




Speech By
David Janetzki

MEMBER FOR TOOWOOMBA SOUTH

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MOTION

Distribution of GST

 **Mr JANETZKI** (Toowoomba South—LNP) (5.45 pm): After that performance from the member for Woodridge, I will bring this debate back to the motion at hand. The economic debate and the motion we see moved tonight is from a desperate Treasurer in desperate straits. This Labor government has always led from behind when it comes to the Queensland economy. They were never expecting to be granted the honour of the treasury bench. They have been bereft of an economic vision from the day they took office. Now they are struggling to get their bearings on what it takes to run the Queensland economy and how best they can utilise Queensland's share of the GST resources.

We only need to recall the last state election campaign when the then Leader of the Opposition, the now Premier, failed to recall the GST rate. When that moment and the squandering of Queensland's AAA credit rating have been the two most memorable economic moments for this party in the last decade they are in desperate trouble. They are a party in desperate trouble.

That desperation is on clear display tonight. This motion smacks of a desperate Treasurer who is unable to halt the runaway train of \$80 billion worth of debt. It smacks of a desperate Treasurer whose wafer-thin surplus has been boosted by federal government funding for Cyclone Debbie. We have a desperate Treasurer who has no idea how to respond intelligently to the Productivity Commission's report. He instead comes into this House to play rank political politics.

Horizontal fiscal equalisation has historically delivered highly arguable GST distributions to all states and territories. Some argue that Tasmania and South Australia have been the biggest beneficiaries. One Nation want to hand Queensland's GST revenue to Western Australia. When the equalisation mechanics are paired with vertical fiscal imbalance, the arguments are more heated and more political.

The GST was always an improvement on the taxes it replaced, but it has exacerbated vertical fiscal imbalance by handing over even more of Australia's tax revenue responsibilities to the Commonwealth government. More heated and more political is exactly what the argument ought to be in a competitive federation. It is incumbent on the Queensland Treasurer of the day to fight for Queensland's fair share and not come in here and throw political rocks. It is the responsibility of the Treasurer to argue the case for Queensland.

As so often is the case, it is the opposition that is leading the debate. It is the opposition that has categorically confirmed that there will be no acceptance by the LNP, in any way, shape or form, of any recalculation that serves to be detrimental to Queensland. It is the opposition leader who has recently put the case that those states that are failing to develop their gas reserves should not benefit from any recalculation of the GST distributions.

At the end of the day, the Treasurer is concerned about revenue. He is only concerned about revenue. This government has tried to do a few things in the last few years to cause a diversion, but it is never visionary, it is never transformative and it is never state building. Those opposite love sleights of hand like repatriations and tax increases, such as three consecutive 3.5 per cent car registration tax increases; they love pulling back budgeted amounts that would have relieved payroll tax pressures on small business; and they have whacked an investment tax on property throughout Queensland. They run from their record at the same time, whether that be the lowest wages growth in the country or youth unemployment beyond 13 per cent. They are all about diversions. That is what this motion is about tonight.

The Productivity Commission has said that the current horizontal fiscal equalisation system was poorly understood by many in government. That was a generic comment at the time, but I think it applies most accurately to this government, to this Treasurer. With a quarter of Queensland's total revenue at stake, there is no time to waste. The Treasurer needs to stop playing politics in here and get out there and advocate for Queensland's fair share of the GST pie. Be at the front and centre of the debate, Treasurer. Stop blaming others, stop playing politics and start fighting for Queensland.