




Speech By
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MEMBER FOR BROADWATER

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APPROPRIATION (PARLIAMENT) (2020-2021) BILL

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 **Mr CRISAFULLI** (Broadwater—LNP) (Leader of the Opposition) (11.14 am): In 1960 a man known as Frank took the biggest leap of faith in his life. At age 40 he rolled the dice and left his homeland of Sicily to head to our state without knowing a word of English. He was one of the late movers to North Queensland after a bold decision by successive Queensland governments to expand the sugar industry. Words were not his strong point but hard work was, and he found success with each swing of a cane knife, forging a future for his family. Half a decade earlier, a young man in his 30s known as Leo came to Brisbane via Newcastle after leaving his native Poland after the terrible Second World War. Leo, who had a fascination with learning but worked with his hands, was fluent in multiple languages and devoured books to improve his education. Two men, two different stories, from two different nations but with one common goal: to make life better for their lot. Today, the grandchildren of Frank and Leo face off as leaders of their respective parties in this parliament. Yes, we stand opposed in the conflict of ideas but we share a mutual legacy of those who have gone before us, who put sacrifice and their families' future ahead of themselves. It is the lesson of so many migrant families.

It is these threads that I intend to guide me in my role as opposition leader, choosing to focus on the future wellbeing of our families and our communities ahead of momentary considerations and distractions—recognition that through a bit of hard work and perseverance results will flow. The people of Queensland want a focus on them, their jobs, the economy. I promise Queenslanders that as opposition leader I will always support ideas that have merit but will strongly hold the government to account. Promises made should be promises kept. While I accept the mandate the people of Queensland have given the government, I do not accept that the election result was a blank cheque for Labor to continue the failings in service delivery across Queensland. This budget locks us into a generation of borrowing for today, not building for tomorrow. I will have more to say about that later.

Look at the challenges that face Queensland through the lens of those values. When Leo and Frank first went to work there were just 1.3 million Queenslanders, about 530,000 of whom were employees. The state basic wage in 1960 was about £13 for men and £9 for women or, in today's money, \$390 for men and \$270 for women. Back in the 1960s houses were more affordable. In real terms, workers were paid less than today but the average cost of a new worker's home was about £3,000; that is about \$90,000 in today's money. A comparison of earnings to house prices shows that housing was more affordable in 1960. They were tough times but they were rewarding times for hard work and perseverance. Jobs were in abundance.

These are just two of many stories, but they point to those things that have helped make Queensland what it is today. They set the scene against which today's policymakers have to face different and complex challenges. In an increasingly mobile and interconnected world, we face challenges that people born in the earlier parts of the 20th century never even contemplated. Some things remain the same; others change beyond recognition.

Government must ensure that Queenslanders have access to the best possible health care, the most effective education system and a fair judicial system, but we must adapt to new challenges and opportunities through technology. Throughout history, improvements to technology have delivered new jobs to overcome those sectors that were impacted, but in a global world we must be amongst the early adopters or risk being overtaken by other states or nations that move swiftly.

Queensland faces many challenges. We will continue to grapple with the impacts of COVID-19 and overcome the wreckage it has inflicted on the global economy. At a time when 214,000 Queenslanders are out of work, it is woefully out of touch to claim that this is a remarkable achievement. This is not the time to claim mission accomplished; this is the time to continue to support business and build confidence in the community.

It is against this background that governments must respond. The measure of their success lies in precisely how they respond. Last week I called on the government to ensure its election commitments were included in the budget. I also said that I wanted to see them delivered now, not on the never-never, because this is our state's hour of need. People need the jobs and they need the certainty that comes with those jobs, and they need them now.

As I said when I became leader, we will be an opposition that is constructive and we will not criticise for the sake of criticising. Where positive initiatives are introduced, we will welcome them and support them and, in turn, where there are failures, broken commitments or bad decisions we will call them out with vigour and hold the government to the account that the people of Queensland expect.

