




Speech By
Hon. Anastacia Palaszcuk

MEMBER FOR INALA

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APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; REVENUE LEGISLATION AMENDMENT BILL

 **Hon. A PALASZCZUK** (Inala—ALP) (Leader of the Opposition) (11.01 am): Today I rise to respond to the 2014 state budget. I rise on behalf of those Queenslanders who have been betrayed by the Newman LNP government in yet another budget of broken promises, a budget of betrayal. I rise on behalf of the 20,000 workers who were sacked after being told their jobs were safe. I rise on behalf of the job seekers in this state who were told unemployment would drop to four per cent. I rise on behalf of every single Queenslanders who receives an electricity bill and was told it would get lower. I rise on behalf of the pensioners, the most vulnerable group in our community; the people who this government treated worst of all in its budget. I rise on behalf of all Queenslanders who potentially will see their precious state assets squandered, despite being told that the LNP had a plan to pay down debt. I rise on behalf of those who do not have a voice or whose voices are not heard under this government and who have been sadly let down by its string of broken promises.

This week families are sitting around their kitchen tables, wondering just how they will absorb the pain of this Newman government. How will they pay their skyrocketing electricity bills? What happens if they lose their jobs? Will there be another job? Will they lose the roof over their heads? What else could they or their kids do without, so that the electricity bill can be paid? New school shoes? Books? The school excursion? Even the simple treats like a trip to the movies or the yearly family holiday at the beach are now fast becoming out of reach. Those are choices that families will be forced to make, thanks to the Newman government.

This government simply does not understand the pressures families face. It does not understand the concerns and the problems of those whom they force to sit around kitchen tables and make those sorts of hard choices. It would be good for them to visit a few family homes and sit down with families at their kitchen tables to hear their concerns, but they will not. The Newman government does not understand that, when things get tough for families, a decent government does not kick them when they are down. Under the Newman LNP government, big business comes first, families come last and anyone unfortunate enough to be looking for a job in this state does not stand a chance.

In this budget, our most vulnerable seniors were dealt the heaviest blow. Pensioners turning off lights, stoves and heaters in winter, sitting in the cold and the dark: that is the bright future the LNP had in mind for them. In Inala yesterday, Evie, Glenda and Pam told me how they would struggle to make ends meet. Some pensioners already turn off all power to save on their bills because of the broken promises of this government. Is that a bright future? Is that the way to treat people who have worked hard, paid taxes and, in many cases, put their lives on the line in wars when our country asked them to? I know all members are being told in no uncertain terms how pensioners feel about this government. One pensioner, Ralph from Marsden, called in to my office to say that he felt betrayed by the attacks on pensioner concessions, betrayed by this government and its budget of betrayal.

Today we see a government that was forced by the opposition and the backlash from the community to change a decision it should never have made in the first place. Yesterday, the cuts to concessions were an essential part of this Treasurer's financial strategy. Today, they are gone. What does that say about this Treasurer, this government and their competence to manage the state? This government has disappointed so many, including Queensland seniors. Pensioners will never forget how this government treated them. The cuts to the pensioner concession should never have been in this budget in the first place.

Young Queenslanders who are victims of this government's indifference to our state's youth unemployment crisis will also be disappointed at a budget that does nothing for them. I think the vision of a bright future that the LNP spin doctors are trying to peddle through their taxpayer funded propaganda campaigns might be somewhat blurred. Unfortunately, the third budget of the Newman LNP government is like its two predecessors: a budget of broken promises and twisted priorities. Let us recap some of the things we have seen from the previous two budgets: massive cuts to health and education funding; mass sackings of up to 20,000 people; nurses and teachers losing their jobs; cuts to front-line health services delivered by community groups; cuts to funding for 500 not-for-profit groups in the community services sector alone; more than 400 positions abolished in our TAFE system; cuts totalling \$3 billion over four years in the health system; 4,000 job cuts in hospitals and other parts of our health system; jobs gone across our state in RoadTek, QBuild, Goprint, QFleet and other government business units; attacks on our public housing tenants; the scrapping of tenant advisory services; and who can forget the elderly residents forced to move out of Eventide and the Moreton Bay Aged Care Unit? Labor will never let Queensland forget their legacy.

