




Speech By
Steve Minnikin

MEMBER FOR CHATSWORTH

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APPROPRIATION (PARLIAMENT) (2020-2021) BILL

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 **Mr MINNIKIN** (Chatsworth—LNP) (4.09 pm): Today I am pleased to rise to respond to the Palaszczuk government's 2020-21 budget. About 10 minutes into the Treasurer's budget speech I thought to myself that this was not about the Queensland economy; it was all about the former member for Greenslopes, now member for Woodridge, positioning himself for a tilt at the Premier's job in a couple of years. That sentiment was obviously picked up by others, including a prominent state political reporter. When I saw the pre-budget-delivery social media image of the Treasurer trying desperately to channel his inner deep-seated desire to be thought of as JFK like, I cringed. This Treasurer is more delusional and vain than I thought possible and he is certainly no Keith De Lacy nor Terry Mackenroth. The Treasurer in terms of media perception will be forever associated with his embarrassing 'debt is a tool' interview.

As I stated last year, throwing ever increasingly large amounts of money into key government areas such as transport and main roads, health and education is not in itself a real measure of success. It is about the effectiveness of the outputs, not just input efficiencies. Simply put, it is about what you actually do with resources rather than just throwing borrowed money at an issue time and time again.

Given our state debt level will now blow out to \$130 billion, this budget fails future generations by avoiding the tough decisions required to be made by this generation. Unfair intergenerational debt will continue under Labor—absolutely. There is nothing wrong with borrowing for income-producing assets. This is basic finance 101. Given that marketers define a generation as 25 years, any piece of infrastructure that lasts for, say, 100 years will obviously have four generations of taxpayers derive economic utility from its use. It is extraordinary, however, that billions are being borrowed for recurrent expenditure rather than capital expenditure, state-building assets.

Despite promising only \$4 billion in additional borrowings at the state election, as we all now know debt is set to blow out by \$28 billion across the forward estimates, over the next four years. Before the election Labor told Queenslanders that debt would go to \$106 billion. Just four weeks after the election it has been revealed that it will reach almost \$130 billion. That is a sevenfold increase in borrowings from what Labor promised, and in just four weeks.

Before the election Labor told Queenslanders that they were borrowing to protect jobs, yet despite racking up the biggest debt in our state's history—this is extraordinary—unemployment is still forecast to be the worst in the nation in four years time. What about that mantra of 'jobs, jobs, jobs'? Let's compare the states. Queensland's unemployment rate is forecast to be 6½ per cent; Victoria, 5¾ per cent; and New South Wales, 5¼ per cent. We now know why Labor is not interested in an unemployment target. Certain members of the government have simply given up on jobs.

Labor's excuse that revenue is collapsing and that they need to borrow to pay for deficits and to protect jobs does not wash. Revenue is forecast to reduce by \$12.3 billion, yet Labor are racking up an additional \$28 billion in state borrowings. Operating deficits over the next four years only equate to \$16.8 billion, yet Labor are racking up an additional \$28 billion in state borrowings. Very simply, we are borrowing for recurrent expenditure, not just capital expenditure.

Queensland's debt-to-revenue ratio—our capacity to pay off the debt measure—will increase over the six years from 104 per cent to 172 per cent. For this reason, Queensland faces the real likelihood of being placed on negative outlook watch by credit rating agencies, according to Queensland Economic Advocacy Solutions.

We know that Labor and the JFK-wannabe Treasurer like to compare Queensland with New South Wales, but New South Wales and Victoria are actually building income-producing assets. The key difference here is that Queensland's net state worth has gone nowhere despite borrowing \$28 billion. The Treasurer was rabbiting on with a figure during question time a couple of days ago, but would he even know the basis of the accounting method the state accounts are produced with? I doubt it. The other states have borrowed for growth, not to keep the lights on and fuel in the government vehicle fleet. That is the real comparison. Queensland is the last state in the nation to release a budget in 2020, and we now know why.

I will now comment on the budget in my capacity as the shadow minister for customer service and the shadow minister for transport and main roads. When you break it down, as I mentioned last year the *raison d'être* of the transport and main roads portfolio is all about delivering an efficient and responsive statewide transport system that will connect people right across our vast state, both now and into the future. Yet again, Labor's incompetent approach to the 2020-21 budget, particularly for this key portfolio, means that this worthy goal is still a long way off. The government want to talk up their transport and roads budget. They tell us that it is a record spend. In effect, it is more a smoke-and-mirrors exercise than a credible financial document for the future. For the last two terms under Labor, the Queensland Transport and Roads Infrastructure Program, QTRIP, which outlines the current transport and roads projects, resembles a lay-by agreement—outlaying a dollar today and a few more next year, with the rest going off into the never-never.

Labor has neglected Queensland roads for five years, cutting infrastructure spending and allowing, as at November last year, a \$5.4 billion maintenance backlog to build up. This figure, according to the Queensland Audit Office, will reach \$9 billion over the next seven years. Thanks to Labor, our roads are more congested than ever and less safe. Just \$12.887 million has been allocated this year for a second M1—stuck in the slow lane under Labor. Under Labor's watch, the second M1 will take years to build and meaningful construction will not commence for at least another 18 months. The Bruce Highway Trust, promised at the 2017 election to charter a 15-year vision for the Bruce Highway, has spent hardly a dime as at June 2020. Labor has no vision and no plan for the Bruce Highway, the biggest road in Queensland.

Labor's Inland Freight Route upgrade, or so-called second Bruce Highway, only has \$30 million of funding across the forward estimates. This is the Clayton's approach to funding where you allocate a minuscule amount for show when you really do not want to fund it in the first place.

