




Speech By  
**Ray Stevens**

**MEMBER FOR MERMAID BEACH**

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**APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; DUTIES AND  
OTHER LEGISLATION AMENDMENT BILL**

 **Mr STEVENS** (Mermaid Beach—LNP) (3.57 pm): I rise to speak to the Palaszczuk government's Appropriation Bill 2016 on behalf of the people of my Mermaid Beach electorate. I am sad to say that the Queensland budget has emerged as another classic example of a short-sighted, fiscally irresponsible Labor government's economically incompetent Treasurer. In his introductory speech on this bill, the Treasurer declared this budget as one with a clear intent to drive economic growth across all parts of Queensland, yet all we see is a clear intent to engage in the Treasurer's magic trick before further decreasing Queenslanders' financial security, employment opportunities and investment hopes. It is an illusion that is attempting to hide the Palaszczuk Labor government's return to bloated ineffectual bureaucracy with a Public Service wage bill which will continue growing in addition to the extra 10,281 staff already hired, giving us a record 210,000 public servants, despite the debt increasing to \$79.7 billion over the forward estimates. Adding 16,000 public servants to the Queensland government bureaucracy is not the answer to providing jobs for regional Queensland. With general government debt increasing towards \$41 billion, it is clear that the Palaszczuk Labor government's election promise to pay down debt is set to be not only broken but also buried in the bottomless pit spending style of our Treasurer.

It is a style that includes: hollow log raids of \$3.4 billion from the long service leave fund; shifting \$4 billion of debt to government owned corporations with increased dividend payouts to 100 per cent—bleeding the businesses dry; not to mention stopping the contributions to the defined benefit fund and the \$4 billion raid on public servants' super. As the senior partner of Ernst & Young said at the Labor Party knees-up through the week celebrating what a wonderful budget it was and sponsoring the budget—I am amazed he did not ask for his money back—'Why would you take \$2 billion to write down debt from the QIC, which is probably earning six per cent at least on the money, where borrowings would be at two or three per cent in the current market?' It makes no economic sense whatsoever and is consistent with the absolute ridiculous financial answers that this Treasurer keeps stumbling over from day to day.

That raid has been condemned by the independent State Actuary as putting the fund at a fifty-fifty risk of going into deficit. I go to the casino on occasions and there is red and black and that is fifty-fifty. I can tell the House that I have come out of it a loser a lot of times, so I do not like the Treasurer's odds of the fifty-fifty being a great bet. The casino cleans up every time.

I am sorry that, again, the Queensland public will have more debt coming on because, as previously happened, the taxpayers will have to fund that money back into that fund again. It is a guaranteed fund so we will be scratching for money. I do not know where that will come from if this Labor government stays in power.

This unimpressive Palaszczuk government was elected with the mantra of jobs, jobs, jobs. The budget introductory speech delivered by the Treasurer makes mention of this, with job-creating innovation, investment and infrastructure, yet the Queensland public has received a forecasted unemployment rate going up from 6.2 per cent to 6.5 per cent and remaining above six per cent over the forward estimates. Labor's poor track record towards youth and regional employment is again being demonstrated by the Palaszczuk Labor government, with Queensland youth unemployment levels now the second worst in Australia at 15 per cent and trending upwards.

This time last year the Palaszczuk Labor government launched Jobs Now, Jobs for the Future. It is all about the mantra, all about the sales pitch, all about the slick little sell for Labor. They are all about jobs, but when it comes down to the financial realities, they have no idea and no clue other than to employ a few more union mates to top up the union crew and get their union cards going so they can get a few helpers at the next election. We have certainly not seen those jobs being portrayed in the figures. With key action items from their employment plan either scrapped or forgotten, it is clear that the Queensland public should not trust the Treasurer or the Palaszczuk Labor government with their futures or their aspirations.

I do note one thing. I congratulate the health minister on upping the budget to around \$15 billion, as I understand it. That is a serious increase in money, but the big problem with that is that throwing more money at the health budget, as they always do, is just money thrown up against the wall. Unfortunately, with this you-beaut legislation and union backed legislation to put more designated numbers of nurses in there, a big chunk of this money will go down to top up the Labor members of the Nurses' Union. This good taxpayers' money will go to the lovely Ms Beth Mohle and her crew so they will have a better presence out there at the next election, whereas it should be spent on reducing the waiting list, stopping the ramping, which is creeping back in, and paying all the nurses properly. We have seen in the past that that has been a major deficiency for this Labor government and it is stopping the system from getting back on track. They should ask Laurie Springborg for some great advice on how to fix health.

