




Speech By
Kim Richards

MEMBER FOR REDLANDS

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QUEENSLAND FUTURE FUND BILL

ROYALTY LEGISLATION AMENDMENT BILL

 **Ms RICHARDS** (Redlands—ALP) (3.23 pm): I rise today to support the cognate debate on the Queensland Future Fund Bill and the Royalty Legislation Amendment Bill 2020. I point out to the member for Mermaid Beach that when the NSW Generations Funds Bill was passed, it was done with the Snowy Hydro Legacy Fund, so I think it is okay to cognate this bill. Both bills came before the Economics and Governance Committee and underwent rigorous industry consultation. I say thanks, as always, to the committee secretariat and the team, my fellow committee members, particularly Hansard and the digital teams that throughout the COVID pandemic have managed to keep our committees going in this new Zoom world.

I will start with the Queensland Future Fund Bill. This bill delivers on our government's commitment to establish a Future Fund and provides a guarantee that the state's defined benefit scheme superannuation liabilities will remain fully funded. QIC will administer the Future Fund, and we heard from them during the public hearing process. It is also important to note that Queensland is in an enviable position of having the only fully funded scheme in Australia. The defined benefit scheme in New South Wales is predicted to remain in deficit until at least 2030, and in Victoria it is estimated they are about \$30 million in arrears.

At the heart of these bills is smart fiscal management in the most tumultuous times for economies around the world. This bill ensures that Queensland's assets are working for Queenslanders. It is about managing our balance sheet in the most effective and efficient way possible. This bill does just that whilst also protecting Queensland assets from future privatisation. We all remember the LNP's Strong Choices agenda. Our Palaszczuk government will always protect Queensland assets to make sure they yield dividends for Queenslanders, not quick, one-off sugar hits to a budget the effect of which is we lose those assets and they cease to serve the people of Queensland.

In these uncertain times providing certainty, particularly around cost-of-living expenses like electricity, is important and we can do this by having these assets in our hands—the poles and the wires. We would not be able to provide our communities with dividends in the electricity space if we did not hold on to those and protect them.

The bill will ensure all interest earned and investment returns from the Queensland investments held in the Future Fund will be returned to the fund and utilised to reduce debt. Under this bill we will continue to extend the reward of our assets back to Queensland and take a more fulsome financial view of our balance sheet as it is offset against debt.

Moving to the Royalty Legislation Amendment Bill, Queensland is a powerhouse in the export of LNG, exporting nearly \$16 billion worth of gas annually. It is an industry that the Labor government championed over a decade ago. This bill introduces a new basis for imposing petroleum royalties following the recent review by the Hon. Jay Weatherill that looks to see how Queensland can benefit

from our own natural assets. The review found that the existing model designed over a decade ago had scope for improvement and recommended a shift to a volumetric model. Currently, the existing royalty regime levies royalties on the value of gas at the wellhead and this bill will see that replaced with a model that is based on the volume of gas produced. We heard from a number of stakeholders during our committee process about the model.

The industry was consulted at every step of the process including, as I said, throughout our committee process. The government has accommodated a number of industry requests while still preserving the intent of the recommendations from the Weatherill report recommendations. The volume model will provide greater transparency and streamline the process and return more to Queenslanders for their non-renewable resources.

Finally, the bill also contains amendments for consideration in detail relating to the administration of three important initiatives for our construction industry, and this is really important. These initiatives are so important during this COVID pandemic and in our journey to economic recovery. Our Palaszczuk government's economic response to COVID-19 has been swift and comprehensive with a focus on building projects, investing in infrastructure and creating jobs for Queensland. Works for Queensland, our schools program and the extension of the first home buyers assistance are just some of those.

This bill addresses the administration of \$45,000 from these three important initiatives: the First Home Owners' Grant, one of the most generous schemes in the nation might I add; the Regional Home Building Boost; and the HomeBuilder program. The Commissioner of State Revenue will administer these grants in accordance with the administrative directions which provide for the detailed eligibility criteria, the application process and ongoing obligations for its applicants.

This legislation will ensure that a robust compliance and review framework is in place to support administration grants. I would also like to thank one of my local builders who came to talk to me about the grants administration, particularly the HomeBuilder program, and issues relating to how banks would deliver finance for their potential customers. That has been addressed in this bill, so that is great news.

Our government is not only focused on protecting Queenslanders' health during this global COVID pandemic but also has a laser focus on Queensland's economic health. We will continue to deliver on our strong economic plan for all Queenslanders. That is what this bill does. Our plan is to see Queensland lead the nation in economic recovery. New lending for dwellings is the highest in the nation at the moment. Our retail sales are the best on the east coast and we are the only state to record a decline in unemployment during this crisis.

The Palaszczuk government is all about securing our assets and making sure that our journey is accelerated in the economic recovery post COVID. I commend these bills to the House.