In this budget we applaud the four-year commitment to support the prevention of domestic and family violence in vulnerable populations. It broke Queenslanders' hearts to see the pain and suffering that Hannah Clarke and her young kids went through, both in February this year and before it, but her legacy and that of her kids should be something that drives all of us to do a little bit more.

I welcome the \$3.5 million allocated towards the cost of establishing a Holocaust Museum in the budget highlights. Matching federal government funds proves what can happen when different levels of government are willing to work together. The Brisbane Synagogue is located just next door to Mineral House in Margaret Street and the importance of remembering millions of Jewish people who lost their lives not only is worth doing but also is something that can help educate our public. I will be seeking guidance as to which year this funding will be paid.

I also believe the government's proposal to freeze public transport fares is a sensible measure to encourage people to use public transport after a year of reduced patronage and certainly of changed behaviours.

While I commend these initiatives at a time of our state's greatest challenge, there is nothing more disappointing than a response that overall misses the mark, and unfortunately for Queenslanders this is precisely how this budget can be categorised. Assembled in the shadows of an election and revealed only after the last vote was cast, the budget stands as a testament to this government's failures to tackle the raging economic storms, to lay out a plan for the future and provide certainty and security for the people of the state, but its biggest indictment is the breach of trust with the people of Queensland. The government went to the election having not delivered a budget in over 500 days. When the government sought a mandate from the public, it repeatedly used the figure of \$4 billion. Nowhere was a request of \$28 billion ever whispered—not once. This is a broken promise. The government led Queenslanders to believe that it would only need to borrow \$4 billion and then immediately helped itself to seven times more. Queenslanders have 28 billion reasons to feel deceived.

Since the beginning of this year, Queenslanders have been required to make significant sacrifices on all levels—personal, community, financial. They did this not because the government told them to but because it served the interests of their fellow citizens and to the entire community. That is the Queensland way. While Queenslanders do not expect rewards for their sacrifices, they do expect honesty, openness and frankness from their government. Government is a two-way street. Governments only operate with the consent of the governed and that consent can only be validly given when it is informed.

The government seems incapable of acknowledging that the seeds of the Queensland economy's weakness were planted well before COVID-19 struck. The seeds were planted in the first five years of this government's term in office. The report by Moody's yesterday belled the cat. The capacity of the Queensland government to implement measures to respond to the pandemic was limited by the pre-existing debt levels of the Queensland government. Moody's Investors Service Vice-President John Manning said—

Queensland's debt burden will remain elevated for an extended period of time.

While record low interest rates will enable the state to absorb such a sharp rise in debt, the rapid and sustained increase in the debt burden will constrain its operating profile over time, particularly in the event of future shocks.

In other words, less favourable borrowing conditions will severely limit the state's ability to respond to future economic shocks, and that should be of particular concern to a state like Queensland that has regularly experienced unforeseen natural disasters, be it cyclone, flood, drought or fire. Labor has rolled the dice on debt, but it is to put fuel in cars and pens on desks, not roads to ease congestion and dams for economic opportunity.

There can be no clearer picture painted of Queensland's economic position than in CommSec's State of the States report. The October 2020 report reveals that Queensland is now the sixth ranked economy across eight distinct indicators—equal with Western Australia, which spent most of this year in complete isolation, and ahead of the Northern Territory. What this means is that five states and territories have performed at a more impressive level than ours, including Victoria, which has been locked down for much of 2020. Let us consider each of these eight indicators from January this year to see exactly how badly Queensland was performing under this government.

Queensland came seventh on investment in equipment, economic growth and unemployment. On three indicators Queensland came sixth of all states and territories—construction work undertaken, wages growth and even dwelling commencements. On housing finance Queensland was in fifth. Queensland did finish second in population growth, and it is in this area that we must harness the goodwill by immediately delivering job-creating infrastructure to recapture our mojo of years gone by—immediately. But I want to look beyond the statistics. The story of people's lives and livelihoods are being told in these numbers, and they deserve to be told the truth.

