




Speech By
Bart Mellish

MEMBER FOR ASPLEY

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QUEENSLAND FUTURE FUND BILL

ROYALTY LEGISLATION AMENDMENT BILL

 **Mr MELLISH** (Aspley—ALP) (4.56 pm): I rise to speak in support of the Royalty Legislation Amendment Bill and the Queensland Future Fund Bill. For many years, Queensland has been the envy of other states with our fully funded defined benefit superannuation scheme. New South Wales is working towards having a fully funded scheme by 2030, and Victoria is targeting full funding by 2035. Despite being ahead of the curve here, the state has not been receiving the full benefit of the surplus when it comes to our credit rating assessment, so this bill will create the Debt Retirement Fund. It will provide a mechanism for credit rating agencies to take quarantined liquid investments into account when undertaking their ratings assessment. At the moment, these funds are not taken into account which means we are not actually receiving the full benefit of us being the only state to have a fully funded scheme. To deliver even greater protection, the bill will give a guarantee that the state's defined benefit liabilities will continue to be fully funded. This is to be measured at least every three years as part of the State Actuary's process for investigating and reporting on the QSuper scheme in line with APRA and industry standards.

I will move briefly to the Royalty Legislation Amendment Bill. The 2019 budget announced a review of our petroleum royalty arrangements. The volume model proposed by the review will apply to all petroleum produced in Queensland which falls into three broad categories—LNG, coal seam gas, and oil and condensate which is sold by the barrel. In relation to this applying to LNG, this was an industry set up by a state Labor government—an entirely new export industry set up by Labor which has delivered billions in investment across the state, an industry which will deliver billions in royalties to fund our schools and hospitals over the coming decades. While the Liberal-National government in New South Wales missed the boat on gas and LNG, we got the job done. If the Nationals were in power in Queensland in the late 2000s, you can bet the industry would not be delivering the level of jobs and economic benefits that it is doing right now.


Mrs Frecklington interjected.

Mr MELLISH: They say they love the resources industry, just not in their own electorate, as the member for Nanango well knows.

I go back to the Queensland Future Fund Bill. This bill ensures that the legislative protections of the defined benefit scheme are as strong as possible. This basically means that a future LNP government would have a harder time accessing these funds to pay off their mega spending and mega unfunded promises over the coming months. In terms of the debt reduction retirement fund, we are modelling the legislative structure on the NSW Generations Funds Act 2018.

What is the alternative approach to debt reduction? In 2013 the federal LNP promised a budget surplus in each and every year. They have not delivered a single one. We of course remember their pre-emptive 'Back in Black' messaging and merchandise last year, claiming a budget surplus before

they actually had one. Campbell Newman did the same. He promised a budget surplus in each and every year. Gross debt federally was \$684 billion at the end of 2019-20 and is tipped to be almost \$852 billion at the end of 2020-21. In 2013 it was \$257 billion.

 **Mr MELLISH** (Aspley—ALP) (6.08 pm), continuing: Federally, long before COVID-19 was on the horizon, the LNP more than doubled debt. It will be a trillion dollars before we know it—a quadrupling of what they inherited. At a state level we have turned the corner from the Campbell Newman budget deficits and now we have a strong plan to unite and recover from COVID-19.

As always, the LNP talk the talk but do not walk the walk. They simultaneously want to cut the Public Service and also somehow stimulate the economy. I had to check my ears today, hearing some on the other side calling on us to provide more stimulus for the economy. They say they hate debt, but all they want to do is rack it up. They are overnight Keynesian, but I suspect there is not much logic behind their change of heart. They probably think Milton Friedman is a winery they visited in Margaret River, but maybe they are saltwater economists after all. They do like a nice getaway on the Noosa River, it seems. They are economic dunces and they are a risk to the Queensland economy. I commend the bills to the House.