



Speech By
Michael Hart

MEMBER FOR BURLEIGH

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APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL

 **Mr HART** (Burleigh—LNP) (12.24 am): I rise to discuss the two appropriation bills before the House. I will limit my comments to the Appropriation Bill 2015. I want to speak briefly about the direction in which the Palaszczuk Labor government is taking Queensland under stewardship of ‘Captain Risky’ over there.

Mr BROWN: Madam Deputy Speaker, I rise to a point of order. The member needs to refer to the minister by his proper title.

Mr HART: I am sure the member does not need to tell you how to do your job, Madam Deputy Speaker.

Madam DEPUTY SPEAKER (Ms Grace): Order! Would you please refer to the minister by his proper title, thank you, member for Burleigh.

Mr HART: As I said, I am really concerned about the direction in which the Palaszczuk government is going under the stewardship of this Treasurer. There is no doubt for any of us who in the past have read a balance sheet, looked at a profit-and-loss statement and run a business that this budget is all smoke and mirrors. We have seen in this House on a couple of occasions now that the Treasurer thinks he is an amateur musician—magician.

Opposition members interjected.

Mr HART: I have not seen him attempt anything on a musical instrument yet, but I would not be surprised if he had a go at that as well! The Treasurer thinks of himself as a bit of a magician. There is no doubt about that. We saw that when he pulled the coin from behind the ear of the Leader of the House.

You only have to sit here today and listen to the quality of the speeches from those opposite to know that they clearly do not understand finance—even in a small business, let alone in a state. I would be very amazed if they had actually read the budget papers.

Mr Ryan interjected.

Mr HART: Shortly I will discuss a few things that I have come across in the budget papers. I guess it is not too hard for members of parliament to pick up these budget papers, look through them and see how their electorates are reflected in them. I am the member for Burleigh, so I look for things titled ‘Burleigh’, ‘Miami’, ‘Palm Beach’, ‘Varsity Lakes’—any of the government initiatives in my particular area. It is only a matter of scouring the papers. I looked through the budget papers for Burleigh and everything else and I came across one instance involving Burleigh. I will cover that a bit later.

While looking through these documents I came across a couple of other things that I thought I might talk about briefly. I refer to the Appropriation Bill itself. I am glad the Treasurer is here in the chamber. As I have said in this place before, a lot of members on this side of the House are former

businesspeople. They have looked at balance sheets, profit-and-loss statements and those sorts of things. Obviously a state budget is a little more complicated than that and there are very good reasons some of the line items are a little hard to follow in some instances.

I refer to page 14—the final page—of the Appropriation Bill that shows the total appropriation. It is interesting to note that the budget for 2014-15 brought in by the previous government was \$46,929-odd billion but the estimated actual came in \$3½ billion short of that at \$43½ billion. The figure for the 2015-16 year is \$52,838 billion. That is nearly \$10 billion more. The only thing that appears to be different is the administered items in the Appropriation Bill under Queensland Treasury. I would not mind an explanation from the Treasurer as to what that \$10 billion is about. I am sure there is a very good explanation for it, but it would be really nice to know. I see one of the minister's advisers dashing off to see if they can come up with an explanation, but the administered amount has jumped from \$6½ billion to \$13 billion. That is a fair sort of jump, isn't it? That is a jump of over \$7 billion, so I am interested to hear what that is all about. The member for Rockhampton said that this was a gold star budget. I think this is a gold star failure. This is an absolute gold star failure. The last Labor government before the LNP government lost our AAA rating. We want a AAA budget—a AAA budget that gets our AAA rating back. However, what we are seeing is a complete fail in this budget.

The real 'Pitt-fall' of this budget is that grassroots organisations are going to have a decrease in grants available to them of almost 10 per cent or a \$580 million reduction in grants. That is really quite sad when you think about it. This Treasurer has invented something that we can call 'Pitt-onomics': it just makes stuff up. For the three years that we were in government when he was the opposition spokesman on Treasury he sat on the opposition benches and talked about borrowings in the state being net debt. Net debt is general debt plus public non-financial corporation sector debt and then you add back the assets that those particular corporations have but you do not take into account any liabilities such as long service leave and a pesky little thing like superannuation payments that you may have to make to someone in the future. If you do that, you end up with a net debt figure that really means diddly squat at the end of the day. The budget figures actually have real debt. They have real debt figures in there. It is only a matter of turning to page 138 of Budget Paper No. 2 to see what happens with gross debt. The LNP had forecast debt to be \$79.79 billion and that—

Mr Pitt interjected.

Mr HART: That is the point I was just getting to, Treasurer. It is now forecast to be \$77.1198 billion in 2017-18 which is lower. It is \$2.673 billion lower over the whole forward estimates of this budget—except we are transferring \$5 billion into it. We are transferring \$5 billion—

Mr Pitt interjected.

Mr HART: Treasurer, you are transferring \$5.4 billion in and the net result of that is only going to be \$2.6 billion lower. That is 'Pitt-onomics' to me. That really is 'Pitt-onomics'. We probably need to look at the timing of all of this because on page 131 of Budget Paper No. 2 there is a nice graph that talks about equity movement.

Madam DEPUTY SPEAKER (Ms Grace): Order! Members, the member for Burleigh has the call thank you. I call the member for Burleigh.