All of those cuts to services and massive job losses cut a swathe through our regional communities and regional economies. People shut their wallets, they stopped spending or they left town or even Queensland to look for work elsewhere. I have been travelling the length and breadth of Queensland, visiting numerous regional centres across our state: Cairns, Townsville, Charleville, Mount Isa, Bundaberg, Gympie. In all of them I have heard firsthand accounts of the impacts of the Newman government's cuts. This is a budget from a government that puts a higher priority on funding its self-serving propaganda campaigns than on softening the blow for pensioners hit by the loss of concessions. The Newman government should have ended its wasteful ad campaign and then used the funds to ease the burden on pensioners. Up to \$20 million from this advertising campaign could have been used in this budget to help restore concessions and the rest could have come from the \$44 million allocated for funding the government's alcohol fuelled violence initiative. If industry carried that cost, seniors would never have lost the concessions they deserve. There is a basic flaw in the allocation of those funds anyway, because that money does not tackle the central issue of trading hours for licensed venues. If the government was not so arrogant and actually did what the community wants, which is to cut trading hours, as Labor has proposed, alcohol fuelled violence would be reduced and such a large sum would not be needed.

This is a budget from an out-of-touch government, and from a Premier and a Treasurer with a do-nothing philosophy of government. This is a government of no vision. They see government services as chattels to sell off so that their mates can make a profit, not as sources of vital support for those who need them. In this budget we see a continuation of that destructive approach and the continuing fallback on that old chestnut, the blame game, even though this is the third LNP budget, and this Premier, this Treasurer and this government are 100 per cent responsible for the state we find ourselves in. Remember, Premier, you pledged to take responsibility after two years. Your two years is well and truly up.

Labor rejects the government's approach. Labor first and foremost believes that budgets should help people, not hurt people. Above all, we believe in jobs—real jobs—because it is real and fairly rewarded jobs that help power our economy. Having a job helps families meet the cost of living. It is jobs that keep our state and our regional economies growing. A job gives every man and woman dignity. We believe in generating jobs for the future, not casting people adrift and aside. The LNP has proven that it can only destroy jobs. It has no capacity to create new jobs and no desire to protect existing jobs.

The LNP's slash-and-burn approach to jobs and their desire to drive down wages and conditions has been seen to fail in the past two years. This lazy, do-nothing government thinks of workers as merely numbers to be reduced. They see wages as burdens to be shrunk. They see workers' rights as impediments to profits to be wiped away, regardless of the human toll. Labor in the past, today and in the future stands for jobs and a fair go for those in work, those who want to work and those who will be trying to enter the workforce in the future. We believe in hope and opportunity.

Where this budget should deliver vision, it delivers arrogance. Where it should support those in need, this budget increases hardship. Where it should ask for collective effort, it increases the burden

on the few. And where it should chart a course towards job creation, growth and prosperity, it rewards big business, is indifferent to small business and leaves individuals and families to flounder.

Under this budget, Queenslanders will get a surplus and a deficit: a surplus of arrogance and a deficit of fairness. They get higher taxes, a higher cost of living—especially higher power bills—but with fewer jobs, and asset sales they simply do not want. They have to tolerate an arrogant government breaking key promises made just a little more than two years ago. They must watch a self-indulgent government pile the pain, cast the burden onto those who cannot fight back while using every opportunity to raid the public purse to look after itself. This is in stark contrast to the way the people of Queensland would like to see their future. Labor stands with them every step of the way.

On the important measure of jobs, the government has failed. It inherited a jobless rate of 5.5 per cent, promised to head to four per cent over six years, but has most recently delivered a rate of 6.3 per cent. That is above even the levels seen in the global financial crisis. The 2014 budget shows unemployment predicted to be 5.25 per cent at the end of the six-year period—another fail; another broken promise.

As Queensland families know, the best way to deal with the Premier's broken promise on the cost of living is to have a job and to keep a job. The independent ABS data shows that there are 11,000 fewer full-time jobs in Queensland in April this year than there were when this Newman LNP government was elected. That is 11,000 fewer full-time jobs in this state after more than two years in office.

Under the Newman government, youth unemployment has risen from 11.9 per cent at the election to 13.4 per cent in April this year. These are the facts that the Premier and the Treasurer cannot run away from. Instead of accepting that youth unemployment is a problem, this government prefers to put its head in the sand.

