




Speech By
Linus Power

MEMBER FOR LOGAN

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APPROPRIATION (PARLIAMENT) BILL (NO. 2); APPROPRIATION BILL (NO. 2)

 **Mr POWER** (Logan—ALP) (5.22 pm): I rise to speak to the Appropriation Bill (No. 2), which makes supplementary appropriation for what is called unforeseen expenditure that occurred in the 2016-17 financial year. Under the Financial Accountability Act we prepare a Consolidated Fund Financial Report which contains all the transactions and details of this type of expenditure. Appropriation and adjustments refer to a variety of things, such as transfers between headings within an agency, appropriation that has lapsed and, of course, unforeseen expenditure. It contains the appropriate adjustments and explanations. Each department puts forward adjustments to the Consolidated Fund Financial Report which should be approved by parliament as a supplementary appropriation. That can happen for a variety of reasons. Some departments may need appropriation to respond to an emergent issue. For instance, when the Commonwealth delayed payments we had to supplement that shortfall even though we knew that the money would come in in the following year. As in this case, it can also relate to the repayment of debt.

The bill seeks appropriation totalling \$2.270 billion. Of that, \$1.068 billion, or around 47 per cent, was incurred by Queensland Treasury. Of that amount, \$1.032 billion went to the repayment of general government debt. This is an important way to pay down debt when we have the ability to do so. Although declared as unforeseen expenditure, this relates directly to the debt repayment that we have made.

The House should note that 2016-17 represents the largest operating surplus since 2005-06. The Treasury allocated \$31 million in additional funding to the first home buyers scheme, due to the enthusiastic uptake of grants under the scheme. As a result, grants were raised from \$15,000 to \$20,000. In the statistical area of Logan and Beaudesert, over 1,000 applications have been made to the program as young people come into the area to build their first home. It is an important economic stimulus that creates jobs in the area.

Through the Debt Action Plan, the Palaszczuk government has steadily been reducing general government debt. General government debt was estimated to be \$33.7 billion in 2017-18, which is \$9.347 billion lower than the peak of \$43 billion in 2014-15. An important point is that it is also \$14.6 billion lower than forecast for the 2017-18 budget, which was \$48.421 billion. That forecast was made at the time the 2014-15 budget was prepared. It should be noted that this is particularly important when we look at the general government sector debt-to-revenue ratio, which is 60 per cent for 2017-18. From a comparative point of view, that is much lower than the peak of 91 per cent in 2012-13. That gives the House an important picture of our balanced sustainable fiscal management. It shows that, by moving to a more diversified base, we have strengthened the Queensland economy. On 20 April 2017, ratings agency Moody's noted this improved fiscal situation by affirming the state's Aa1 rating and revising the outlook from negative to stable, as it had been since 2012.

I note that the Department of Energy and Water incurred unforeseen expenditure of \$853.7 million, which relates to the Powering Queensland Plan and, importantly, the recommissioning of Swanbank E. As we know, the LNP increased power prices by 43 per cent. They shut down

Swanbank E, constricting power supply. They took two units out of Tarong, which are now back online and are increasing supply. They also watched as Collinsville closed down its four turbines, causing significant cuts to supply.

Cross River Rail delivery is funded under these appropriations. It is an important project. I note that the member for Mermaid Beach wants to hear more about the project. He wants to hear more about how we will have a second rail crossing of the river and more services. His is the party that closed down Gold Coast rail; ours is the party that built it and I know that Gold Coasters want those services. This project is vital to the delivery of the Flagstone rail project, which is acknowledged. We want Flagstone and Greenbank to have a straight connection through the network. That is vitally important for southern Logan. I commend the bill to the House.