




Speech By  
**Tim Mander**

**MEMBER FOR EVERTON**

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### **APPROPRIATION (PARLIAMENT) BILL (NO. 2); APPROPRIATION BILL (NO. 2)**

 **Mr MANDER** (Everton—LNP) (Deputy Leader of the Opposition) (12.26 pm): I rise to make a contribution to the Appropriation (Parliament) Bill (No. 2) 2019 and the Appropriation Bill (No. 2) 2019. There is no greater example of the economic incompetence of this government and of this Treasurer than the details of these appropriation bills. It is also very relevant that the Treasurer has just taken seven minutes to speak about a \$1.397 billion blow-out in her budget which was delivered only seven or eight months ago.

Since the Palaszczuk government was elected, well over \$4 billion has had to be appropriated to cover unforeseen expenditure due to Labor's consistent fiscal management failures. In comparison—they like to make comparisons all the time, so let me do so—to the equivalent period of time during the past LNP government, the average unforeseen expenditure under the Palaszczuk Labor government is almost eight times larger.

After two budgets the Deputy Premier and Treasurer is quickly taking the mantle of Queensland's worst treasurer in history. It is not just me who is saying this but also stakeholder groups. The ANZ-Property Council Survey has already declared the Palaszczuk Labor government—

**Mr Power** interjected.

**Mr DEPUTY SPEAKER** (Mr Stevens): Pause the clock. Member for Logan, you are on a warning already. If there is another interjection, you will be asked to go outside. I notice that you are on the speaking list.

**Mr MANDER**: I was talking about stakeholder groups. The ANZ-Property Council Survey has already declared the Palaszczuk Labor government as the worst state government in the country for planning and managing growth. The CCIQ Suncorp Pulse Survey has revealed that the Treasurer has pushed Queensland business confidence down to levels not seen since the global financial crisis.

Queensland has the highest average unemployment rate in the nation since the Deputy Premier took control of Treasury. What is very relevant here is the game of comparisons that the Deputy Premier and Treasurer likes to play in terms of making comparisons with other periods of time.

When you are looking at unemployment rates, what you need to compare is the relative unemployment rate of every other state in this country. We are being left well behind, particularly on the eastern seaboard. Our greatest competitors, Victoria and South Australia, have unemployment rates that hover around 4.6 per cent to 4.8 per cent. The national unemployment rate is around 5.1 per cent. We have just gone under six per cent for the first time in a long time, and it will not be long until we pop back up again. In fact, the Treasurer's own forecast hovers in the low sixth percentile as we go forward into next year and the year after. They are the relevant statistics. How are we competing with the rest of the country? We are well behind the eight ball and they are killing us in the area of employment.

With the most debt in the nation, the state's balance sheet has never been worse. We will be nearly \$92 billion in debt over the next few years with no plan whatsoever to repay that debt. Let's look at the 2018-19 budget. It is staggering that, after the 2018-19 budget where the Deputy Premier

introduced another five new taxes taking in \$2.2 billion from Queenslanders, she has still blown out the budget by \$1.397 billion. In total Labor has now introduced nine new or increased taxes, ripping \$3.5 billion out of the Queensland economy.

In response to the Deputy Premier's disastrous 2018-19 budget, international credit rating agency Moody's warned that increased debt and projected falling revenues towards the end of the forward estimates could lead to a further downgrade in Queensland's credit rating. It was a Labor administration that led to the last drop in our credit rating, and Moody's is warning this could happen again. Moody's publicly stated—

Additionally, at 1.7 per cent, average revenue growth is expected to fall below the average expenditure growth of 2.1 per cent noted above. This imbalance would lead to growth in debt over the forecast period, challenging the state's credit profile.

Quite simply, we are spending more money than we are receiving and that is why our debt is continuing to increase.

The Palaszczuk Labor government's previously declared plan to regain a AAA credit rating is pure fantasy and was well and truly abandoned when the Deputy Premier took hold of Treasury. The Deputy Premier's complete financial incompetence was further highlighted in the 2018-19 fiscal year when, just four months after her midyear economic statement, the Treasurer was forced to admit that Queensland's projected stamp duty revenue would be a massive \$1.32 billion less than she forecast. It was not \$100 million; it was not \$500 million: it was \$1.32 billion out despite a forecast made just four months previously. The Treasurer was forced to own up to this billion dollar blunder, yet again the Treasurer is seeking passage of an appropriation bill for the same fiscal years with another almost \$1.4 billion blowout. It appears there is no budget or forecast the Deputy Premier can keep to.