Mr HART: Thank you, Madam Deputy Speaker, for your protection. Page 131 of Budget Paper No. 2 shows equity movements and in the 2014-15 column—that is, this year before 30 June—\$3.159 billion has been moved in equity between the non-government sector and the government sector. The money that we are talking about that is being robbed from Peter to pay Paul has in fact already moved according to this document. It has already moved. However, referring again to pages 137 and 138, which show the public non-financial corporations sector balance sheet and the non-financial public sector balance sheet, there is a bit of a discrepancy. I am referring to pages 137 and 138 of Budget Paper No. 2. There is a bit of a discrepancy there because this equity has actually moved before 30 June but it does not show up on the balance sheet until next year. Treasurer, there is probably a very good reason for that and if the Treasurer could explain that to me I would be very happy to hear what that is all about. We will see where we go with that.

Earlier I mentioned that this budget is all smoke and mirrors. I just pointed out that that equity movement happened before 30 June and yet this is debt that is going to be lumped on to our energy companies—Energex, Ergon and Powerlink. On 15 April the Australian Energy Regulator put out its determination on future prices of electricity. One would tend to think that the Australian Energy Regulator would look at all aspects of energy, the debt of the companies, the capital expenditures that they are going to go through over the next five years and the expenses that they are going to have, and it would set electricity prices in the future based on that. However, I wonder if it was aware that almost \$2 billion would be moved on to the balance sheet of Energex, Ergon and Powerlink, because I suspect that if it had it may not have set the lower prices that it has determined for the future of electricity prices.

After all, those determinations come back to the good work in the electricity sector that the LNP did when in government.

It is a bit sneaky that the Australian Energy Regulator has made a determination without all of the facts. It basically has made a determination without all of the facts, so it is no wonder that Energex and Ergon are asking for price increases. If the state government is going to save \$600 million in interest payments by shifting this debt from the government sector to the public non-financial corporations sector, somebody is going to have to pay that interest. If our energy companies are going to have to pay that interest, where are they going to get that money? The government has already said that it will not be cutting back on staff levels and it will not be cutting back on front-line services, and I seriously doubt whether the ETU will let it do too much in that regard. So how are they going to make the money to pay that \$600 million, Treasurer?

How is that going to happen? The only way that I can see that happening is through the price of electricity going up. The price of electricity is going to go up. We have the members opposite telling us that this is a good budget. I think I might have just shown them that this is not a good budget at all. Moving debt from one pocket to another does not solve anything, but it could very well lead to an increase in electricity prices. The people of Queensland will hold the Treasurer to account if their electricity prices go up because of something that he has done.

We know full well, as the Treasurer knows, that the levers of government move slowly. It takes a long time for the actions of a government to take effect. The actions that the LNP government took over the past three years are now coming to fruition. They are reflected in increases in business confidence—increases in business in general—and the lowering of electricity prices. I suspect that it will take a couple of years for the poor outcomes from this budget to have an effect on the Queensland economy.

Government members have talked about austerity measures and Greece all in one sentence. They have said that the LNP's austerity measures could lead us to a Greece type of situation. That is absolutely ridiculous. In fact, the result is exactly the opposite. It is the lack of austerity in Greece that has led to the problems that the people there have now. We see the riots that are occurring because the people of Greece are being forced into austerity in order to try to get their country turned around on some level.

In the few minutes that I have left, I probably should speak about a couple of things that I came across in the budget that relate to my electorate of Burleigh. There was one line item that referred to \$1.6 million for the Burleigh fire station. Earlier this week the police minister made a ministerial statement about the renovations of a number of stations, including the fire station at Burleigh, and how it was a great Labor initiative and a great step forward. I have to say to the House that I announced that project 18 months ago. That work is well underway. I table a photo of me standing outside the Burleigh fire station, which was taken last week.

Tabled paper: Photograph of the member for Burleigh, Mr Michael Hart MP, at the Burleigh Fire and Rescue Station [\[815\]](#).

I say to the members opposite that if we did not get the \$1.6 million in this year's budget—and members can see in the photograph that there is no roof on this building, there are no walls, there are no floors—our fires might have had a real issue in keeping warm next winter.

I want to come back to something that the member for Keppel said before about overcrowding in schools. The member for Keppel will learn over the years that there are systems in place to protect our children from those sorts of things happening. I say to the member for Keppel that there is a formula in place that determines teacher numbers. That formula has always been in place. It was in place under the former Labor government and there was a minor tweak made under the LNP government that took away the decimal point of a teacher. In some instances it is a bit hard to have a decimal point of a teacher. But the formula has not changed. On day 8, the number of teachers per classroom in every school is determined. It is impossible to have overcrowding outside of the limits that are set by the education department. If there is such a thing, it is an anomaly and it should be taken up with the Minister for Education as soon as possible.

The Gold Coast will not forget what has happened in this budget. I had promised a number of things that were fully funded—the playground at Caningeraba State School, a security fence at Miami State School and a drive-in drive-out facility at Miami State High School. Those projects have disappeared from the budget. They have been ripped out of my electorate. Undoubtedly, they have ended up in some other member's electorate. The member for Mirani said that Labor governments were the only ones that followed through with their election promises. I say to the member for Mirani that this Labor government has not done that in my electorate. It might have done it in his electorate.

(Time expired)