




Speech By
Michael Crandon

MEMBER FOR COOMERA

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MOTION

Distribution of GST

 **Mr CRANDON** (Coomera—LNP) (5.56 pm): I rise to make a positive contribution to this debate, unlike those opposite. Let me set the scene. On 19 May 2017 the Leader of the Opposition wrote to the Prime Minister and said—

The Liberal-National Party will fight to ensure Queensland gets our fair share of GST. Queenslanders have lost billions of dollars over the years to other states who have chosen not to develop their coal or gas resources. Queenslanders deserve a fair go.

There are two key aspects to equalisation: the budget or fiscal outcome of the states, and the standard of infrastructure and services a state provides and its revenue capacity to meet this level of service provision. For instance, in the last CGC update, Queensland was assessed as having a weaker fiscal capacity due to a deterioration in revenue-raising capacity across most revenue bases. The reduced fiscal capacity meant that Queensland's share of the GST was increased. We earned less but got more GST—we earned a lot less to get more GST. That is how it works, but it is not how we should be thinking. Having said that, let us face it: this debate really is about diverting attention away from the government's failures, diverting attention away from the government's cosyng up to the unions because of the millions of dollars they contribute to the Labor Party. Labor are desperate to divert attention away from their failures by trying to pick a fight over an issue they have been silent on.

As I said, the Leader of the Opposition wrote to the Prime Minister in May in relation to this Productivity Commission review. That letter put forward our position that the way that mining revenue is calculated should be amended. The current distribution formula penalises states that efficiently develop their resources with royalties from gas, coal and other resource types equalised away through reduced GST payments. This government is following their lead, but it should not be. We should be bringing every pressure to bear on other state governments, not following them.

If only this government could manage its finances. This is about this government doing more to improve our productivity, not less. It is not about making less money like the bloke who does not want to earn an income because it would have the effect of increasing his rent in social housing. We need to be earning more money, increasing our productivity. For this state to prosper, we need to create jobs and properly manage our finances. We need to give families a hand up by taking action on cost-of-living pressures. We need to give them an opportunity to prosper. We need to stop looking at the other states and being jealous of what they are getting. We need to start doing what we need to do: building the roads that we need to get our productivity up and building the bridges that we need to get people to work and home in less time so they can spend more time with their families.

We need to focus on our strengths and diversify our economy, tourism, agriculture and resources. We need to get construction going again. We need to focus on education, science and technology. If we increase our revenues, our percentage share of GST may drop, but that is what horizontal fiscal

equalisation is about. It has been increasing and falling over the years. As the shadow Treasurer said, we absolutely support the concept of HFE in the allocation of GST funds. We reject any changes that would unfairly disadvantage Queensland.

Honourable members should remember though that this motion is nothing but a political stunt. We have to remember what we have seen during this government's time in office—2½ years and coming up to three years. Under Labor, power prices have hit record highs. Under Labor, Queensland's energy security has been put at risk and Queenslanders are now being told to sweat through summer to avoid blackouts. That is the Treasurer's legacy for Queensland in 2017. Under Labor, Queenslanders are being hit with higher taxes as Labor struggles to keep a lid on its expenses. Instead of focusing on increasing productivity, instead of doing the things that we need to do to have the people of Queensland get out there and make a bigger dollar, generating more revenue for Queensland, building the things that we have to build, this government has been focused on the money that we are going to get from the GST as opposed to the money that we should be able to generate through increases in our economy. This is nothing more than Labor trying to pick a fight with someone else to hide their own shortcomings. Queenslanders see through it. They see this government for what it is.