




Speech By  
**David Janetzki**

**MEMBER FOR TOOWOOMBA SOUTH**

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**APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; REVENUE  
LEGISLATION AMENDMENT BILL**

 **Mr JANETZKI** (Toowoomba South—LNP) (12.10 pm): It is great to follow that entertaining, if misleading, performance from the member for Stafford. While it was a great performance, the performance I am really interested in seeing from the member for Stafford is on 27 June, when he comes to Toowoomba to attend a political series lunch where he has to explain to hundreds of businesses and employees across the region why Acland stage 3 is tied up in knots. That is the performance where the minister—who is leaving the House now—

**Government members** interjected.

**Mr JANETZKI:** I withdraw. I am interested to hear what he will say to the businesses in Oakey and towns across the Darling Downs about what he is going to do with Acland stage 3.

In my first year of economics, I had an economics lecturer who always talked about economics as the dismal science. This week, as I reflect on this budget, 'dismal' is the only adjective that I can use to describe it. I want to run through a few aspects of the budget. Let us start with the proposed surplus. The government has revised its surplus from \$2 billion at the half year to \$2.8 billion for the year ending. While they may crow that that is the largest surplus for over a decade, the debt trajectory that ultimately takes state debt historically beyond \$80 billion for the very first time places that achievement in its truthful perspective.

The projected surplus upgrade reveals a delicious irony that the government should achieve a surplus on the back of coal royalty revenues when the party is so half-hearted about the very existence of coalmining in Queensland. I repeat: it is so half-hearted about coalmining in Queensland. Without coalmining royalties, this budget would look very different. It would actually look about \$3.4 billion different for those opposite who would have the coalmining industry shut down. That is \$3.4 billion to the bottom line of the Queensland budget. It must stick in their guts that coal remains Queensland's key commodity. Ninety per cent of coal is exported, which makes it our second largest export. They do not deserve the benefits that coal brings to the treasury benches.

Let us not forget that the uplift from higher coal prices is likely to be temporary and, in any event, as the budget papers show, Labor has already spent away the benefits of that particular boom in coal royalties in the couple of years ahead in the forward estimates. The surplus has also been artificially boosted with the front loading of Cyclone Debbie federal government funding. The spending of that money will, in fact, occur next year. All of this adds up to significant volatility, which I do not believe the government is capable of managing. As the *Financial Review* noted this week, this confluence of events masks the economic malaise.

The state's credit rating is vital to managing our costs of funding and the LNP, as has historically been shown, as the superior economic manager needs to keep a close eye on this government. After all, it was the Labor government that lost our AAA credit rating in the midst of a mining boom. I am sure

that the QTC, which has the responsibility of going to the market to refinance this state debt, will also be watching closely. They do have over \$10 billion worth of maturities that need refinancing in the year ahead.

Interestingly, the CBA modelling of the S&P ratings methodology suggests a leap from a rating 1 this year to 3 in 2017-18 in the budgetary performance profile measure. That pushes the matrix outcome from 1.8 this year to 2.0 in 2017-18, which is a significant jump with an alarming trend. S&P also monitors the debt burden metric, which is tax supported debt as a percentage of consolidated operating revenue. That debt revenue ratio rises in the out years and is substantially higher by the end of the forecast horizon. What a shock that the debt figures advance more quickly in the out years than in the short term. They are more land mines for the future to deal with in 2020-21.

At the broad non-financial public sector level, net debt is also rising substantially. It is forecast to rise from \$36.3 billion this year to \$49.8 billion by 2020-21. Of course, as we know, the headline debt number is forecast to rise historically from \$73.2 billion this year to \$81.1 billion by 2020-21.

Last year's budget, which repatriated \$4 billion in funds from the defined benefit superannuation scheme, provided Labor with some short-term breathing space. This budget reveals that they have blown that too, as the temporary debt profile relief granted by that trickery has worn off, which is another significant jump with an alarming trend.

The economic outlook is uncertain and has not been helped by this budget. The alleged jobs bonanza will result in no statistically relevant decrease in the unemployment rate, which is already the second worst amongst Australian states and territories. In an environment of subdued wages growth, which is tracking at around two per cent, there is every reason for Queenslanders to be concerned about Labor's ongoing and increasing car registration fees and other taxes and charges.

