




Speech By
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MEMBER FOR CHATSWORTH

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

 **Mr MINNIKIN** (Chatsworth—LNP) (9.38 pm): ‘You cannot escape the responsibility of tomorrow by evading it today’—so said Abraham Lincoln. I rise tonight in response to the Palaszczuk government’s 2019-20 budget. Throwing ever increasingly large amounts of money into key government areas such as transport and main roads, health and education is not a measure of success. It is about the effectiveness of outputs, not just input efficiencies. Simply put, it is what you actually do with resources rather than just throwing money at an issue. This budget fails future generations by avoiding the tough decisions required to be made by this generation. Unfair intergenerational debt will continue under Labor.

I will now comment on the budget in my capacity as the shadow minister for transport and main roads. The Transport and Main Roads portfolio is all about, obviously, delivering an efficient and responsive statewide transport system that will connect people right across our vast state, both now and into the future. Unfortunately, Labor’s incompetent approach to the 2019-20 budget, particularly for this key portfolio, means this worthy goal is a long way off. At a time when we need to get the transport system really moving for this growing state all we are seeing, regrettably, is higher taxes, more debt and less infrastructure.

The government wants to talk up their transport and roads budget; they tell us it is a record! In effect, it is more a smoke and mirrors exercise than a credible financial document for the future. Under Labor, the Queensland Transport and Roads Infrastructure Program, QTRIP, which outlines the current transport and roads projects, resembles a lay-by agreement: outlaying a dollar today, a few more next year with the rest off in the never-never.

Budgeting for future capital expenditure is one thing, but what about the existing assets? In the 2017-18 report on integrated transport planning, the Auditor-General concluded that the transport network had approximately a \$4 billion renewal backlog for the road network as at 30 June 2017. At that time, it was estimated that the renewal gap will increase to more than \$9 billion over the following 10 years. There is very little in this budget that shows a preparedness to address this mounting shortfall. Overall, we are not keeping pace; under Labor we are going backwards with our asset base. If the Labor government wants to talk about records, they are certainly well on track with this massive underfunding. This will compromise service standards and affect TMR’s ability to meet minimum performance targets. This is an area of major concern.

In terms of more taxes, the RACQ said—

... it was also disappointing drivers would be slugged with tax hikes on vehicle rego and licence fee increases ...

From 1 July, Queenslanders will be ... worse off than they would’ve been if increases were capped at the actual CPI rate, and not a hypothetical forecast—this will see registration go up by 2.25 percent ...

It should not be forgotten that this increase comes off the back of four years of consecutive 3.5 per cent rego hikes. Members will recall that the LNP actually froze registration fees for three years when we were in government.

Let's delve further into the budget itself starting with Labor's flagship project, coincidentally in the Treasurer's own electorate of South Brisbane, the Cross River Rail. It is noted that Cross River Rail underspent \$12 million of the \$733 million it was allocated in 2018-19. Already, delays have placed serious doubt over this government's ability to deliver their main infrastructure project by 2024 and on budget, as stated in their own business case. When it comes to major infrastructure projects, Labor has a track record of budget blowouts and delays, costing taxpayers millions of dollars of waste in the process.

The LNP has always acknowledged the need for a second rail river crossing in Brisbane. However, we hold concerns about the lack of transparency by Labor regarding Cross River Rail's cost and benefit assumptions and their funding model. In terms of budgets, the true costs of the Cross River Rail project are at least \$14.4 billion and that does not include the recent changes involving the additional \$250 million underground bus interchange. These costs include: \$5.4 billion for capital costs, approximately \$4.5 billion for operating costs and a further \$4.5 billion for auxiliary projects. With a re-elected Morrison federal government, the Treasurer can no longer rely on her federal colleagues to make up for her budget's deficiencies, and now it is to borrow for recurrent blowouts and not capital expansion. Labor have committed to delivering Cross River Rail, so now they need to get on and build it.

To be clear, the LNP will not tear up any contract signed by Labor should we win office in 2020. What we will do is hold the Palaszczuk Labor government to account for delivering Cross River Rail and monitoring project milestones, funding and land acquisition issues. Importantly, Labor should not be using Cross River Rail as an excuse to delay much needed congestion-busting projects like the second M1, Brisbane Metro or stumping up their fair share of the Sunshine Coast rail duplication. The Department of Transport and Main Roads infrastructure budget has been cut by \$853 million at the same time that another \$758 million has been poured into Cross River Rail. Labor are cutting road and rail projects across regional Queensland to pork-barrel the Deputy Premier's seat, whichever one that might be according to recent media speculation.

Mr Bailey interjected.

Mr DEPUTY SPEAKER (Mr Weir): Hold on, member for Chatsworth. Member for Miller, your interjections are not being taken.

Mr MINNIKIN: Comparing the 2014-15 LNP budget to the 2019-20 budget there have been cuts to infrastructure spending—capital purchases plus capital grants—in the following regions: Brisbane North, \$108 million; Brisbane West, \$41 million; Gold Coast, \$159 million; Moreton Bay South, \$223 million; Outback, \$1.797 million; Sunshine Coast, \$132 million; Toowoomba, \$453 million; Wide Bay, \$463 million. Their investment in infrastructure is less than any other state on a percentage of revenue basis.

Looking to the regions, there is no money in this year's budget to build the Rockhampton Ring Road project and only \$25 million next year. As I indicated earlier in my remarks about QTRIP, \$900 million to build this project—a total project cost of a billion dollars—is beyond the 2022-23 financial year, meaning it will be years away. There is no money for Mackay Ring Road stage 2 from Labor in the actual budget document—

Mr Bailey interjected.

Mr DEPUTY SPEAKER: Member for Miller, you will be warned if I have to call your name out again.