Unlike the LNP, Labor stands for jobs. We will not stand by while workers are left on the scrap heap by the uncaring and arrogant Newman government. We will not stand by while the most vulnerable members of our community are abandoned by the LNP. We will not stand by while our state is run into the ground by the failures of those opposite. Labor has always been the champion of the worker and Labor always will be the champion of the worker. We will stand up for families. We will stand up for jobs. We will stand up for all Queenslanders. Labor believes in the dignity of work.

In fact, Labor believes that a government's role is to encourage and develop industries that provide meaningful and sustainable job opportunities for workers. In Queensland's case, this means creating an environment where collectively, as a community, we harness our strengths to make the most of our competitive advantages. In doing so, we provide Queenslanders with hope for a positive future.

Today, I announce that Queensland Labor will establish Jobs Queensland as an independent statutory authority providing advice to government on skills demand and long-term workforce planning. This new industry led authority will have a strong, independent and commercially focused board with a mix of industry leaders, experts in market and regulatory economics, as well as accounting or financial management, and employee representatives. Jobs Queensland is all about getting government refocused on jobs and job creation.

Under a Labor government, the state would again take responsibility for supporting the long-term unemployed, young people and our Indigenous population to achieve the dignity and necessity of work. Unlike the LNP, we recognise that job creation is central to improving the state's financial position. Jobs Queensland will work directly with relevant industry bodies. Proper workforce planning will allow skills providers to offer courses to meet future employment opportunities and for regions to have local workers skilled and able to capitalise on job opportunities so that the use of drive-in drive-out and fly-in fly-out workers can be minimised.

In the past decade or so Queensland has experienced a major transition in its economy, broadening its base and shifting towards a knowledge based economy that supports highly skilled workers in well paid jobs. Labor wants to continue to harness these opportunities so that Queensland workers have access to the new, high-tech jobs of the future. It was a Labor vision that modernised Queensland's economy and it will be a Labor vision that fosters the potential of our economy into the future.

That is why Labor has announced its Advance Queensland—Jobs for the Future initiative, which will be a key part of our overall jobs plan. The LNP says we should only rely on our traditional strengths—the so-called four pillars—and has no vision apart from our continued role as a farm, a quarry and a beach. But the LNP's policy fails to recognise that these industries comprise less than half of Queensland's economic activity.

The Newman government has no answers for the rest of the economy. It also fails to recognise that we need to diversify our economy to provide sustainable employment prospects for working people. Furthermore, the LNP has only one goal—overcoming its disastrous performance of the past 26 months to try to win a second term in office. Its vision does not extend beyond March 2015.

Advance Queensland—Jobs for the Future is part of Labor's alternative vision for Queensland: a vision that includes providing the catalyst for nurturing the knowledge based jobs of the future. Labor is focused on creating long-term, sustainable jobs for our children and grandchildren. Advance Queensland looks beyond the three-year political cycle and aims to support research and innovation that will help improve our economy for many years to come. It is designed to attract and retain the best and brightest minds here in Queensland. Advance Queensland is unashamedly focused on creating jobs and shows that Labor stands for jobs. The LNP stands for job cuts.

Labor will put an end to the brain drain in this state caused by the cuts of the Newman and Abbott governments to research and innovation. We will work together with leaders in industry and our universities to identify and promote research and emerging industries in engineering, life sciences, agriculture and science. In addition, research fellowships will form a significant part of that effort.

Since flagging Advance Queensland last year, the opposition has held consultation with research leaders and industry, including a roundtable and other discussions. I have been out on the ground visiting several of our world-class research institutes, including QIMR Berghofer and the Queensland Brain Institute. I have seen firsthand the groundbreaking work being undertaken by both home-grown scientists and many from overseas who have come to take part in our outstanding Queensland research projects. Through this consultation, we received worthwhile and insightful feedback about future directions for research and innovation in our state. Labor will talk to Queenslanders about this exciting vision for Queensland's future and finalise this policy with their input.

Labor recognises the need for greater investment in research and innovation. So do others who appreciate the changing jobs market which young Queenslanders in particular will need to navigate. Nobel prize-winning Australian immunologist Professor Peter Doherty—a former Australian of the Year—has made his views clear on social media in recent weeks. In response to the disastrous 2014 federal budget, he said many areas on research will be 'even more underfunded'. The fear is this move will give the Abbott government an excuse not to fund medical research itself or other areas of research and innovation.