Business investment is flat, which is no wonder when the government cannot even bring itself to say the word 'business' in the budget. There is not a single word of any reduction, relief or reprieve in any taxes or charges. Employment growth is flat and confidence is flat, but Labor's exaggeration and hyperbole are at record levels. What a marked contrast we saw from the Leader of the Opposition yesterday. The LNP has quietly listened, planned and now stands ready to act on the issues that are discussed around kitchen tables in Queensland. I note especially the announcement of the policy that the LNP will freeze car registration for three years if it were to form government.

**Ms Grace** interjected.

**Mr JANETZKI:** This government mistakes speaking for action. It mistakes spending announcements for real and tangible on-the-ground change.

**Honourable members** interjected.

**Mr DEPUTY SPEAKER** (Mr Stewart): Order! Minister for Employment and Industrial Relations, I ask you to cease debating across the House.

**Mr JANETZKI:** I take the minister's interjection, because I think it highly offensive that \$200 is seen as nothing. To average Queensland families 200 bucks is well worth putting in their back pocket.

**An honourable member:** They're meant to be the champions of the working class.

**Mr JANETZKI:** That's right: the party of the working class. The party that stands up for battlers thinks that 200 bucks is nothing. I think that is atrocious.

**Honourable members** interjected.

**Mr DEPUTY SPEAKER:** Order! Members, we will listen to the remainder of the speech in silence. Member for Everton, if you are making interjections you need to make those from your own seat. Otherwise, you need to be silent.

**Mr JANETZKI:** The government mistakes spending announcements for real and tangible on-the-ground change. Announcing more child safety officers will not fix the systemic and cultural crisis in child safety across Toowoomba and the Darling Downs and the foster care community. I reflect on the contribution made yesterday by the shadow minister, the member for Mudgeeraba. She spoke eloquently of the challenge that more funding will not solve the problems, and history has shown that.

Many Labor contributors spoke about social housing initiatives, and I note that there are 58 new proposed social housing dwellings in Toowoomba over the next five years but there are no broader measures to alleviate housing affordability challenges. Even more relevantly, there are no broader measures that directly address the underemployment or unemployment issues facing so many disadvantaged, particularly those in our community suffering from mental illness. I note that the member

for Condamine spoke to that as well. Where is the specific investment in social enterprise that may help people train for and find a job? Toowoomba is the capital of social enterprise in Australia. I acknowledge our newest social enterprise Second Shot, which is run by Nat and Tiff Spary at the Base, and various other social enterprises that operate across the city.

Speaking of Toowoomba and the Darling Downs, I have already spoken this week in relation to the government's failure to fund major concerns in my electorate, particularly the remaining flood mitigation works along East and West creeks, and address particular safety concerns near Glenvale State School. They also have not addressed my request for air conditioning in special education classrooms at Darling Heights State School. It is pleasing to see necessary health funding and the commitment of \$930,000 for classrooms at Centenary Heights State School. It is an institution of ours which is expertly led by one of Queensland's finest educators, Maryanne Walsh.

It always interests me that, under Labor, it seems that Toowoomba is in the south-east corner when taxation is under consideration but out of the south-east corner when it comes to actual on-the-ground delivery.

**Mr Krause:** It is ironic.

**Mr JANETZKI:** I will take that interjection from the member for Beaudesert. It is ironic. We had another perfect example earlier this week when Toowoomba's new bus network was launched by the assistant minister, the member for Gladstone. Yes, he was there with the lost candidate for Toowoomba North, a long way out of his electorate. The assistant minister launched the network but failed to fund a go card or similar technology to deliver a 21st century bus service for a 21st century city, and the budget is silent on when—if ever—it will be implemented.

While I am disappointed about the cuts to road funding by a quarter across the region and infrastructure spending across Toowoomba and the Darling Downs—as was so well put by the member for Condamine—my greatest concern with this budget in the Toowoomba region is its cold-blooded ignorance and negligent lack of vision. They have failed to grasp the magnitude of the opportunity in Toowoomba and the Darling Downs. Road, air and rail connectivity are combining with the vitality of private enterprise to build a region of strength in agriculture, services, resources and value-added manufacturing. A moment has been lost. This was the moment for the Labor government to get behind the region with fresh project funding. This was the moment to invest in infrastructure after withdrawing \$400 million in infrastructure spending over the last few years. This was the moment when they could have introduced a comprehensive decentralisation strategy. This was the moment when they could have backed Toowoomba and backed our future promise. That moment has passed and Labor has once again failed Toowoomba, failed the Darling Downs and failed regional Queensland.