Who can forget the Deputy Premier and Treasurer's other Treasury failures from the 2018-19 budget onwards. In addition to the billion dollar stamp duty blunder there has been a long list of Treasury failures, including when the Deputy Premier went to the resources industry and threatened them with increased royalties if they did not contribute to a \$100 million slush fund. Thankfully for the Queensland resources industry, the Deputy Premier was forced to make a humiliating retreat. The Deputy Premier was forced to make significant exemptions in the foreign land tax surcharge because of the monumental impact it would have had on Queensland investment, something which was not thought of in the first place or done without proper consultation.

Just before Christmas we heard about the Deputy Premier outsourcing her job to former South Australian premier and mate Jay Weatherill to review gas royalties. Unfortunately for Queensland, all we have so far is no clear outcome and a \$100,000 bill. I heard via the grapevine that it may be a little bit more than \$100,000. Let's see what comes out of that. Much to the industry's surprise, after no consultation the Treasurer announced a 25 per cent gas tax hike; furthermore, the industry said they were assured a fortnight before the budget that no such increase would take place. We heard about the \$10 million that was spent on consultants to work out how to reduce the number of consultants hired by the government—a very logical thing to do. Recently in the midyear economic report we heard about the Deputy Premier's plan to raise \$5 billion from the superannuation of thousands of Queensland government employees for a scheme that, even on the Deputy Premier's own figures, would take 230 years to pay off Labor's massive debt.

This is simply shuffling the credit cards and makes absolutely no difference to the bottom line whatsoever. Gene Tunny, the respected economist, said—

They haven't really had a plan but they have had some gimmicks.

They do not have economic solutions. They have political solutions, but even those are very transparent and they will not fool Queenslanders.

**Mr Harper** interjected.

**Mr MANDER:** Wait for it, member for Thuringowa. We are going to come to my plan in a moment, just wait. I know you are excited about it. It will not take me long.

**Mr Harper** interjected.

**Mr DEPUTY SPEAKER** (Mr Stevens): Order! Member for Thuringowa, put yourself on the list if you want to speak.

**Mr MANDER:** It is an extremely poor reflection on the Premier's judgement that she continues to keep the Deputy Premier in her role. Why? Because she contributes and because she is busy putting together the 2020 budget. Given her past performance, Queenslanders will be forced to endure one more job-destroying budget in April this year. I congratulate the Deputy Premier for surviving yesterday's caucus meeting. You may have heard the cheer from our party room when the news came that the Deputy Premier survived because we were very happy to hear that.

The Auditor-General tabled a scathing report into the state finances for the financial year this appropriation bill is seeking authorisation for. The independent Auditor-General's investigation revealed that in the 2018-19 financial year Queensland's total state sector will have a net operating deficit of \$1.1 billion. The total state sector's net financial worth was found to have decreased by 12 per cent, as the \$11.4 billion increase in liabilities was significantly greater than the \$2.6 billion increase—that is three per cent—in the state's financial assets. In his report the Auditor-General, Brendan Worrall, gave the dire warning—

Unless the Queensland government can increase its revenue or constrain the recent growth in its expenses, it risks not being able to meet the cost of its activities from the revenue it earns going forward.

Is it any wonder that this state Labor government continues to go to the federal government cap in hand because they cannot manage their own finances? Gene Tunny said, 'They just don't have the capacity to stimulate the economy.' The *Australian* labelled the report—

**Ms TRAD:** Gene Tunny wants us to sell assets. That is what Gene Tunny wants.

**Mr MANDER:** I take that interjection. Let's put it on the record now. The only side of politics in this parliament that sold assets is the Labor government. I can sit here now and list them all.

**Government members** interjected.

**Mr MANDER:** There are no assets to sell because of what the Labor government did. Those opposite come here and think that Queenslanders will forget, but they do not forget about that. That is why the Bligh government lost the last time and that is why they will lose again. Continuing with the interjection from the Deputy Premier and Treasurer: in 2011 Queensland Motorways was sold by Labor for \$3 billion; in 2011 the Abbot Point coal terminal was sold by Labor for \$1.8 billion; in 2010 QR National was sold by Labor for \$4 billion. Who was around the cabinet table at that time?

**Mr POWER:** Mr Deputy Speaker, I rise to a point of order. As the chair of the committee, I ask you to sit him down if he cannot be relevant to the bills. He is not relevant.