Respected Australian scientist Professor David Sinclair, a world-renowned geneticist at the Harvard Medical School, whom I met last week, made the following comment while he was visiting Australia—

What we lack ... is constant backing by the government. In the US, the funding is at a much higher level per GDP and the funding is more constant ... We know that we get back \$2 for every \$1 invested in science. And, if you end up having a daughter who has leukaemia, I think skipping a coffee or a beer occasionally would be a reasonable price to pay for a cure.

Last week I attended the Australian Medical Research Society Awards where the point was made that in our lifetime we will see more scientific breakthroughs than the world has seen to date. Over our lifetime we will see a revolution in our understanding of genetics. Labor believes we must be part of that future. We cannot be left behind. We need to be at the forefront. If the LNP will not listen to that feedback, perhaps they should listen to their own Chief Scientist, who in the 2013 *Health of Queensland Science* report said—

Queensland investment in R&D is low by national and international standards. We should consider investing a higher percentage of our Gross State Product ... in R&D by 2020.

Unfortunately, the arrogant LNP government has refused to listen to the experts' advice. Research and innovation has not been spared the slash-and-burn approach of the Newman LNP government. Funding for Innovation and Science Development Services within the Department of Science, Information Technology, Innovation and the Arts was cut from \$126 million in 2012-13 to \$67 million in 2013-14.

The LNP has released a Science and Innovation Action Plan, but it consists mostly of existing activities within government departments and the continuation of projects initiated by Labor. It contained some new funding for fellowships and partnerships, but these total only \$8.75 million to be spent over three years—and do not make up for the massive cuts to research and innovation over the past two years. Labor does not agree with the LNP's approach. I know that Queensland has the potential to make things, not just extract things.

Labor will work to build a strong, productive and diverse Queensland economy with strong public finances where Queenslanders can reach their potential for greater prosperity. The Advance

Queensland initiative will reinvigorate research and innovation in this state to help create the knowledge based jobs of the future. It will attract and retain the brightest minds to Queensland to be at the forefront of discovery. Queensland has a choice: a future of high-tech jobs and a rising standard of living, or a poorer future with less skilled jobs and lower wages. Our efforts must also ensure young Queenslanders are encouraged to be part of this exciting future through the promotion of science courses in our schools.

In 2012 the Newman government showed what little regard it holds for jobs when it scrapped the successful Skilling Queenslanders for Work program that funded a range of training schemes at a cost of just \$90 million a year. Skilling Queenslanders for Work was abolished just days before an independent analysis showed it returned almost \$8 to the community for every dollar it cost to run. That is because it put people in jobs where they did not need welfare support and were contributing through their taxes and their own spending to the health of the economy.

Under the former government, the program helped 57,000 people into a job. But once again a short-sighted and vindictive LNP decision to cut the program flies in the face of logic and the facts. One of my first commitments I made to the people of Queensland was that Labor would refresh and return the Skilling Queenslanders for Work program as soon as we are returned to government. This program means too much to too many people to be cut. Young people struggling to get a job firstly need hope; then they need skills. Labor's Skilling Queenslanders for Work has been shown to give them both, which is why it is so important to be reinstated.

As part of that, Labor has a Ready for Work policy to assist school leavers into work and build on the success of Skilling Queenslanders for Work. By working with local P&C groups and other organisations we will give young job seekers the practical tools they need to seek work—basics such as CV preparation, interview skills and where to look for jobs, plus practical assistance on how to apply for work. Assistance for these young people will also be provided to help them access literacy and numeracy programs for adults or other services already in place, if required.

Labor also has a policy to provide employers with an extra payroll tax rebate of 25 per cent on the wages of all apprentices and trainees. This is on top of the current situation where the wages of apprentices and trainees are not subject to payroll tax, so employers engaging apprentices and trainees will see savings on their current payroll tax assessments. Effectively, this policy provides employers with a 125 per cent rebate for apprentices and trainees. That is a plan to help business employ young people and skill up our workforce for the future.

The 2014 budget has been delivered against a background of more than two years of broken promises. Before the 2012 election the LNP said it had all the answers and all the plans to stimulate the economy, create jobs and cut the cost of living. The current Treasurer said before the election he had a plan to cut the price of electricity. He said he had a plan for economic growth without the need for asset sales. The Premier said he had a plan for a four per cent jobless rate. What happened to them? We have never seen any of those plans.