Mr MINNIKIN:—despite \$280 million from Canberra being on the table. All they could say is that they are going to get on with stage 1. We have previously called on the Palaszczuk Labor government to provide funding for stage 2 of the Mackay Ring Road project in the state budget and there has been radio silence from Labor ever since. Stage 2 is a vital investment as it will provide a strategic connection between the port and the Bowen Basin and Galilee Basin mining regions. The federal LNP have committed to funding 80 per cent of stage 2, which will cost \$350 million. The 20 per cent funding gap is \$70 million. We need the Palaszczuk government to step up and fund this much needed project. The LNP has committed to building the second stage and the federal government has already stepped up to the plate in terms of relieving congestion.

In relation to congestion between Brisbane and the Gold Coast, Labor has made a token gesture for the second M1, a paltry \$10 million of new money over two years, which has been allocated in the budget for project planning. This is the Clayton's approach to funding, where you allocate a miniscule

amount for show when you really do not want to fund it in the first place. By contrast, the LNP is keen for this congestion-busting project to proceed and it made an initial commitment to invest \$500 million to give the project a serious boost.

The Labor Treasurer asked how we would fund this. While the LNP already has an economic plan which includes a second M1, we only need to look at Labor's wasteful record to see that many options to fund infrastructure are available. The \$460 million cost overruns for Labor's ICT projects, the \$111 million prisons deal or the \$1½ billion spent on consultants and contractors is just the start. Working closely with our federal colleagues, the LNP will secure the necessary funding to progress this and other major transport projects. We all know the M1 is at capacity, with congestion and travel times worsening with each passing year. Labor had to be dragged kicking and screaming, despite the federal government committing over \$1 billion in 2018, to fund—

Mr Bailey interjected.

Mr DEPUTY SPEAKER: Member for Miller, you are now on a warning.

Mr MINNIKIN:—the next two stages of the M1 and the LNP urging the Labor government to get on with it. Labor delayed the process by playing political games rather than doing a deal to fix this major road. Then we have the Labor 2017 election commitment for the Bruce Highway Trust, where Labor announced the trust would receive an annual \$200 million contribution from the state government as part of a \$1 billion-a-year program to lock in Bruce Highway funding. However, surprise, surprise, the trust has yet to hold one meeting, it has no charter and they do not have any agreement with the federal government about a road that receives 80 per cent federal funding. Major projects like the Gold Coast Light Rail Stage 3A have been ignored and, again, there is no funding from the state government for this project. What is available, however, is the \$112 million contributed by the federal government, which was a commitment from both sides at the recent federal election that was won by the Morrison government.

The budget lacks tolling information for the Toowoomba Second Range Crossing. This has been a major undertaking initiated by the LNP. While the project will be completed in the second half of 2019, no information about the toll charges has been announced, making it increasingly difficult for heavy vehicle operators to price future haulage contracts. There is \$119 million allocated towards the new next generation transport ticketing system. However, may I suggest that before the project progresses too much further, the government needs to properly engage with the consumer representatives to ensure that the planned fare products are designed with the end user in mind. The cost of public transport is consistently the number one complaint of commuters. They are crying out for innovative fare structures. When last in office, the LNP reduced public transport fares by five per cent.

How can I talk about public transport without referencing what is generally referred to as 'rail fail'? Despite 32 months of rail fail, Labor managed to restore only 32 of the 472 weekly services that were cut at the height of the crisis in late 2016. On its current pathway, it will take Labor years to restore services that were cut in late 2016. These are not new services, as some backbenchers suggest, but just get us back partially to where we were three years ago. Labor confirmed it had paid consultants over \$335,000 between July 2018 and February 2019 to help implement recommendations of the scathing Strachan inquiry. By contrast, when in power the LNP had the best on-time running record of public transport in the nation.

Projects like the duplication of the Sunshine Coast rail line, Nambour to Beerburrum, are also missing the mark under Labor. Sadly for the people of the Sunshine Coast, this project is only mentioned in the budget with an indicative allocation of \$50 million towards the delivery of a \$550 million project. However, this is heavily qualified—isn't it always?—with funding arrangements subject to negotiations with the Australian government. This project remains in limbo and there is still a \$230 million shortfall from Queensland Labor. Once again, Labor has short-changed the Sunshine Coast and created uncertainty by not fully funding the Nambour-Beerburrum rail duplication.

The Labor government's allocation of \$160.8 million over four years for this vital project is well short of the state government's share of the required \$390 million. The Sunshine Coast line has the worst rail frequency in South-East Queensland despite being one of the fastest growing areas, with the single-track line shared between passengers and freight. The LNP recognises the necessity to improve the situation significantly and will support this project.

In March 2019, Brisbane was named one of the most expensive capital cities in the world for transport, sparking calls for the government to reduce costs. Past behaviour is the best way to predict future actions. It does not seem to matter which Labor Party members come or go; they all share in their DNA an absolute inability to understand what expenditure constraint and debt control is really about.

All politics is local. In relation to my electorate of Chatsworth, the traffic congestion along Old Cleveland Road will continue despite a small budget token. Residents can ruminate on this as they pay extra for car registration. The Eastern Transitway is desperately needed to reduce congestion. This budget contains a vastly inadequate amount of money that will not go very far in providing bus priority measures along Old Cleveland Road. I note the \$5 million for the Old Cleveland Road and Gateway Motorway intersection upgrade. Disappointingly, there is minimal joy for my local Chatsworth schools.

In closing, this budget is disappointing on multiple levels. It lacks any sort of vision or an appetite for true economic reform. I repeat my words from earlier budget reply speeches: this sleight-of-hand budget will come back to haunt the government during the remainder of its time in office. Sadly, future generations will also be made to pay a price for this short-term economic sugar hit that has no basis of fiscal responsibility.