




Speech By
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MEMBER FOR TOOWOOMBA SOUTH

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APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; REVENUE AND OTHER LEGISLATION AMENDMENT BILL

 **Mr JANETZKI** (Toowoomba South—LNP) (2.23 pm): We know the economic headwinds facing the Australian economy. There are growing downside risks to near-term growth given that recent data shows considerable weakness in domestic demand. The Reserve Bank has just dropped the cash rate to a record low, and that is with the Morrison government. Can members imagine what monetary policy levers would have had to be pulled had we been gifted a Shorten Labor government? The problem for Queensland is that its budget position, even by the most optimistic commentators, is weakening inexorably and, I think, fatally for the Labor Palaszczuk Queensland government. It is a perilous road ahead and Labor's management has left us dangerously exposed.

Last year the Treasurer's surplus budget reflected an unexpected surge in revenue from coal royalties of \$1 billion. This year Treasury is anticipating higher coal and petroleum royalties relative to MYFER, so again the Treasurer's budget has been rescued by coal, with royalties revised up to \$4.3 billion from \$3.5 billion. To highlight how sensitive the Queensland economy is to coal price fluctuations, a one per cent change in the price of export coal has an impact of \$54 million in coal royalties in Queensland. That means if there is a 10 per cent change in the price of coal exports that will be half a billion dollars of impact to the Queensland budget. That highlights what an important role coal plays to our budget and also the long look on the Treasurer's face as the environment minister was detailing the Adani approval process yesterday afternoon.

Downside risks last year also included a weaker housing market and lower sales volumes from tightening credit conditions that would negatively impact transfer duties and land tax revenue. Of course, the new taxes introduced in the Treasurer's first budget added to the budget's downside risks. Foreign landowners were hit with an additional 0.5 per cent in land tax for properties worth more than \$10 million and there was an increase in the foreign transfer duty from three per cent to seven per cent. Both taxes were pledged to raise over \$300 million over the forwards. I asked the question back then: how much more can the government tax the property industry, perhaps the most vital industry to the health of the Queensland economy? It has gone to the well again and this week the Treasurer announced nearly \$800 million would be raised by increasing land tax for companies and trustees and by increasing the absentee land tax surcharge to two per cent.

Queensland's credit rating is vital to manage our cost of funding. What may not be well known is the constant methodology tinkering that ratings agencies undertake year on year. S&P's methodology is actually very tolerant—unacceptably tolerant in my view—to the maintenance of a very high debt ratio and persistent slow debt accumulation. We can never forget that it was Labor that lost our AAA credit rating and I believe it is sleepwalking Queensland into a bottomless pit of debt that will ultimately catch up with not just the Labor government but, sadly, the people of Queensland.

The first budget of Queensland in 1860 had a total aggregated revenue of 179,000 pounds. From 1860 to 1989, think about how we developed this state. We built roads and cattle roads. We built industries such as dairy, forestry and cattle. We electrified the state.

Mr Crisafulli: Mining.

Mr JANETZKI: Mining. We opened up the resources. We went out and decentralised the state to our best and finest regional cities right up and down the eastern seaboard and beyond to the west. At the end of 1989 after the first 130 years of Queensland history, there was a total of \$2.4 billion debt—\$2.4 billion debt after we had achieved all of that, after we had done all of that. After we had opened up the frontier of Queensland—the greatest state of all—that is the debt that we had in 1989. What has happened over the last 25 out of 30 years? We have been endowed with Labor governments in Queensland. In 1989 Queensland was humming. It was booming. From \$2.4 billion in 1989 we now have over \$90 billion debt after 25 years out of 30 of Labor governments, and that is what we are now left with. What do we have to show for it? Nothing! There has been no major infrastructure growth. There is nothing in the horizon for this. There are no new industries. Those opposite had to be dragged kicking and screaming for the best part of a decade to get the Adani projects.

I want to focus on four years. Out of these 30 years of not much, the most egregious few years of Labor governments over the last 30 has been between 2006 and 2010 when they really blew the budget, when the current Treasurer's mentor was in charge either as Treasurer or as premier. In four years—from 2006 to 2010—they blew out the debt from \$18 billion to three times that. They tripled it to \$52 billion—nearly tripled it—in four years just like that and at the same time they lost our AAA credit rating with nothing to show for it. Where did that money go? I want to compare Queensland's debt trajectory towards \$90 billion in 2022-23 against the state on which this government seems to model itself above all others, and that is Victoria.

During the Victorian election campaign we heard that the Victorian Premier and Victorian Treasurer were going to have their own little debt bomb of \$32 billion. They took that to the Victorian election and the Victorian people voted for it. That \$32 billion debt binge took Victoria's debt in the 2022-23 year to \$54 billion. That puts Queensland's debt challenge into perspective.