The Premier said in his *Contract with Queensland* he would cut the cost of living. We have seen a broken promise for ongoing savings of \$80 a year on water bills for all Queensland households. After the election that became a one-off rebate just for the south-east corner. The Premier said he had a plan to freeze car rego, but after the election said it did not cover CTP, which every vehicle owner knows is part of their rego bill. Queenslanders know that when the LNP says it 'has a plan' it means it has a plan not to honour its promises. It means a plan to cut jobs and services, and make life tougher for those it promised to lend a hand.

After the 2012 state election and the 2013 federal poll, voters know only too well the LNP cannot be trusted. They know not to believe anything the LNP says. We saw that trust betrayed in the first Abbott budget. We again saw it betrayed in the third budget of the Newman government. The first Newman budget was all about sacking people, taking away their jobs and cutting front-line services. They sacked up to 20,000 government workers because they needed to find the money for their unfunded election promises that totalled \$4 billion—more than double the cost of promises made by Labor.

In the first Newman budget, front-line services were slashed and Queensland recorded its worst result for jobs growth in more than two decades. The second Newman government budget delivered only more broken promises on the cost of living and higher taxes. It increased taxes on a family of four by \$1,000 a year, including the emergency management levy and hikes to insurance duty. And those higher taxes on insurance came from a Treasurer who had previously described such imposts as 'a tax on misery' because of their impact on those who are at risk or those who have suffered from natural disasters. Now we have the third budget of broken promises—this time delivering more asset sales. They are asset sales Queenslanders said very clearly in 2012 they do not like, they do not want and they do not support.

Recently we have seen amateur dramatics by the Premier and Treasurer as they pretend to be surprised at the hatchet job Tony Abbott's budget did on jobs, services, low-income Queenslanders and state grants. Why would anyone in the Queensland LNP be surprised when Tony Abbott has simply been following the Campbell Newman blueprint? In fact, as far back as August last year the Premier was urging Tony Abbott to make the sorts of cuts he had already inflicted on Queensland.

The Premier's first two budgets increased unemployment and debt while putting the economy to sleep. This is another budget that fails to manage the economy in the interests of working people. It is important to reflect on what the Premier said in February of this year: 'It is going to be a great year because my firm view is that it is a year it all comes together for Queensland.' Queenslanders know that it is not 'coming together'; it is falling apart and Queenslanders know who is to blame.

After more than two years and three budgets, this Newman LNP government is still not listening to Queenslanders. After the Redcliffe by-election the Premier said that he would listen more, but just like other promises that one has been broken, too. Take, for instance, the message that has come through loud and clear in the LNP's wasteful and blatantly political Strong Choices self-promotion campaign. Even after squandering more than \$6 million in supposedly scarce taxpayers' funds, the Newman government simply ignores the feedback it has been given.

For the benefit of the Premier and the Treasurer, let me summarise that feedback: no asset sales. It is typical of this government that it will ignore the voices of voters and try to ram asset sales down their throats and will not hesitate to raid the public purse to help it do so. If this government were truly listening to Queenslanders, if they had not already made up their mind, then they would not be continuing with their plan for a mass asset sell-off in this third budget of broken promises.

Even a cursory look at the Treasurer's third budget shows an indisputable deterioration in Queensland's economic position since the LNP was elected. Despite the Treasurer saying there are no new taxes in the 2014 state budget, Queenslanders will be paying more. Like the first two budgets of the Newman government, the 2014 state budget lifts the overall tax burden on Queenslanders. Taxation per person has increased by \$73 from last year's budget or \$292 for the average family of four. Taxation per person is now \$330 per person higher than when Labor left office. This means that taxes for the average family of four have now gone up by \$1,320 under the Newman government from \$2,271 under Labor to \$2,601 in this budget. That is from a party that promised to save families money.

The Premier and the LNP told Queenslanders before the 2012 election that they had plans to boost the state's economy, generate growth and throw the state 'open for business'. The 2014 state budget proves there never were any such plans. It shows growth at three per cent compared with more than four per cent under Labor; business investment at minus-20 per cent in 2014-15; and private investment expected to contract by 11.25 per cent in 2014-15. A six per cent growth figure is projected for 2015-16, which is almost entirely from a 22.5 per cent lift in overseas exports reflecting the ramp-up of the LNG export industry. Let me remind the government and every member in this House that this is an industry initiated and fostered by former Labor governments. The only salvation in this Budget, the only vision for the future, is the one inherited from Labor—the one they opposed in opposition: the LNG industry.