Right now, there are 214,000 Queenslanders who, a few weeks out from Christmas, want a job but cannot get one. Queensland should be the best place in the nation—the best, whether it is somewhere to live and raise a family or somewhere to work. I want Queensland to be the best when it comes to creating jobs—more jobs, more high-paying jobs and more opportunities for our young people. It remains disheartening that a minister can claim that there is not really much you can do about youth unemployment. This year a cohort of year 12s were the first in a generation to graduate in a recession. We must not allow them to slide into a life of underemployment. The government has given up on tackling unemployment. We will not.

However the Treasurer might want to categorise it, Queensland faces an unemployment challenge that this government appears incapable or unwilling to address. At October this year Queensland reported an unemployment rate of 7.7 per cent, and that is the highest of the mainland states. At the same time Australia's seasonally adjusted unemployment stood at seven per cent, meaning that Queensland's unemployment rate was worse than the national average.

The Treasurer has sought to make mileage by comparing Queensland on some select grounds with some select other states. It is no surprise that someone who would regard a 41-page colour brochure as an economic policy will cherry-pick statistics, but here are some numbers that cannot be disputed. At the end of this budget, when all the measures have been run and all the plans have been implemented, Queensland's forecast unemployment—that is, where we are aspiring to get to—will be 6.5 per cent. That is worse than Victoria at 5.75 per cent and New South Wales at 5.25 per cent. Jobs are the litmus test for this budget. Despite all the brochures, despite all the debt, more Queenslanders will be jobless. Queenslanders deserve a focus on supporting and delivering jobs, but the government seems willing to accept unemployment levels for years to come.

What is playing out today is not an experiment, it is reality. It impacts lives. It impacts the economic security of every Queenslanders: the ability to say that you can provide for your loved ones. The government cannot ignore the beating drums from industry bodies. We must consider what significant Queensland business and industry bodies have had to say about this budget. Regrettably, it has been defined as one of missed opportunities. Chris Mountford of the Property Council said—

Queensland's biggest competitors—New South Wales and Victoria—have adopted big thinking and ambitious budgets that focus on infrastructure, tax incentives and major reforms with the unashamed intention of spurring on private sector investment.

What we have seen today in Queensland is a budget that doesn't tackle this challenge. It's more 'business as usual' than a budget for unprecedented times.

Paul Bidwell of Master Builders Queensland responded by saying—

However, despite the Treasurer's optimistic outlook that jobs growth and interstate migration will bounce back, commercial builders are in a world of pain ...

Dr Georgina Davis of the Queensland Farmers' Federation responded that they are underwhelmed by the 2020-21 budget, noting that there were no surprises either positive or negative. She stated that this year's budget was again a missed opportunity to address some critical competitiveness and productivity issues.

The Chamber of Commerce & Industry Queensland released the following statement—

The 2020-21 state budget delivered today, fails to deliver the immediate measures needed to protect business ahead of the looming economic cliff ... CCIQ economist Jack Baxter said that despite increased borrowings, there was a missed opportunity to outline any additional immediate measures to assist small businesses over what is expected to be a tough recovery.

The CCIQ concluded by saying that the government 'hasn't produced any longer term competitive inducing reform which our economy and business needs'. These bodies would have accepted a budget borrowing blowout if it was for intergenerational assets that created wealth for their members.

I will now turn to the most damning critique of this budget. The wealth and prosperity of a state is directly reflected in the economic value of its government, the wealth and prosperity for which Frank and Leo bent their backs and blistered their hands. Sadly, this budget forecasts that the value of the Queensland government will stagnate over the next four years.

The net worth of the Queensland government will increase by 0.08 per cent over the forward estimates. This anaemic growth is despite the fact this budget will borrow an additional \$28 billion. Queensland will borrow an additional \$28 billion and yet the value of the state is stagnant. There would not be one business, there would not be one household, that would be willing to borrow so much and receive so little in return. With barely any forecast improvement in net worth of the Queensland government, it is clear that these borrowings are not going towards building a better future for our state. These borrowings are mortgaging future generations of Queenslanders to pay for today's economic mismanagement by this government.

