




Speech By  
**Rob Molhoek**

**MEMBER FOR SOUTHPORT**

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### **REVENUE AND OTHER LEGISLATION AMENDMENT BILL; APPROPRIATION (PARLIAMENT) BILL (NO. 2); AND APPROPRIATION BILL (NO. 2)**

 **Mr MOLHOEK** (Southport—LNP) (6.04 pm): I rise to speak on the Appropriation (Parliament) Bill (No. 2) 2018, the Appropriation Bill (No. 2) 2018 and the Revenue and Other Legislation Bill 2018. First to the appropriation bills: the purpose of these bills is to approve supplementary appropriation for unseen expenditure during the 2017-18 financial year. Historically, these kinds of bills account for matters that have arisen external to the purposes allocated in the budget. In respect to the Appropriation (Parliament) Bill (No. 2) 2018 the committee was informed in Treasury's briefing on 17 September that the first bill, the Appropriation (Parliament) Bill (No. 2), seeks to supplement unforeseen expenditure in the Legislative Assembly and Parliamentary Service. The supplementary expenditure sought in this bill is mainly the result of costs associated with the 2017 boundary distribution and the November state election. These total \$5.14 million.

Treasury advised the committee of contributing factors to this figure; for example, the addition of four members to the parliament and the consequential costs, such as electorate officers and staff, as well as severance payments and transition allowances to electorate officers and defeated members respectively. I personally can understand that events like an election and electoral boundary distribution bring extra costs but, as the member for Mermaid Beach raised in the public briefing, these can hardly be classified as unforeseen circumstances. The reallocation and addition of seats was known prior to the 2017-18 budget. Although it was not known when the election would be, it was known that there would be one. The question naturally follows: why was the extra \$5 million not anticipated in the budget? Treasury's response to this question in the briefing was that the timing of an election in the financial year has an effect on its overall costs. I would hope that Treasury pays closer attention to this detail in allocating costs for the next election year's budget.

Appropriation Bill (No. 2) 2018, the second of these two bills, seeks to supplement unforeseen expenditure in departments for the 2017-18 financial year. This expenditure came from seven departments and totalled approximately \$494.9 million. The committee was advised that there were three major contributors to this amount. The most significant of these was the Department of Transport and Main Roads, which was responsible for approximately \$231.2 million of the total unforeseen spending for 2017. Treasury advised that this amount can largely be attributed to accelerated funding on a state and federal level for capital programs. Committee member Sam O'Connor, the member for Bonney, requested a further breakdown on where this funding went specifically. Treasury's answer explained that the Bruce Highway upgrades account for a large proportion of additional expenditure, as well as the Gateway Motorway North upgrade and additional works on the Rockhampton Northern Access, Pacific Motorway and the Warrego Highway.

The second major contributor was the Department of Local Government, Racing and Multicultural Affairs where unforeseen spending totalled approximately \$187.9 million. Treasury advised that this amount was mainly due to the prepayment by the federal government of the following financial year's assistance grants to local governments. The committee was advised in the briefing that due to this early

distribution of funding from the Commonwealth, the state government decided to pass on this expenditure in the 2017-18 financial year as opposed to the following one, which had not been originally planned for the budget. There is a common theme here: lack of planning. As Treasury advised, there is an expectation at budget time about when funds will be spent; however, sometimes this prediction is inaccurate. Sometimes spending takes place earlier or later.

The Department of Natural Resources, Mines and Energy was the third significant contributor to unforeseen expenditure. Their portion totalled \$54.57 million. Treasury has indicated that the reason for this was the reallocation of funding from the Department of Local Government, Racing and Multicultural Affairs for the Affordable Energy Plan and the Townsville water security enhancement project.

The Department of Child Safety, Youth and Women contributed \$12.479 million. Treasury advised that this was largely because of timing adjustments as well as additional services to provide support to young people in care who have complex and challenging behaviours. A sum of \$8.597 million in additional spending came from Queensland Fire and Emergency Services. The Treasury's briefing note to the committee attributed that amount mostly to enterprise bargain agreement provisions and the transfer of funds from the Public Safety Business Agency to the flood focused road safety campaign.

The final two areas that contributed to unforeseen expenditure are the Queensland Audit Office and the Office of the Governor. In the case of the Audit Office, the primary reason offered was additional spending of \$57,000 as a result of increased remuneration costs. In respect to the Governor, unforeseen expenditure of \$13,000 was largely from the transfer from departmental services to equity for restoration works.

We do know that this Labor government knows how to spend. They spend and spend and spend. We know they know how to tax, because in this year's budget we saw five new taxes. What I find particularly galling is that they also know how to sell but continue to deny it. Let us look at their track record. In 2011, who sold Queensland Motorways for \$3 billion? It was sold by Labor. In 2011, who sold the Abbot Point port for \$1.8 billion? It was sold by Labor. In 2010, who sold QR for \$4 billion? It was sold by Labor. In 2010, who sold Forestry Plantations Queensland for \$600 million? It was sold by Labor.

Of course, we have heard the Premier and some of the current ministers say, 'That wasn't us; it was the other guys.' It was around 2009 when some of those ministers joined the cabinet, along with the Premier. What have we seen since Anastacia Palaszczuk became a member of cabinet? More asset sales. From those opposite we hear accusations about the LNP selling assets, but we have not sold any. What have Labor sold? In 2008, the Cairns and Mackay airports were sold by Labor for \$738 million. In 2008, the Brisbane airport was sold for \$289 million. In 2007, wind energy assets were sold for \$460 million. In 2007, gas assets and Enertrade were sold for \$268 million. They sold off the Golden Casket for \$530 million, PowerDirect for \$1.2 billion, Sun Gas for \$75 million, Sun Retail for \$1.2 billion and so it goes on. They were all sold by Labor.

One can only wonder what this reckless Labor government will sell next to try to cover the shortfalls in their reckless spending. As we heard from the member for Clayfield, in the past two years we have seen that they are addicted to the royalties from coal. They are coal deniers, but they are addicted to the royalties from coal and to the windfall premiums that we have been receiving from power sales to other states around Australia. Where should that money be going? It should be reducing energy costs, not propping up poor financial management by those on the other side of the House.

Just this evening outside this House several hundred members of the Together Union were protesting against their own mates. Even the government's own supporters are starting to turn on them. We saw that in 2012 when the Police Union and other unions turned on the Labor government of the day because they were disappointed with them. Well should they be disappointed, because we have not seen improved services. In fact, we have seen an increase in assaults and a decrease in the effectiveness of law and order across the state. Are we seeing better results from our schools? According to the latest NAPLAN results, no, we are not, but we are seeing more and more money poured into schools. Are we seeing better health services? No, but we are seeing ambulances ramping and wait lists again blowing out, because those on the government side of the House are reckless financial managers. They do not know how to be accountable. They do not understand that it is not okay to keep spending money that you do not have.

Under this Treasurer we are seeing our debt continuing to spiral out of control. My concern is that if we lose our credit rating it will not affect just the state government; it will affect every single council across the state that has debt and their costs will go up. I saw that on the Gold Coast council under Anna Bligh and Andrew Fraser. When the rating dropped, the Gold Coast council incurred another \$12 million a year in interest—

*(Time expired)*