Despite promising to seek a mandate for asset sales, this Newman government has already sold \$11 billion in assets without voter approval. We have seen schools, TAFEs, strategic hospital land, office buildings and Queensland Motorways to name but a few. This is the main reason the Treasurer can parade around with a lower projection for peak debt, because he has already broken his pre-election promise not to sell assets without a mandate. The Treasurer has already been caught out over the advertising spend on his political propaganda which has been revealed as close to \$12 million, not \$6 million. We are hearing rumours that it is closer to \$20 million.

Despite this desperate advertising spend and the misleading political spin saturating our televisions, radios, newspapers, and websites, Queenslanders still told the Treasurer that they do not want asset sales. The only option they were offered was 'private funding' of electricity and this was only because there was no mention on the website that this is a model for privatisation. Poll after poll show Queenslanders overwhelmingly oppose privatisation. It is clear that this arrogant Newman LNP government has made up its mind on asset sales and it is clear that they still are not listening to Queenslanders.

Unlike the Newman government, Labor in government would deliver a measured approach to paying down state debt. We listened to Queenslanders after the last election: they do not want their assets sold off. The Treasurer has already admitted that his proposed asset sales will not return Queensland to a AAA rating. His proposal is not a fix. It is nothing more than a short-term sugar hit to fund LNP election promises. It is not a long-term plan for structural reform. It is important to remember that the LNP said they had a plan to pay down debt while opposing assets before the last election.

They never released that plan and now they have total state debt on track to reach \$82 billion after already selling \$11 billion in assets without a mandate. Asset sales are the only plan the Newman government has for debt. The 2014 budget shows a blow-out in the fiscal deficit of \$1.9 billion compared with the previous Labor government's projections in 2013-14 and another \$1 billion blow-out in 2014-15. After racking up two larger fiscal deficits, this Treasurer is now telling us that he must sell off Queensland's income-earning assets; that we must hand away a long-term revenue source for our state.

Government owned businesses in Queensland deliver a return of more than \$2 billion a year for the taxpayer after servicing the payments on the \$32 billion in debt they hold. The LNP's plan is to lower this self-supporting debt by selling government businesses that cover their debt costs through charges, such as the charges at the Port of Townsville or Gladstone. I have been to those cities and met the local residents. They do not want their port sold because they know the next steps will be cutbacks on conditions and cutbacks on jobs. Those types of cuts then have a ripple effect throughout the local economy and community as people go elsewhere and fewer people spend locally. This government does not understand regional Queensland.

Meanwhile, this government has allowed debt that is not self-supporting—called general government debt—to rise by \$12.8 billion. When Labor left office, Queensland had the lowest general government net debt in the country at negative \$3.2 billion. That is the debt position of assets that are not self-supporting while factoring in the assets we own. This debt measure is now approaching \$11 billion under the Newman government. It is the same debt measure referred to by the Treasurers of Victoria, Western Australia and New South Wales in their budget speeches. But you will not see reference to general government net debt in the Queensland Treasurer's budget speech because this Treasurer wants to talk about gross debt including government owned businesses to push the LNP's case for a mass asset sell-off.

The LNP's asset sales approach will only lead to a higher cost of living from higher charges in order to fund election promises. The revenues from the businesses sold will be lost for future generations. This is not a strategy for structural reform of the budget; it is a political strategy tailored to keep this arrogant Premier in power by providing him with a slush fund to buy his way back into office. Labor's plan will involve keeping these assets in public hands and using the returns they deliver to lower general government debt and invest in new infrastructure across the state. We will be releasing a comprehensive plan ahead of the next state election to pay down the increase in general government debt under the Newman government.

As I outlined earlier, the LNP's Strong Choices propaganda campaign is all about moving the goalposts on their commitment to pay down debt. The LNP went to the election saying that they would pay down Labor's debt. They did not commit to having a lower debt projection than Labor—that was not the promise, as much as they try to spin it now. Under the Newman government, debt has not been paid down; in fact it has increased by \$13.8 billion. Despite all their hysteria, they never breathe a word about what the former government's budget strategy delivered. The government has quite intentionally attempted to mislead the people of Queensland with horror stories—not to mention a taxpayer funded Strong Choices advertising campaign—around Queensland's fiscal position. It has been fuelled by two years of over-the-top rhetoric, including the Premier's internationally embarrassing comments comparing Queensland to Spain.