It does not need to be this way. In line with the advice from the Reserve Bank of Australia governor Philip Lowe, governments across Australia are borrowing to invest in job-creating infrastructure projects, projects that build stronger and more resilient economies, projects that create wealth for our society and improve our standard of living. These are the projects that deliver a material return, not just to the economy, but to the government's value.

Before the election the Treasurer was fond of using the balance sheet to maximise the opportunities for our economic recovery, yet the picture painted after the election does not quite fit with that. The Premier and Treasurer have drawn many comparisons with New South Wales' borrowing, but they have been silent on how these borrowings are being spent. New South Wales is borrowing \$62.5 billion over the next four years and with this debt they will drive a 13 per cent increase in the New South Wales state net worth. That is 13 per cent compared to 0.08 per cent.

The value of the New South Wales government's balance sheet will increase by nearly \$30 billion in net terms over the forwards. This is a return on investments for its taxpayers, one that represents a 47 per cent return on the debt borrowed. Instead of mortgaging the wealth of future generations, New South Wales is building wealth for tomorrow. This is what Queensland could have done, but instead our government is borrowing for business as usual.

Queensland needs a new approach to decision-making to get the economy going. The problem is that this government, as much as it might protest, has state control within its DNA. It resents others taking decisions which might loosen its control on the economic levers. When someone with entrepreneurial flair or a willingness to invest their own money in a progressive project comes along the first instinct of the government is to throw up the barriers before seeing if the project fits within a narrow ideological framework. The government's failure to follow through on a great concept of market-led proposals is a clear example of this.

The disturbing fact is the government's own lack of courage filters through to those who seek its approval to proceed and to create jobs. After six years in office it should be clear that this is not the way things should be done. A government that is unwilling to embrace investors who do not match its own ideological straightjacket will never be able to encourage the maximum level of investment and enterprise—for example, the global tourism hubs and a litany of resource projects. It is time the government changed its approach to ensure the entire state benefits from investment.

At the same time we need to adopt a new approach to our Public Service. Bereft of a plan to manage their finances, this government will attack the decisions of an administration that will be 10 years in the wilderness by the time of the next election to scare the hardworking men and women of the Queensland Public Service into not supporting values and beliefs that many do at a federal and local level.

This is my vision for a modern Public Service: one where service levels continue to improve and wages continue to rise, one where our relentless focus will be on delivering a level of customer satisfaction to all Queenslanders regardless of where they live; a Public Service that is valued, where regions are empowered to make decisions and the culture that exists between the executive and the

bureaucracy is improved beyond what it is today. I know the attacks that will be levelled at me from the period between 2012 and 2014—we saw them today—but I know the way I conducted myself with the teams I led.

The Queensland Reconstruction Authority had their budget bolstered and were empowered to work with councils to rebuild shattered communities more quickly and efficiently. They upgraded broken infrastructure, not just replacing it to the same standard only to see it washed away. As local government minister the battered relationship between councils and the state was repaired. The only thing that was cut was draconian legislation that saw councils function as merely delivery agents for the state government.

Regional officers drove that relationship and were empowered like never before. One of the beneficiaries of that approach now sits in the chamber today as the new member for Hervey Bay. He played a role in that rebuilding process. Another strong player in the reform was the fresh mayor of Ipswich, Councillor Teresa Harding.

When I lost my seat I walked the floor of both of those departments. It hurt and it was humbling, but I did so with my head held high because of the relationship that I had formed with both sets of staff. I raise this as already those opposite have used every day in this House to stir up select ghosts of the past while ignoring that this deliberate broken debt promise is the biggest breach of faith since 2009 when the Bligh government promised not to sell assets before the poll and then hocked them in a fire sale afterwards.

