




Speech By
Hon. Tim Nicholls

MEMBER FOR CLAYFIELD

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MINISTERIAL STATEMENT

Economy

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (2.12 pm): This can-do government has a positive vision for this state, but the accumulated Labor debt of the last 10 years threatens the future prosperity of our state. Members, in the time since I addressed this House yesterday we have had to pay out a further \$12.6 million in interest payments on Labor's debt. That is \$12.6 million that cannot be spent on vital infrastructure, on providing jobs and training pathways for young Queenslanders. We on this side of the House see this money, this dead money, and we realise the need to act. We understand that strong choices are needed to reduce debt so that we can continue to invest in the infrastructure this growing state needs.

Our government is already delivering for Queensland. We are providing \$1 billion towards a total \$10 billion improvement of the Bruce Highway, a project creating thousands of jobs throughout the state. We are delivering on the \$1.7 billion Toowoomba second range crossing. Not only is this project expected to create 1,800 jobs through construction but it is projected to boost national productivity by \$3.1 billion. We have outlined our plans to construct the BaT Tunnel—the Bus and Train Tunnel—a project that will revolutionise public transport and create more than 18,000 full-time jobs in Queensland. We are also delivering 10 new schools in key growth areas, a project that will generate 1,700 jobs a year.

The Newman government has big plans for the state of Queensland. We are rolling them out. But to do this it is imperative that we maintain control of Queensland's finances. We must act now to address the state's debt. But reform of our Federation is also a must. The Commonwealth maintains power over the vast majority of revenue-raising taxes, but the states are responsible for delivering services in key growth areas like health and education. This is reflected in the fact that the Commonwealth raises revenue in excess of its spending responsibilities whilst state governments have insufficient revenue from their own sources to finance their spending responsibilities.

Suggestions as published in today's *Australian* that states can fund a revenue shortfall by increasing taxes are ill-informed. More taxes are not needed. The states simply need access to stronger revenue streams that better reflect the level of services they are expected to provide. This is a view that the Premier and others will continue to express to our federal counterparts in Canberra as we go about the process of reforming our Federation. Only the LNP government has a plan for Queensland, a plan to build the four pillars of the economy, to restore the state's finances and to create more jobs and opportunities for all Queenslanders. We are delivering on that plan