Cross River Rail spending is \$275 million behind budget, proving Labor cannot deliver large infrastructure projects. There are also several questions over the budget and final scope of the project following the recent ninth variation and issues with the proposed new Boggo Road station. To add insult to injury, carriage of this project now resides with the Minister for Transport and Main Roads, who was the architect of 'rail fail' and described as foolish by the CCC.

The Palaszczuk Labor government cut infrastructure by almost \$9 billion in their first term. They are trying to play catch-up tennis and it is not working. The Auditor-General's report No. 4 says that Labor's road maintenance backlog—this is serious—risks the sustainability of the transport network. The Palaszczuk Labor government has increased registration fees above CPI over the past five years, lifting them by just under 20 per cent since it gained office. Labor presided over one of the world's worst public transport failures in our national history, resulting in 470 fewer rail services for commuters each week. Labor promised to build the Sunshine Coast rail duplication back in 2009, yet a decade later commuters are still waiting at the platform.

Labor's solution to the Bruce Highway involved setting up the Bruce Highway Trust. Then it took them almost three years to hold its first meeting, and then with no representatives north of Gympie. Now the incompetent transport minister is scrambling to have more regular meetings and, lo and behold, with some representatives from outside South-East Queensland. Who could forget another train wreck TV interview in which he said that the original trust members were very knowledgeable and because of that they could cover the whole of the state? Incompetent!

Labor has no plan and no budget to deal with Queensland's transport challenges or to invest in the new roads and upgrades that we desperately need. After years of neglect and underfunding by Labor, many sections of the Bruce Highway are run down and truly just unsafe. Only three months ago I drove from Cooktown to Coolangatta, the majority of which was the Bruce Highway. Sections of this key economic artery are a disgrace. I invite the transport minister to take up the challenge and emulate the drive to see the road surface and supporting infrastructure firsthand—not from 30,000 feet away in air-conditioned comfort. He should drive it himself and experience every bump.

Congestion on our roads continues to worsen. In fact, journey times have surged across South-East Queensland in the past decade. Brisbane drivers now spend an average of 67 minutes a day travelling to and from work. That only just trails Sydney, whose average is 71 minutes. Infrastructure Australia predicts that road use in South-East Queensland will rise by another 21 per cent over the next decade, costing the region's economy \$6 billion a year.

When it comes to infrastructure projects, Labor has a demonstrable track record of budget blowouts and delays, costing taxpayers millions. We have always acknowledged the need for a second rail river crossing, but what we have a distinct problem with is the lack of transparency in relation to this project. Is it any wonder that the cost-benefit analysis was not supported by Infrastructure Australia?

Past behaviour is indeed the best way to predict future actions. It does not seem to matter which Labor Party members come or go, they all share in their DNA an absolute inability to understand what expenditure containment and debt control is really all about. They have past form and a proven record of year-on-year expenditure growth. Labor's prodigious appetite to borrow and spend knows no bounds.

I have always said that the role of opposition is to hold the government to account, but not to criticise just for the sake of it. In this spirit, I would like to congratulate the Department of Transport and Main Roads in relation to their Service Delivery Statements which outline their customer service expectations. I am very honoured to be appointed the first shadow minister for customer service by the opposition leader.

We all know that all politics is local. In relation to my electorate of Chatsworth, the traffic congestion along Old Cleveland Road will continue and residents can ruminate this fact as they sit in peak-hour traffic. The Eastern Transitway is desperately needed to reduce congestion. This budget contains a vastly inadequate \$30 million which will not go very far as all it is providing is bus priority measures along Old Cleveland Road at the Creek Road intersection. The government has only spent \$3.3 million and a third of this project's expenditure is not scheduled to be spent until 2023. This is another example of a shiny bauble and trinket being rolled out just before the election so that the unite and recover bunting could be displayed.

It was obvious that the blow-in candidate against me recently was simply playing catch-up with any social media announcement I made, but I am pleased that the pressure I put on the government resulted in \$5 million towards the health and welfare centre at the Clem Jones Centre. I note, however, that only 50 per cent of the funding is allocated in this budget so this is an item I will continue to monitor.

I am pleased that my local lobbying for improvements to Gumdale State School has resulted in \$6 million, although only \$2.4 million is allocated in the 2020-21 budget. Again, I will closely monitor this line item to ensure the balance is forthcoming. It is encouraging to see that \$400,000 has been allocated to my old primary school in Carina for equitable access to classrooms and playgrounds. I am bitterly disappointed that the \$500,000 funding for the Camp Hill State Infants and Primary School, which was promised by the Labor candidate, is missing. I quote from the failed Labor candidate's Facebook page on 28 October—

The Palaszczuk government will invest in our local schools like Camp Hill State Infants and Primary school to deliver greater capacity at the outside school hours care.

The associated image in front of the school gate read '\$500,000 for Camp Hill State Infants and Primary School'. Despite poring over section 3.4 of the Capital Statement, Budget Paper No. 3, I cannot see an allocation at all. This is another great Labor con.

In closing, this budget is disappointing on multiple levels. Yet again it lacks any form of vision. It has no appetite for true economic reform. It is more of an interview and vanity statement—look at me, look at me vanity speech—than a responsible document in relation to the finances of this state. If the Treasurer wants to continue his comparisons with other states, then compare the daring of New South Wales Treasurer Dominic Perrottet with his stamp duty reform proposal. This budget is as bereft of visionary reform as the Treasurer is of humility. If the cut-and-run failed former member for Greenslopes and now member for Woodridge wants to dream about being a famous US president, he should heed the sage words of a real leader: 'You cannot escape the responsibility of tomorrow by evading it today.' That was Abraham Lincoln.