I will not spend every day of the next four years reminding several of today's ministers that they were part of that breach of faith. Instead, I will look further back to find the formula to success for the Queensland that we want for our kids. It is time for this place to dream big on infrastructure, as we did in the era of the migrant success stories of Frank and Leo. It was under Frank Nicklin that state development took on a whole new meaning with the doubling of roads and the doubling of irrigated land, while mining truly found its feet. Nicklin was proof of the value of humility and his respect for the Public Service, and the standards he set for his team are a benchmark we must follow today. Over four decades later, at the turn of this century, it was Peter Beattie who backed the minds of our people and made education and innovation part of his narrative. I will be the first to question Mr Beattie's ability to roll out infrastructure in a well-planned and coordinated way, but his passion for Queensland and his aggressive interstate business migration strategy showed innovation.

It is a fair question to ask: what would the member for Toowoomba South do if he was bringing down this budget today? The first thing is transparency. You will never have a situation where information is deliberately withheld before an election—ever. I do not fear borrowing to build, but I do fear racking up \$28 billion in borrowings that barely add to the total net worth of the state. Faced with these circumstances this is what we would do: we would repair the relationship with Canberra and the nation's largest local government right here in Brisbane to immediately kickstart co-funded projects. With unemployment forecast to be the highest in the nation, the economy is crying out for stimulus now, not in two or three years time.

Today I call on the government to fast-track spending on projects so that Queenslanders can get back to work. Of course, there is a bring-forward cost in building sooner. Part of the government's strategy of pushing things into the distance is to avoid making the tough decisions, but this financial challenge can be overcome and, in fact, improved on the back of interstate migration to service the building demand. People want to be in Queensland and they will make the move permanently if there is a pipeline of work starting now. Projects such as the Coomera Connector have funding of over \$1.5 billion, but around half is beyond the next four years. We will see next to no progress for over a year.

A government member: Because ScoMo is not giving us the money.

Mr CRISAFULLI: I take the interjection. We hear the same tired old arguments on repeat. They have no vision and no ability to get things going. They are the same tired arguments. It is the same for the Beerburrum to Nambour rail upgrade, which has around 80 per cent of construction spending delayed until at least the 2022-23 financial year. We would work with the federal government to get those projects done sooner rather than see them drift aimlessly into the forwards and beyond.

There are a myriad of other projects with federal funds attached that are stuck on the runway waiting for the state government to come to the party with funding or a plan for delivery. There are projects that have substantial funding deep in the forwards and beyond. The Townsville Connection Road in Idalia is a \$46 million project. This financial year \$20,000 will be spent. In Cairns the Western Arterial Road duplication project will see just a fraction of its budget spent in the next two years, yet the Cairns economy is desperate for jobs. It is the same in the Redlands where residents will not see congestion relief from the Cleveland-Redland Bay Road duplication until after the next election.

This is Queensland's hour of need and it is up to us to answer the call. Fast-tracking our capital expenditure and partnering with other levels of government is the only cure for a stubbornly high unemployment rate. In his budget reply contribution, the member for Toowoomba South will outline how the small cost in bringing this expenditure forward will kickstart our economy, drive revenue growth and allow further capital investment down the track. In the months and years ahead we will forensically review the government's expenditure. Where waste is identified we will highlight it forcefully and show how those savings could alleviate the bring-forward cost of capital.

Those opposite say that their planning time frames cannot be changed. As recovery minister I witnessed how quickly infrastructure can be mobilised during a disaster. We are in the midst of a jobs disaster. It is time to mobilise the Queensland spirit to get our state back to work and it is our attitude to private sector investment that will truly set us apart. This is Queensland's hour of need and the men and women of Queensland are ready to answer the call.

We will unshackle the mining industry. We need world's best-practice environmental protections delivered in a sensible way that supports jobs and investment but preserves our pristine environment and our water assets. Queensland's resources industry is a success story and it will continue to be a major driver of jobs and investment in Queensland. I see the challenge for Queensland to take the output from the sector to enhance the broader economy. We will drive efforts to attract more onshore mineral processing and value added projects—that is right: here in Queensland. A legitimate criticism of the government has been of actions that have given rise to sovereign risk, which destroys investment in further infrastructure and squanders our future growth potential. It is vital that we support the sector and grow opportunities. While energy resources remain king, I also want to see more support given to new mineral opportunities and processing.