I turn to my portfolio. It is good that the Attorney-General is starting to fund justice services across Queensland, which is needed much more than many of the other spending priorities of the government. There is additional funding in the forward estimates for the Office of the Director of Public Prosecutions. I note that this was necessary funding, particularly in view of the QSAC report and recommendations that the DPP has a greater role to play. I want to see the DPP prosecuting cases with the full vigour and force of the law so that vulnerable Queenslanders get the justice they deserve.

I am pleased to see that, firstly, the Office of the Public Guardian still has a job and, secondly, it has been granted additional funding of over \$27 million. There is an interesting note in the budget measures relating to the additional funding to DJAG to administer the Dangerous Prisoners (Sexual Offenders) Act 2003. I think this additional funding is the Labor government's way of saying that its legislation, which sought to keep track of Robert John Fardon, has failed. The Palaszczuk Labor government is seeking to grant additional funding to properly manage the DPSO Act and our most serious sexual offenders.

It is also pleasing to see that, after much lobbying in this House by nearly all members on this side, there is additional funding to QCAT. In respect of tackling alcohol fuelled violence and safe night precincts, in this budget there is one-off funding. The question is: when will the review into the legislation and Labor's policy be released? We have been waiting for a very long period. I am hopeful that this additional funding does not go just to inspectors hiding around corners, watching ID scanners as people move in, covertly trying to trap hardworking businesspeople and small businesses who are doing the right thing with ID scanners. I hope that this funding is not to just encourage more of that activity. I hope this funding is to address the problems. I look forward to the review being released as soon as possible.

I turn to my electorate. I love the electorate of Toowoomba South. I represent the greatest electorate in Queensland. The people of Toowoomba never wait around for the government to come and rescue them. They get on with it—the Wagners, the Gardners, the Hannas, the Betroses, the Cooreys. Whatever the family name may be, those family businesses get out there and make their own luck. They put in, they create jobs and they deliver wealth to my great region.

I want to see from the Labor government the identification of strategic priorities. I want to see funding to key projects. My electorate covers 40-square kilometres. In those 40-square kilometres a number of key priorities should have been addressed by this government, but they have fallen short. Firstly, my area needs a new Toowoomba hospital. There is a business case for it, but the funding for the investigation and development needs to be brought forward and spent so that we can get on with building it. In the south-west corridor of Toowoomba, where the population growth is occurring, we need to identify land for a south-west Toowoomba high school. We need drop-off and pick-up zones at Glenvale State School. We need to identify a road corridor to link Highfields in the north to Glenvale and Westbrook in the south. We need to start investigating corridors and securing them. We need flashing lights in Harristown to make sure that our kids are kept safe.

Toowoomba needs more physical infrastructure to encourage the people of Toowoomba to be as active as they possibly can—with exercise equipment in parks in Middle Ridge, Rangeville and Glenvale. There is also the important issue of identifying ecotourism opportunities in my region, such as at Picnic Point. Toowoomba has the most beautiful escarpment. What the Blue Mountains means to Sydney, let us make Toowoomba mean the same to Brisbane. We should get behind ideas such as that. There are also opportunities for motorsport at the quarry gardens.

If the Treasurer could do one thing for my region—and there was not much in the budget for the Darling Downs—it would be to sign an intergovernmental agreement for the inland rail. This is a truly nation-building piece of infrastructure. I would have thought that the Treasurer would have had a greater affinity with the inner Darling Downs because, before the Treasurer started looking for new electorates, such as Stretton, Greenslopes and Toohey, she stood as a candidate in the electorate of Condamine. I would have thought that, as the Treasurer doorknocked places such as Mount Tyson, Pittsworth and Brookstead in her run in the electorate of Cunningham, as it was known at the time—and I say to the member for Condamine to look out, because he could have a new Labor candidate running against him in 2020—she would have got on board with the project and signed the intergovernmental agreement to start building this important piece of nation-building infrastructure.

In the time left to me, I want to focus a little on what I call social infrastructure in Toowoomba. In this place I often talk about the diversity, the multicultural aspect of the Toowoomba community that is not well understood. I know the minister understands it, but I want to talk about a couple of aspects relating to social infrastructure in Toowoomba. Last year, Toowoomba settled up to 700 refugees, mainly Yazidi refugees from Syria and Iraq. Toowoomba, with a population of 120,000 people, has settled more refugees than has New Zealand.

Mr Hinchliffe: Hear, hear!

Mr JANETZKI: I take that interjection from the minister. Toowoomba is a true success story in welcoming refugees and migrants and continues to be so. Toowoomba needs support for this social infrastructure to continue that good welcome. In this regard, Kate Venables of CatholicCare does a remarkable job. Darling Heights State School is in my electorate. Half of that school's population speaks another language at home. There is an opportunity to build a Darling Heights hub that would be a place where our refugee and migrant communities could come together, work together, and join with the community. I encourage the minister to consider funding for that hub. I will continue fighting for it, because Toowoomba is a place of welcome and welcomes people from all corners of the world.