49 for the average household next year, with additional increases in retail prices still to be announced. Registration bills are going up too, thanks to the CTP increases which the LNP included in its pre-election promise to cut the cost of living.

The Premier tries to deflect criticism about his list of broken promises by pointing to the reintroduction of the principal place of residence concession. What he does not say is that he paid for it by abolishing the first home owner grant on existing homes, making it harder for young people to enter the housing market, and by hiking transfer duty by \$361 million.

It is time to put some facts on the table when it comes to health funding in Queensland. Labor undertook the largest ever hospital building program in Australia. We fixed the decades of neglect that allowed the system to deteriorate under previous Liberal and National Party regimes. Labor built new hospitals in Brisbane and invested in new facilities and major redevelopments across our regional centres. The people of Rockhampton, Cairns, Mackay, Townsville and Mount Isa know that their major hospital upgrades happened under a Labor government. The people of the Gold Coast understand that their brand-new hospital was built by Labor.

By contrast, the LNP government now want to privatise essential services which will mean job cuts, higher costs and poorer quality services for patients. In the first year of the LNP well over 4,000 health jobs were earmarked to go, and we lost a generation of dedicated health workers. This budget has continued the LNP's assault on our free public hospital system. This budget shows that there are 4,640 fewer health staff in 2012-13 than in 2011-12. It cuts outpatient services by 70,000 appointments. The LNP has cut state funds for elective surgery and specialist outpatient clinics so fast that it is failing to meet basic targets to improve these services. The rapid decline in these core hospital services is causing real pain in the community as people are forced to wait longer for operations and longer to see a specialist in our public hospitals.

The health minister refuses to acknowledge that fundamental health services are a fundamental right. That was evident in his response to the opposition's proposal to give child-care centres the right to refuse entry to children who have not been vaccinated. Vaccination should be a bipartisan issue because scientific research has put the issue beyond politics. Our legislation is before the House, and I urge everyone to support it.

The approach to education in Queensland provides one of the clearest delineations between the government and the opposition. Quite simply, Labor believes in investing in schools not selling them off. For the education minister to release a list of lot numbers instead of addresses and school names in response to a legitimate question on his asset sales was yet another display of LNP arrogance. This government does not understand the very real sense of fear and anxiety parents are feeling out there in their local communities. That is only being exacerbated by the lack of compassion displayed by the Premier and the minister.

Labor believes in innovation in education. That is why I recently released a discussion paper on single-sex public schools in Queensland, seeking the views of parents, teachers and other stakeholders. We are consulting with local communities and schools about this proposal and will talk more about this in the future. That is just one of the discussion papers we will be releasing to hear the views of Queenslanders as we develop the policies we will take to the next state election.

Education and training will be a major focus of our policy initiatives. Education should boost the state's bottom line by creating a skilled, more productive workforce, not by having its assets flogged off to the highest bidder. Labor stands with the parents, students and teachers of Queensland and strongly opposes the LNP's sell-off of our schools.

Labor also joins the overwhelming number of teachers and parents supporting recommendations of the Gonski review. The Gonski review is all about establishing a fairer school funding system and recognising the needs of individual students in Queensland. It is about improving school performance so we give our kids the world-class education they deserve. Sadly, it has become a political plaything for Tony Abbott and this Premier who put their political interests ahead of what is best for our students.

Madam Speaker, Labor would work with the federal government to implement the Gonski reforms, and we urge this government to do the same. The fact is that funding for the Premier's own plan has been scuttled by the legislation passed in the federal parliament. I understand that he is now \$535 million short for his education commitments which rely on federal funding contributions. So where will he find the money? Instead of playing politics, the Premier should allocate the funding for his own education plan to support Gonski.

Labor believes in supporting growth in the Queensland economy. Labor's tough decisions during the global financial crisis—to invest in infrastructure and protect jobs—saved our state from recession and kept thousands of people in work. Because we maintained infrastructure spending, Queensland is positioned to grow strongly into the future—something both Treasury and Deloitte Access Economics have publicly acknowledged. This will be a return to growth—despite this LNP government and not because of it.

When the LNP was elected, the budget was on a path back to surplus in 2014-15 without any mass sackings or slashing of front-line services. This was reaffirmed in an assessment by the Queensland Treasury Corporation after the election. We remain committed to a return to a AAA credit rating but not at any cost. It is important to map out a sensible medium-term strategy, one that does not undermine service delivery or jobs.

Unemployment under the LNP has already peaked well above levels recorded during the worst conditions of the global financial crisis. During the GFC, the previous government acted to support the economy with \$60 billion of generational infrastructure investment over four years. That investment included a major hospital building program that will benefit future generations. If debt had not been utilised to build infrastructure during the GFC period, we would likely be facing a scenario of a smaller economy with lower or forgone government revenues.

I make these points because it is important to remember that returning to surplus is not simply a matter of slashing, cutting and selling. It is not about shifting numbers on a balance sheet. It requires sound policy development and recognition of the need to invest in our most important asset in Queensland—our people—to invest to support jobs, to support our communities and our way of life, to develop the industries of the future and to maximise the productive potential of the industries we already have.

The people of Queensland put their confidence in the LNP. They put their faith in the LNP. Above all, they put their trust in the LNP. They put their trust in this Premier not to pull any rabbits out of a hat but simply to deliver on what he promised. Under any objective assessment, the Premier has abused the trust put in him by Queenslanders. He has broken promise after promise after promise. He has implemented his own political agenda after promising to govern for all Queenslanders. He has lifted the tax burden on business at a time of great challenge, and he has dramatically increased the cost of living for Queensland families.

Queenslanders put their trust in this Premier, and he has repaid them by cutting too hard and too fast, while increasing debt and increasing taxes. He is not the Premier and this is not the government people voted for just more than a year ago. Queenslanders have every right to feel betrayed and disappointed. Yesterday the Premier made the wild claim that his broken promises put Queensland householders massively out in front. That just shows how out of touch this government is. Far from being in front, the Newman government is taking Queensland backwards with lower growth, higher taxes, higher unemployment and higher deficits. The only bright spot on the horizon is the potential revenue flowing from the major resources projects Labor initiated. Their strategy for surplus is built entirely on the back of the LNG industry that Labor kick-started.

The strength of Labor's vision for Queensland is that it is based not only on pragmatic policy and sound financial management but also on values—things like a decent education for Queensland students, no matter their background; decent health care for Queenslanders, no matter the size of their pay packet; giving young Queenslanders the tools to forge their own destinies; protecting the dignity of work, supporting families and strengthening their communities; and recognising that people can fall on hard times through no fault of their own and may need some support.

Labor fundamentally believes in equality, opportunity and fairness—in simple terms, a fair go. Labor believes in every person having an equal opportunity to achieve their goals and maximise their potential and that everyone is entitled to common decency, irrespective of who they are. And decency, Madam Speaker, starts with trust.