




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

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MINISTERIAL STATEMENT

Federal Budget

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (2.14 pm): In relation to the visit of the Premier to Griffith University to announce a funding boost for spinal cord research, on a personal note as a former disability services minister, it was an extra-special moment to see \$5 million going into such a worthwhile cause, giving hope and optimism to so many people. It was an important event and I again thank Emeritus Professor Alan Mackay-Sim for his attendance today.

Last night's federal budget was a blatant attempt to move on from the era of Tony Abbott and Joe Hockey's budget emergency phase. The 2017-18 federal budget is an improvement on the last three, but that would not take much. As a self-confessed sci-fi geek, I like the quote from PwC Chief Economist Jeremy Thorpe who summed up last night's budget by saying—

This is the Star Wars Rogue One budget; the government has the plans but it hasn't yet tackled the Debt Star.

This federal budget is long on promises and short on actual new funds for job-creating projects in Queensland. Promises appear in Scott Morrison's budget speech but not in the actual budget papers with actual funding figures for actual financial years. We see funds to set up new bodies like the Infrastructure and Projects Financing Agency to look at how to fund projects without actually funding them now. In other words, we have been told about big-ticket items with zero or almost no funds attached to them in this budget. It is a plan for a plan. It is smoke and mirrors. Economic commentator Michael Pascoe has said that Scott Morrison has taken the approach of 'think of a big number and keep adding years until you reach it.' He has also pointed out that the federal Treasurer's headline \$75 billion infrastructure and financing promise is spread over 10 years. Scott Morrison has been busy writing cheques, but not inserting dates or dollar amounts.

As the Premier has said, and the Deputy Premier will get to shortly, our No. 1 infrastructure priority is Cross River Rail. There is a promise to establish a \$10 billion National Rail Program to deliver rail projects subject to business cases, yet only about \$600 million is allocated in the forward estimates and we are meant to take a leap of faith that \$9.4 billion will be coming in the out years. Yet again nothing for Queensland's No. 1 project.

On energy, despite a lot of pre-budget talk—including from those opposite—a new North Queensland coal-fired power station did not appear anywhere in the budget. It did not rate a mention. While the Turnbull government is looking in the past, our government's proposal for hydro-electricity on the Burdekin Dam has an eye to a renewable future.

There was a promise of \$90 million over four years to promote gas supply that specifically includes funding for studies on two potential gas pipelines to South Australia. There is nothing for Queensland, even though we are ideally positioned to be the powerhouse of Australia and we stand ready to help fix the problems in the national energy market.

The theme of the budget was fairness, opportunity and security, but there is no security in the future of national partnership agreements as they stand. National partnership agreements fund a range of essential health, education and other services, but states often receive little notice of any ongoing funding, if any, as the agreements expire. As we have heard over the last couple days, these agreements are worth \$1.7 billion and support and provide important services for Queenslanders. Some examples include skills reform. There is no renewal of the national partnership that provides for a new Skilling Australians Fund. Queensland Treasury estimates we will receive \$40 million less than this year when it comes to skills funding. In relation to early childhood education we have no funding certainty beyond 2018. There is no funding certainty for remote Indigenous housing beyond 2017-18. For 21 national partnership agreements we are left in a position of continuing uncertainty. States and territories simply cannot plan for the future under these arrangements.

There are, of course, many more elements to the federal budget that we will touch on. We will be examining it more closely over the coming days. In particular, we need to see how it impacts on the state budget for 2016-17. We already face the economic and financial impacts from Tropical Cyclone Debbie. What we do not need are extra impacts from a tricky federal budget that short-changes Queensland. The state budget I will hand down on 13 June will be the third for the Palaszczuk government. It will continue to deliver more for Queensland, in particular to those living in regional Queensland forgotten by the Turnbull government. Our budget will again focus on job creation, real infrastructure investment, fostering innovation, stimulating economic growth and delivering better services. It will continue our economic and fiscal discipline and we will continue to deliver for Queenslanders even if the Turnbull government will not.