**Mr DEPUTY SPEAKER:** I ask the member to return to the substance of the appropriation bills rather than moving to other areas.

**Mr MANDER:** I will do that because it would take me another 10 minutes to go through all of those asset sales. I will go back and talk about other independent sources that are assessing the Auditor-General's report. The *Australian* labelled the report into the state's finances as 'a grim assessment of the state's finances'. The *Brisbane Times* labelled the report as 'Queensland cannot make enough money to keep up with expenses'. Even though debt has ballooned out of control, Labor has cut infrastructure spending with an average of \$2 billion less being spent each year compared to the previous LNP government.

The member for Thuringowa has been waiting with bated breath to hear our plan for the future. Let me tell him what our plan for the future is. We will build the infrastructure that will stimulate the economy. The opposition leader has outlined one of the grandest visions that has ever been undertaken in this parliament. We will build the New Bradfield Scheme. We will create thousands of jobs with the New Bradfield Scheme.

**Government members** interjected.

**Mr DEPUTY SPEAKER:** Pause the clock. Members on my right, the member for Everton has the call. I have called the House to order. The next member will be warned.

**Mr MANDER:** Where was I? We will build the New Bradfield Scheme. The New Bradfield Scheme will create—

**Mr Saunders** interjected.

**Mr DEPUTY SPEAKER:** Order! Pause the clock. Member for Maryborough, you are warned.

**Mr MANDER:** Let me say that again. We will build the New Bradfield Scheme, a scheme that will create thousands of jobs, a scheme that will create water security for millions of Queenslanders, a scheme that will produce clean power through hydro-electricity, a scheme that will protect the Great Barrier Reef by stopping the run-off into the reef. This is one of the boldest plans that has ever been introduced into the Queensland parliament and the Queensland public are responding to it. They want vision. They want somebody who is thinking beyond one term of government. They want somebody who is thinking about 20, 30, 40 and 50 years into the future. The New Bradfield Scheme fits that bill, and we are excited about it and we know that the people of Queensland are excited about it.

We have the potential to irrigate land on the western side of the Great Dividing Range the size of Tasmania. Imagine the boost to agriculture that is going to bring to our regions that are desperately in need of it. We have also already announced that we will establish the Queensland Dam Company, a dedicated body—

**Ms TRAD:** Mr Deputy Speaker, I rise to a point of order. I ask you to rule on relevance.

**Mr DEPUTY SPEAKER:** I would like the member for Everton to return to the appropriation bills if he could please.

**Mr MANDER:** I will talk in response to the underspend in infrastructure by the Deputy Premier, whose only project is the \$5.4 billion Cross River Rail—or is it \$12 billion now? What is it going to be? This will leave the health payroll debacle for dead. It will be in the tens of billions of dollars before this project is finished.

When you are talking about finances, you need to talk about alternative plans. This government will not build the infrastructure that is required. They definitely will not go into dams, despite the water minister's claims. They will not do that because the Deputy Premier is very worried about Greens preferences in her own area. These are the things that this government will not do and the alternative government will do. We will build the second M1 to stimulate the economy. We will have rail duplication to the Sunshine Coast to stimulate the economy. These things will build jobs and create better business opportunities for small and large businesses.

This appropriation bill is a great indicator of how incompetent this Treasurer and this government are. Seven or eight months after the budget was brought down, she has come in here seeking \$1.4 billion because she cannot manage the budget. She thinks it is just an incidental thing. She came in here and spoke quickly for seven minutes because she thinks this is nothing: 'It's only \$1.4 billion. It's only taxpayers' money.' Well, the taxpayers have had enough of this. They have had enough of this waste and they have had enough of this government's incompetence.

It is only LNP governments that manage the economy strongly. It is only LNP governments that give confidence back to the business community. It is only LNP governments that stimulate the economy. It is only LNP governments that can keep control of expenses. It is quite simple. The government cannot continue to spend more than it is receiving. Anybody doing any household budget understands that because debt gets to a situation where it cannot be serviced any longer.

A Deb Frecklington LNP government will manage the economy for everyday Queenslanders. We have a plan to back business and to create jobs—unlike Labor that is anti jobs, anti regions, anti development, basically anti anything that is associated with stimulating the economy, and unlike Labor that has no plan whatsoever. We wait with bated breath to see if it is the Treasurer who brings down the next budget and to see what mess will be served up this time, because all we have received so far is total economic rubbish.