The war on farmers must end. I want to see Queensland's food and fibre output bolstered through a significant co-investment in education, training and support to producers to use world's best practice technological development and sustainable practices. Significant productivity benefits could be achieved and the resulting benefits to employment and production from next generation agricultural technology could be leveraged off a small government investment. We need a significant investment in agricultural research and development. The ingenuity that provided the early productivity increases that caused our export dominance have fallen by the wayside and we must fight to see that returned. We have the human capital and the knowledge industry which stand ready and able to support productivity increases in the agricultural sector, but I see a role for leadership in joining these two together.

We must build the water infrastructure this great state needs. It has been nearly two decades since we last built a dam in this state. It should cause everyone in this House pain and embarrassment to know that it is ripped down at a time when water has never been more important.

Queensland has an enviable position as the world's best natural offering for tourism. Our natural beauty is second to none. Queensland's pristine national parks are the jewel in the crown of our tourism industry, and so much more needs to be done to develop ecotourism opportunities. Much has been said about ecotourism, but little has been done by this government. We must see this change. Several decades ago we had big dreams for this fledgling industry. Our tourist facilities were the envy of the world—new products, exciting experiences and booming numbers. We need to recapture the entrepreneurial spirit and develop a new offering that harnesses our clean and green image in a post-COVID era. Our operators are up for the challenge.

It is time to treat our medical research and training industries seriously. If we have learned nothing else this year, it is the absolute importance of our health and related industries. We have to support their growth, promote private sector investment and reinforce the involvement of our universities and research institutes. Steps must be taken to start this process.

Despite the trials and tribulations of 2020, education remains a major contributor to the Queensland economy. Now is the time to start the process of restoring education to a primary position in this state. Queenslanders are entitled to ask to see the concrete plans of this government to begin the process of welcoming overseas students back to our educational institutions when it is safe to do so. We cannot wait until the borders are open to begin planning this important process.

I believe it is time to maximise the contributions of regional Queensland to our economy through regional empowerment. COVID-19 has taught us that not every worker needs to operate from the capital CBD. Regions should be promoted as significant hubs to service the industries they have attracted, whether that be mining, tourism, agriculture or anything else. We must be bold in our ambition to have businesses move here and be headquartered across the length and breadth of Queensland. We have so much to offer to attract them.

Our society is at its best when we look after our most vulnerable. Being economically strong allows us to be socially compassionate. The ongoing challenges our community faces with domestic violence, health challenges for our First Australians, protection of our children, the growing incidence of elder abuse and appropriate care for our disabled demand significant law reform and targeted spending, and we are up to work with the government on this challenge.

I have announced the appointment of shadow ministers to cover the areas of integrity in government, open data and customer service. This reinforces our intention to place the citizen at the centre of all dealings with government. Government should serve the interests of the people, whether it be through unimpeachable conduct of the government, access to information or asserting the people's interests when dealing with their government.

While we continue to face trying times, we must prepare for the time when a vaccine against COVID-19 will be rolled out. We must begin doing the groundwork for the construction of necessary infrastructure, the investigation of incentives to promote business growth and the possibility of industry relocation to accommodate changing patterns of work. This fresh approach is vital to ensure we are able to capitalise on changing circumstances.

These are the values that will drive us in opposition—values that will ensure we scrutinise every dollar spent by the government, values that see us back what needs to be backed and fight what needs to be defended, values that see us engage with stakeholders in a respectful and trustworthy way to develop policies to deal with our unemployment woes.

Queensland is now a different place from the Queensland of 60 years ago, but what is not is the hand we have been dealt. We still have the best land waiting for agricultural expansion. We still have the best minerals waiting to be mined. We still have the best rainfall waiting to be harvested. We still have the best environment waiting to be enjoyed. We still have the best minds waiting to research. The Queensland we want is one where we return to our rightful position as the economic powerhouse—for us, for our children and for the next generation of Franks and Leos waiting to take that massive leap of faith.