It is aspirations, through training and apprenticeships, that under the guidance of the Palaszczuk Labor government team are failing the Queensland public. Last year we saw 5,500 fewer trainee and apprenticeships completed, which has only increased the gap in skill shortages in the market. Labor have no-one else but themselves to blame for that fall. They should be very, very embarrassed about those figures.

The Palaszczuk Labor government is a government that loves to give predictions. Last year the Treasurer—the magical wizard, the Mandrake of Treasury figures—predicted employee expenses would grow at a modest 5.3 per cent. Whoops, I am sure he really meant to say the real figure would be 7.3 per cent—'It's only a two per cent difference after all,' he would say. However, the budget papers announced—

A general 1 per cent increase in wages outcomes in a particular year would increase expenses by around \$200m in that year.

They have just dumped an extra \$400 million of expense over that previous budget. But wait, let us look at some other predictions from the Treasurer. What about the operating surplus of \$1.2 billion? That is another whoops, with the surplus now of just over \$150 million, which is a sad comparison because the LNP planned budget consistently forecast operating surpluses of \$3 billion. We could be tempted to ask where the \$1 billion has disappeared to, but with the Labor government's fiscal metrics from last year simply not stacking up—no matter which measure you look at—how could we rely on any logical, fiscally responsible response?

The Treasurer has just detailed that infrastructure is one of three priorities, but last year's promise of an infrastructure spend of \$10.1 billion—which was on mostly previously announced LNP projects—was not delivered, with only \$8.1 billion of it being spent. Yes, this untrustworthy Treasurer and the Palaszczuk Labor government have done exactly that. This so-called infrastructure budget will deliver the lowest infrastructure spend in Queensland's history. It is regional Queenslanders who will suffer the most, with spending being slashed in key regional areas such as Wide Bay, Toowoomba, Mackay, Cairns and even Townsville—the numbers must be bad in Townsville on that polling. This is a tragedy when compared with the last LNP budget, with the annual infrastructure spending down by almost \$800 million.

This only compounds the job shortages in those regions, with 8,000 jobs lost in Townsville, 9,000 lost in Mackay, 100 lost in Cairns and 12,000 lost in the Queensland outback so far. How many can we expect in the upcoming financial year, with ever-increasing unemployment figures under this short-sighted government? Too many.

I am sure many on the other side of the chamber will protest and are protesting that they have a Back to Work jobs package. This package will no doubt go the way of their employment plan of last year—scrapped and forgotten as soon as they deem it appropriate. They announce these things with a big hoorah, but the follow-up is absolutely zilch. They are letting down our regional Queenslanders once again. It is a further contradictory and illusion building idea for the Treasurer to list investment as a priority within the Queensland state budget. Last year he stated they would rule out any stamp duty surcharges for foreign investors who purchase a house in Queensland—hello, we have a new year and a new promise.

This year they are set to introduce a foreign investment tax on property purchases at a three per cent charge on dutiable value. This is another clearly broken promise of not introducing new taxes or increasing any taxes. This Treasurer keeps backflipping and conjuring. When he announced the measure earlier, he said that Mike Baird in New South Wales was going to do that. Mike Baird has had a massive Chinese and Asian investment in real estate that has sent the property market through the roof, particularly in Sydney and also in Melbourne. There has been a fall in the median price most commonly occurring of 2.3 per cent in Queensland. The property market has fallen. If they put another tax on prospective purchases in that market—albeit this government may say, 'They are foreigners and we don't care about pinching money off them'—it would still affect the outcome in the property industry. It takes another section out of the property purchases.

Heaven forbid if Bill Shorten got in with his negative gearing policy because that would really kill off the property industry. I am not sure who on the other side of the House use negative gearing, but I can assure the House that there would be a major slump in the real estate industry should that stupid federal Labor Party policy go ahead, along with this state Labor Party policy of taxing those overseas investors. The hardworking Queensland public is unquestionably going to see their concerns in dealing with the Palaszczuk Labor government's fiscally reckless bad budget come to light as the Treasurer has already mentioned his plans to have a conversation about future revenue settings—likely to be an attempt to beguile future tax hikes on the greater Queensland public as something less sinister.

