



Speech By  
**Jennifer Howard**


**MEMBER FOR IPSWICH**

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**QUEENSLAND FUTURE FUND BILL**

**ROYALTY LEGISLATION AMENDMENT BILL**

 **Ms HOWARD** (Ipswich—ALP) (4.17 pm): I rise to speak in support of the Queensland Future Fund Bill 2020 and the Royalty Legislation Amendment Bill 2020. These two bills show the Palaszczuk government's commitment to planning for Queensland's future. The Future Fund will alleviate the debt burden on future generations of Queenslanders while ensuring our public assets are kept in Queenslanders' hands, and the royalties bill will ensure that Queenslanders get a fair return on petroleum royalties. These two bills support and guarantee Queensland's economic recovery as we work through these uncertain times. I thank the Premier and the Treasurer for delivering this important legislation.

The Future Fund will ensure responsible management of Queensland's budget by providing funding to reduce Queensland's debt. The fund will be ring-fenced so that funds can only be used to pay down the state's borrowings and cover any other administrative costs associated with the fund. This means we can free up our borrowing capacity to invest in job-creating infrastructure to support Queensland's post-COVID recovery. The Future Fund will also deliver tough new anti-privatisation protections to ensure Queensland's strategic public assets are kept in Queenslanders' hands. This will prevent the LNP privatising our public assets by stealth, like they did in 2014 when they sold off Queensland Motorways. Our strategic assets—

**Opposition members** interjected.

**Mr Lister** interjected.

**Ms HOWARD:** They do not like it.

**Mr DEPUTY SPEAKER** (Mr Weir): Member for Southern Downs.

**Ms HOWARD:** Our strategic assets, like power and water infrastructure, are not for sale. Instead, the Future Fund's locked box will protect them from ever being sold off by the LNP. This bill will also provide for transparency, accountability and openness when it comes to the Future Fund's deposits and withdrawals. Any returns on interest and investment held by the fund will go back into the fund to be quarantined so that it can only be used to reduce the state's debt. This is what responsible, prudent budget management looks like.

Unlike the LNP, who eye off our public assets to sell off in order to get a quick buck to pay down debt, the Palaszczuk government—

**Mr Lister** interjected.

**Mr DEPUTY SPEAKER:** Member for Southern Downs, you have earned yourself a spot on the list. You are now warned.

**Ms HOWARD:** The Palaszczuk government is providing a sustainable guarantee for our future while keeping public assets in Queenslanders' hands. This will mean for my electorate of Ipswich more capacity for our government to invest in job-boosting infrastructure such as schools, hospitals, public transport and roads. Ipswich, under the last LNP government, did not fare well. There was no investment in infrastructure—zero. They cut \$21 million from West Moreton health's budget and sacked 84 health staff. They scrapped the Skilling Queenslanders for Work program which helped unemployed people in Ipswich get back into training and work.

The LNP's austerity strategy of cuts and sell-offs is not a sustainable way to manage a state budget. It is not even a way to govern the state effectively, but it is the only way the LNP knows how to govern since it has no plan or policies to go on—just more cuts and sell-offs while ordinary Queenslanders lose their jobs and businesses.

The Palaszczuk government has a sensible plan to sustainably guarantee Queensland's future to support a jobs-led recovery after COVID-19. We are doing that by establishing the Future Fund, as well as reforming our state's petroleum royalty regime so that Queenslanders can get their fair share of LNG royalties. Queensland's LNG export industry is less than a decade old, but our royalties regime—designed more than 10 years ago—is not suited to Queensland's current gas industry.

The petroleum review, chaired by the Hon. Jay Weatherill, recommended a royalties regime modelled on the volume of gas produced, similar to what we have for the royalty regime for coal. The petroleum review's report conceded that Queensland's 'existing royalty regime lacks transparency, is complex and inequitable, and that Queenslanders are entitled to receive a fair return for the right to extract their valuable non-renewable resources'.

Queensland exports \$16 billion worth of LNG each year and Queenslanders deserve to get an equitable return on this. The volume model recommended by the petroleum review and put forward in this bill presents the best return for Queenslanders and ensures industry pays its fair share for a resource that belongs to Queensland. The Office of State Revenue undertook modelling comparing the volume model against the industry proposed model and showed that, when compared to our current royalty arrangements, average royalties over the nine-year period from 2020 to 2028 would work out to be about \$94 million per year higher under the volume model, while the industry proposed model would only work out to be about \$36 million per year higher. The volume model is obviously a much better deal for Queenslanders.

Only a Labor Queensland government can reform our petroleum royalties regime in a fair and equitable way that would ensure that Queenslanders get their fair share of returns on LNG. Were the LNP to reform our royalties regime, the returns would end up as profits and bonuses going to the big end of town instead of being invested in vital public infrastructure that Queenslanders need. With COVID-19 impacting Queensland's economy, our investments need to be guided by a steady hand in support of Queensland's economic recovery. The Palaszczuk government's Future Fund and new petroleum royalties regime will help do just that. I commend these bills to the House.