If you listened only to the Premier, the Treasurer and other ministers, you would think that the former government borrowed money and just tore it up or set it on fire. They never mention the huge intergenerational infrastructure projects Labor built right across this state. During the Redcliffe by-election, the Premier was happy to tout the Moreton Bay Rail Link but I did not hear him objecting to the debt that funds that project. I have not heard him decry the debt that has seen the building of the world-class Queensland Children's Hospital and the Gold Coast University Hospital or the extensions to the Mackay Base Hospital, the Cairns Base Hospital and the Rockhampton Base Hospital. I have not heard the transport minister congratulate the former government for borrowing to build the Gold Coast Rapid Transit project. He is happy enough to ride on it, show it off and smile for the cameras but he cannot acknowledge who actually committed to the project. I definitely did not hear government ministers acknowledging the borrowings used to build the water grid when that infrastructure was used to produce clean drinking water during the recent floods. Without it, Australia's third largest city could have potentially run out of drinking water.

They also never mention the jobs these major projects created or saved in the global financial crisis. Yet LNP ministers are happy to attend the openings and cut the ribbons on these projects which they never would have built. In all the pictures of LNP ministers and backbenchers opening facilities or cutting ribbons on Labor projects across the state, I cannot remember once reading about them condemning the former government for borrowing funds to build those projects. The fact is that

Labor borrowed to build and to create or save jobs in the global financial crisis. The alternative was to stand still and do nothing. And if Labor stopped, Queensland would have stopped. That would have led to skyrocketing unemployment, regional economies crashing and an infrastructure deficit that would be hurting us to this day. Queenslanders are reaping the benefits, and the arrogant and hypocritical LNP takes credit when it suits them. But what have they done? What have they built? After almost 2½ years, what is the Newman government's list of similar major projects? It is a blank piece of paper. Even its unnecessary and self-indulgent new executive building is not a government project.

Now, the same Treasurer wants to strike a similar 'good deal' on our state's electricity assets. Not only are the Newman LNP government committed to the mass privatisation of Queensland's electricity assets—which will lead to higher prices and lower reliability—they are also now deregulating prices in South-East Queensland. It was only last year that the Premier was saying, 'I believe the electricity assets that we own as a state of Queensland should be owned by the people. I don't support privatisation, nor do I support deregulation.' They are the Premier's own words. In his contract with Queensland, the Premier told every household in the state he would lower power prices by \$120 a year and that the LNP would control power price rises. 'Take your bills to the ballot box,' he said. Now the Premier has walked away and said he can only leave it to the private sector to control electricity prices—a private sector that will have more control after his mass sell-off of power assets and the electricity network. This represents yet another broken promise from a Premier who has overseen a record increase in power prices under his watch.

In the 2013-14 financial year, Queensland recorded the largest percentage increase in power bills on average in the state's history. Power bills went up by 22.6 per cent, or \$268, on average. If only a carbon price and environmental policies were a factor, this increase would have been just three per cent according to the Queensland Competition Authority. The responsibility for this record increase in electricity prices lies at the feet of the person who promised in a contract with every Queenslanders that he would lower them by \$120 a year—the Premier—and now power prices are set to rise by another \$192 in 2014-15 or by 13.6 per cent. Once again, if only the carbon price or environmental schemes were a factor, this increase would be just three per cent.

The Premier has turned his back on his contract with Queenslanders—his cost-of-living promises are null and void. Take your power bills to the ballot box? I urge Queenslanders to do just that at the next election. The government's promise to lower power bills has resulted in record increases to power bills. Instead of dropping \$120 a year, they have risen by \$560. That means this government has to cut power bills before the next election by \$680 to keep its promise.

Unlike the Newman government, Labor will not simply sit back and allow electricity prices to spiral out of control. As the shadow Treasurer said last year, we will establish an independent Queensland Productivity Commission and make electricity pricing its first task. This will provide an independent body to provide advice on pricing efficiency—rather than having the Queensland Competition Authority responsible for this role in addition to also being the pricing regulator. The shadow Treasurer will have more to say on this.

