




Speech By  
**Hon. Curtis Pitt**

**MEMBER FOR MULGRAVE**

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Record of Proceedings, 15 September 2016

**MOTION: NORTH QUEENSLAND, SECESSION**

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (6.11 pm): I rise to speak against the motion. This debate is not new, of course. The separation of North Queensland has been part of public debate since the formation of Queensland itself in 1859 and it has been considered several times by this parliament since then. It has never come to pass ultimately because of the spirit of Queensland. This state has a big heart. It has a big spirit shared by all Queenslanders.

During the revival of this old debate this year there has been plenty of mud thrown about in terms of North Queensland separatism. People in this House know that I am a proud North Queensland and they also know that I am a proud treasurer from regional Queensland. There have been many allegations of dishonesty levelled at me—even a suggestion that I am some kind of a traitor—for responsibly putting on the table why a separate state does not make sense for North Queensland.

Some people take this a bit too far. I did see some very interesting comments online today, that this is another devious New South Wales plot designed to split Queensland and destroy us at State of Origin time. They suggested that State of Origin could be a tri series. This might give New South Wales at least a chance to beat one of the Queensland teams! I know that the member for Mount Isa is as big a Cowboys supporter as I am, but I wonder if he would change his tune when he realised that Johnathan Thurston would qualify for Queensland South!

Putting to one side the histrionics and the emotive language of proponents of separatism, they have in no way made clear how they would fund their proposal. There has been much talk about what the north produces in terms of royalties and gross state product without any discussion of how much it would cost to run the necessary health, education, police and emergency services. Mining royalties are just a fraction of the current Queensland state government revenue. North Queensland does provide around \$2.03 billion more than the rest of Queensland, but in a proposed state which has 21 per cent of Queensland's current population mining royalties would not cover for the loss of other state taxation revenue, which is disproportionately collected in South-East Queensland.

The rest of Queensland provides \$2.44 billion more than North Queensland when it comes to transfer duties. In terms of payroll tax, it is estimated that the rest of Queensland provides \$2.8 billion more than North Queensland. It is estimated that the rest of Queensland provides \$740 million more than North Queensland. The combined effect of stamp duty, payroll tax and land tax—\$5.99 billion—is almost three times the size of North Queensland's net contribution of royalties. That is a big hole in the budget of a North Queensland state.

As part of Queensland, the north benefits from the diversified state economy. In the aftermath of the GFC, the mining boom in North and Central Queensland certainly helped keep the state out of recession, but significant spending on infrastructure projects across Queensland by the former Labor government also kept hundreds of thousands of people in work.

More recently we have seen, with the transition from the mining boom and the fall of the Australian dollar, that regional Queensland has gone into a period of economic readjustment. That is certainly not news to anyone in this House. When revenue from one region may suffer a downturn, it can be compensated for with revenue from another region. With different economic strengths in different regions of the state, we can together ride out economic difficulties to ensure the delivery of services and infrastructure to all Queenslanders. That is the same for the different and diverse economic inputs we have from sectors across Queensland. Of course we have mining, which is not performing particularly well, particularly mining construction, but tourism and education are picking up. Of course, let us not forget agricultural production.

A single state is a strong state, both economically and financially. The cost of Queensland providing the services and infrastructure we have today is significantly lower than if a new separatist state government were formed. For example, money raised in the more populated south-east corner is used to build schools and roads and pay teachers, doctors, nurses and police in sparsely populated communities.

The bottom line is that revenue raised anywhere in Queensland is revenue used to benefit Queenslanders wherever they may live. Under current arrangements North Queensland, which has around 21 per cent of the population, receives 29 per cent of the state's infrastructure spending. Let us not forget that the Palaszczuk government spurred the development of the new Townsville stadium, having to drag the federal government to the table to fund the project.

Instead of peddling separatism, I would urge those proponents of a separate state, both here and in Canberra, to secure funds for Queensland from the federal government's \$5 billion Northern Australian Infrastructure Facility. Around 70 per cent of the population of Northern Australia lives in Queensland, so we should expect the lion's share of that funding. This is a genuine opportunity to work together across the political divide. I suggest that NAIF is a better use of people's time than a motion like this.

I cannot support the motion as it stands, but one thing on which I will agree with the member for Mount Isa is that the Cowboys will be victorious tomorrow night in Townsville.