




Speech By
Ray Stevens

MEMBER FOR MERMAID BEACH

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QUEENSLAND FUTURE FUND BILL

ROYALTY LEGISLATION AMENDMENT BILL

 **Mr STEVENS** (Mermaid Beach—LNP) (3.13 pm): It gives me great pleasure to rise to talk on the Queensland Future Fund Bill and the Royalty Legislation Amendment Bill. Unfortunately, the real long title of this bill should be ‘How do we avoid a Standard & Poor’s downgrade before an election bill’ because of the creative accounting that has been used in this Queensland Future Fund Bill and because it is another tax grab on the royalties in Queensland. That is what this bill is all about and, unfortunately, it has been declared urgent.

This is about a Future Fund for Queensland 2½ months before we get a new government in Queensland. This is all about trying to avoid a financial downgrade before 31 October. The creative accounting of the former treasurer, which has been carried on by the current Treasurer, will not hide the disastrous financial state that this government got Queensland into before coronavirus arrived. That is the tragedy of it. We were the worst prepared state for the debacle that is coronavirus.

The member for Logan has been going on about the valuations of the public servants’ defined benefit scheme. However, when the valuations come in on all the investments that particular scheme has in 12 or 18 months time—and I think the investments are worth around \$270 billion to \$290 billion around the world and Australia—we will find that the defined benefit scheme has gone very much into deficit. There will be public servants out there extremely worried about their payout after their long careers in the Public Service. That is what this bill is really about.

It is full of nonsense in terms of ridiculous valuations on the titles in Queensland—for instance, \$4 billion, when they can only sell the New South Wales title. How many titles would there be in New South Wales compared to Queensland? In round figures, theirs is \$2.6 billion and we have said, ‘No, ours is bigger and better at \$4 billion.’ That is the sort of nonsense and creative accounting used by this government. It is a pea-and-thimble trick by this government to hide their financial disaster before 31 October, but it is not going to wash with the people of Queensland.

Neither of these bills should have been cognated because neither of them—as you know, Madam Deputy Speaker McMillan—are relevant to each other, which is the normal requirement for cognate bills. They are two separate issues completely. The committee dealt with this matter urgently, because the Treasurer said it was an urgent matter before the 31 October election. We now only get five minutes to speak on each bill, while some members in the House only get five minutes to speak on this bill, when both of them are substantial bills about the future of Queensland.

For instance, the royalty bill, which has a new formulation for taxing the petroleum and gas industries in Queensland, is going to put a severe burden on the industries, particularly for exploration. In the dissenting report by the non-government committee members, we said that we are now being rated as sovereign risk, along with the lunatic African countries. That is a disaster for a state like Queensland. We were formerly one of the leaders in resource industries in the world but we have now become a sovereign risk investment for many mining companies throughout the world.

Make no mistake, the mining and resource industries will be heavily impacted by the world economic crisis that we will have following the world health crisis. We are still in the world health crisis but what will be even worse will be the world economic crisis that will follow in about 12 months, and everyone is ducking and weaving around that. Most businesses are on the dole at the moment, if you like, in terms of federal government support. That is why the Queensland government do not care a fig about closing businesses down and shutting industries down, because they know that the federal government has got to stump up with the money. The Queensland government are not stumping up major amounts of money. All the states are the same. The Queensland government do not care about the future investment of mining companies and the resource industry in Queensland.

We can see in the valuations for this Future Fund that they have put in all this nonsense with the Cross River Rail precinct worth \$160 million. All these assets and creative accounting that they are putting in place through the Queensland Future Fund Bill are all about trying to protect their AA credit rating. A long time ago, the 'world's greatest treasurer', Andrew Fraser, lost the AAA credit rating that Queensland had enjoyed for many years. That is the purpose of this bill.

It is an absolute disappointment that we have not had the opportunity to get further and wider input on this particular bill. It was all done in a rush. Members would notice there were only a couple of submitters on the Queensland Future Fund Bill. Quite clearly, the mining industry were too frightened to announce any major objection to the 25 per cent increase and the change in their royalty regime that has impacted—

Mr Power interjected.

Madam DEPUTY SPEAKER (Ms McMillan): Member for Logan.

Mr STEVENS: Thank you, Madam Deputy Speaker, for your protection from the member for Logan. I needed you in the committee.

Madam DEPUTY SPEAKER: Member for Mermaid Beach, I would appreciate you not making those comments. Would you mind getting on with the speech?

Mr STEVENS: I understand. I return to the royalty regime. Queensland is now rated 16th in terms of places to invest in mining—and Western Australia is No. 1. There are other places in front of us in terms of places to invest. Unfortunately, we see that China, which is our major trading partner, is under the pump at the moment due to certain issues. You can guarantee that those sorts of matters will have long-term, long-ranging effects.

It is an absolute nonsense to say that this particular bill, the Future Fund Bill that is coming in with 2½ months till the election, will save Queenslanders in the future. If I was a public servant in the defined benefit scheme—and I wish I was; and I will not mention those around me who may well be in that scheme—I would be very worried. I am sure there will be public servants everywhere who will be worried about this particular—

Mr Krause: Police officers.

Mr STEVENS: There are police officers, other members of the House and also long-term teachers and nurses et cetera who are in these schemes. They will be particularly worried about their income streams in retirement because they will retire in what will at the least be a recession, if not a depression. All the economists throughout the world—even the British economists—are saying it is the worst financial disaster to hit Britain in 300 years. That is telling. We have been through a lot of hard times since then. You can guarantee that these bills will be absolute destroyers of the Queensland economy, which is what this government has done since being elected in 2015.

We look forward to the challenges ahead after 31 October to right the good ship *Titanic*, which is heading towards the glacier. We will then be able to put Queensland back on track.