Labor will work to build a strong, productive and diverse Queensland economy with strong public finances where Queenslanders can reach their potential for greater prosperity. We will not tolerate the waste of taxpayers' money and the misdirection of public funds that has occurred under the Newman LNP government. We will put an end to an infrastructure decision-making process whereby this Newman government will waste \$2.6 billion of taxpayer funds on a new office tower for the Premier and his ministers—a project that was prioritised over upgrades to schools, hospitals, roads and public transport, a project that locked in the political execution of the Cross River Rail project, a public transport solution that was funded and could have been delivered without asset sales. The Premier's tower of power is the perfect example of the twisted priorities of this government.

The shadow Treasurer will soon be unveiling our 'Building Queensland' policy that will make sure that infrastructure projects undergo a proper cost-benefit analysis—a policy that will ensure that infrastructure is planned and prioritised properly in the interests of lifting productivity and not at the whim of an arrogant and out-of-touch Premier. 'Building Queensland' will provide investors in Queensland's bonds with a level of assurance that their money is being invested wisely—unlike the increase in debt to pay for the \$2.6 billion in dead money on the Premier's office tower, an office tower that taxpayers will not even own in the end. 'Building Queensland' will also put an end to the politicisation of infrastructure projects, such as the Newman government's decision to scrap the fully funded Cross River Rail project so they could pretend that they need to sell assets to build their alternative. Queenslanders will have a clear choice at the next state election. The LNP will sell your assets; Labor will not.

This is likely to be the last budget before the Premier calls a general election. If the Premier wants to talk about asset sales, we will join him in that conversation every single day. History tells us that Queenslanders have a very firm view when it comes to public ownership of our state's assets. No-one is more aware of that than me. Queensland Labor lives it and breathes it every day. However, when the message was sent so loudly at the last election campaign, it beggars belief that only one side of politics heard it. Either the LNP did not hear the message or they have arrogantly disregarded it.

I can assure the people of Queensland that Labor will stand with them arm in arm and fight against Campbell Newman's asset sales. The Premier's plan for asset sales is nothing more than a plan for higher power prices, more job cuts and the Americanisation of our economy. Do we want an Americanised economy of low-wage jobs, no job security and few rights or protections at work including on-the-job health and safety? Labor understands that the strength of our state is in our people, not abstract theories about pillars, and that providing people with jobs and a fair go underpins our economic and our financial strength.

This government talks a lot about strong choices. In the 2014 state budget we have seen the choices it has made. It wastes money on political ad campaigns while pensioners turn off their lights and stay at home, shut in because they cannot afford higher bus and train fares. Yesterday I met with pensioners in my Inala electorate. Their message was the same: they cannot cop the Premier's electricity hikes. Sitting in the dark, fearful of turning on their TV, radio, stove or heater, is not a bright future. This is not the Queensland that I want. Labor will not allow the skills, talents, ideas and potential of a generation of young Queenslanders to be lost. Similarly, Labor will not turn its back on young people trying to get a job—older workers, Indigenous Queenslanders or those with a disability who want a job so they can secure their own future and that of their family. Labor will not walk away from those who also fight for a fair go and who protect the rights, wages and conditions of Queenslanders working to make ends meet and provide for themselves, their families and their futures.

Labor knows the value of jobs to individuals, families, communities, our state and our nation. That is why we have developed policies such as Jobs Queensland, Advance Queensland to ensure that we create and keep in Queensland the jobs of the future, Building Queensland to bring fairness and predictability to project planning and tendering, establishing an independent Queensland Productivity Commission, reinstating the successful Skilling Queenslanders for Work programs, Ready for Work to help young Queenslanders, and payroll concessions to help employers take on apprentices and trainees.

We want our state to be the hardworking state of our federation. We can make this happen with the help and support of our fellow Queenslanders. But this is a government that is out of touch with reality and devoid of the ability to recognise, let alone tell, the truth. They pretend that unemployment has not increased since they were elected. They pretend that the cost of living has been cut when they are to blame because it has not. However, voters cannot pretend not to have noticed the LNP's failure to keep its promises.

Labor will govern for all Queenslanders with a vision for a strong economy, with opportunity for employment, higher living standards and a focus on all parts of our state, not just the south-east corner. The LNP will govern for those who can afford to pay; Labor will govern for growth for Queenslanders. Labor can achieve this with the support of Queenslanders. I say to my fellow Queenslanders: let us work together to make this happen.