As the state member for Mermaid Beach, which is located on the beautiful Gold Coast, I was momentarily relieved to hear of plans for infrastructure in my region. However, this quickly turned to horror as I realised yet again that congestion on the M1, a daily traffic snarl, would not be addressed. We have seen consistently money pinched. The federal government provided money for the upgrade of the M1. I live in Australia's sixth largest city and the M1 between Tugun and Coolangatta—to the border—has been waiting to be upgraded for many, many years. Federal government money was put on the table and that was swiped by the Bligh Labor government and sent off to another area to fix another problem. We need that money spent on the rapidly growing Gold Coast where many taxes from which this government earns its money are generated. That has not stopped. In the mornings travelling from the Gold Coast to Brisbane on the M1 is just a disaster. Honourable members can ask anybody who utilises it on a regular basis. Many constituents now call me from Beenleigh State High School complaining about the capacity and the traffic jams on the M1.

There is nothing in this budget in terms of forward planning for the Gold Coast. I rose in this House on 26 May to comment on the need for additional measures—even the planning for it. We heard of \$50 million for planning for Cross River Rail but there was no indication of where the funding is going to come from. Hoping that Bill Shorten will get in to provide it is just dreamtime. It is worse than imagining the rainbow serpent will be in here. The fact of the matter is that they put \$50 million aside for that but cannot find any money at all for planning for the Gold Coast, which is the sixth largest city and connects the third largest city, Brisbane. There is no planning for alleviating the traffic congestion which everybody can see is there today. The Borbidge government put in \$1 billion worth of infrastructure to take capacity to 2018, which it will do, but nothing has been seen from this crowd on the other side for the future growth of the Gold Coast.

This is a budget that positions itself as a Labor promise to Queenslanders of job-creating innovation, investment and infrastructure, yet the long-suffering Queensland public who have yet to recover from the Beattie-Bligh era of 'spend until it is gone'—and they would spend until all the money was gone—'and then spend some more on the credit card' are set to receive only broken promises and a net debt increase of \$7 billion with short-sighted cash raids that do nothing to address the state's financial concerns while damaging our GOCs and public servants' super funds. There is a broken promise of lower unemployment with increasing unemployment both regionally and with youth unemployment levels the second highest in Australia, combining with an increase in skills shortages. There is a broken promise in investment promotion, with new investment inhibiting taxes and earmarking the Queensland public for further increased taxes with a need for a conversation about future revenue settings. They have a broken promise on increased infrastructure with the lowest ever spend on infrastructure projects, many of which were proposed under the previous LNP government. They are still handing in the LNP's homework.

Queenslanders deserve better than a Treasurer whom they are unable to trust—and I think the Labor Party itself deserves a Treasurer in whom they can put a little bit more trust—with their hard-earned fiscal security rather than having all these areas such as public servants' long-term financial security being gambled on the whim of a magic inclined Treasurer, a Treasurer of a Labor government that is unable to plan or develop our great state's economic growth. Queenslanders do not want magic tricks, illusionary financial goals or a Treasurer with 'now you see it, now you don't' fiduciary fudging figures. This is not a budget that delivers job-creating innovation, investment and infrastructure for the Queensland public; it is a budget that delivers more debt, more deficit and a decline in infrastructure.

This is a budget that fails the Mermaid Beach electorate, fails the Gold Coast, fails the Queensland public and shows the Palaszczuk Labor government is clueless and unable to financially manage the state. One thing that they could have put into this budget for the Gold Coast that would have made an enormous difference to the future for tourism on the Gold Coast is support for Mayor Tate's proposal to investigate the building of a cruise ship terminal on the ocean side of the seaway at The Spit. The mayor has come forward with a very doable, cost-effective proposal. We in the LNP were made aware of his proposal. We support it. In my view the previous proposal was always going to be difficult—putting big ships into a little pond on the internal side. The mayor has come up with a very workable solution. This government and Minister Lynham should get behind the proposal to make the Gold Coast a cruise ship destination. It is very popular around the world. It is a major earner for many cities throughout the world. I know what most people would rather do, no offence to my Brisbane associates; they would rather call into a cruise ship terminal on the Gold Coast than go into the other side of Brisbane—Luggage Point or wherever they go or the proposed one there. That is a proposal that is well worth supporting. Rather than nay-saying Mayor Tate's visionary project, Minister Lynham should be down there saying, 'Let's see how we can assist this fabulous new cruise ship proposal and infrastructure for the Gold Coast.'

Their failure to facilitate private enterprise to create jobs—and I am not going there on a personal basis, I can assure you—is a sad indictment of a Labor government built on debt and deficit. The Treasurer should be ashamed of this budget.