



Speech By  
**Tim Nicholls**


**MEMBER FOR CLAYFIELD**

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## **APPROPRIATION (PARLIAMENT) BILL**

### **APPROPRIATION BILL**

 **Mr NICHOLLS** (Clayfield—LNP) (12.22 pm): As I outlined in the matter of privilege I raised in the House this morning, I have substantial doubts about the way the government has introduced this legislation, about its constitutional validity and about the way the standing orders of this House that are normally applied in relation to annual appropriation bills have been dealt with.

The history of parliament is indeed the history of the parliament's control of the untrammelled power of, firstly, kings and queens; and, secondly, the executive. The Magna Carta was sealed in 1215 on the basis that King John wanted to demand more and more money from his barons to fight unpopular wars in France. King Charles I had to bring the Long Parliament together in order to secure funding so he could govern. The British civil wars of the mid-17th century were primarily fought around the primacy of the king and the control of the king's spending by parliament. The Glorious Revolution, which has a direct impact on this House, saw William of Orange appointed to the throne of the United Kingdom and ceding control of finances to the parliament. If we reflect on the American Revolution against the then British, the war cry and the catchcry was, 'No taxation without representation.'

These long-established provisions have never, never been questioned in this place. The control of the parliament and the right to examine both the expenditures and the appropriation is an essential part of what parliaments do. In fact, it may well be considered to be the foundation for parliaments being formed in the first place. This government, with this bill and with its arrogance, seeks to overturn almost 800 years of history, specific provisions in the Constitution of Queensland and specific provisions in part 6, chapter 30 of the standing orders.

I listened to the Treasurer's ministerial statement a little while ago. He came into this House and blindly asserted that he has advice that the bills are not annual appropriation bills despite the explicit words of the Constitution—the Constitution explicitly provides that bills presented are annual bills—and despite the explicit words of the bills themselves. The long title to the 2020 bill says—

An Act authorising the Treasurer to pay amounts from the consolidated fund ... for the financial years starting 1 July 2019 and 1 July 2020

If that is not an appropriation for an annual amount, then I struggle to work out what is. It says, 'for the financial years starting 1 July 2019 and 1 July 2020'. There can be no question that this amount and these bills are annual appropriation bills. In fact, the amount that is being appropriated would tell you that they are annual appropriation bills because, together with the funding that was sought in the 2019 Appropriation Bill, the total amount the government is seeking authority to spend between now and 30 June next year is just short of \$57 billion. That sounds like an annual budget to me. That is the total amount.

The Treasurer may come in here and say, 'Well, if we are re-elected'—God forbid the Labor Party is re-elected—'I intend to bring in another set of appropriation bills'—to deliver another budget. At the beginning of this year the then treasurer said, 'I expect to bring in a budget in April.' In April the then

treasurer said, 'We're going to have no budget this year, but we'll have a midyear economic "forecasty review thing.'" Then the former treasurer got the 'royal order of the boot' and the new Treasurer came in and, after a bit of pressure and a bit of aggravation about there being no budget, he said, 'I'll introduce the COVID-19 Fiscal and Economic Review.' In doing so he said, 'I think I might bring a budget down in late November or December.' In the space of nine months we have had two treasurers, two assistant treasurers and three positions on the budget. Clearly this government cannot be trusted to do what they say because they cannot hold a position from breakfast to lunch to dinner. Over nine months we have had three budget positions, two treasurers and two undersecretaries, and the people of Queensland are no wiser.

I also heard the Treasurer, in his usual slightly backhanded way, say that I should understand more because as treasurer I introduced supplementary appropriation bills. Anyone with any history in this place—and I would have thought that the former member for Greenslopes, now the member for Woodridge and Treasurer—would have some memory of the fact that it was a Labor government that sought to put supplementary appropriation bills into budget bills so they would only be examined 18 months after the money was spent. I commend to the now Treasurer the Members' Ethics and Parliamentary Privileges Committee report No. 102, which actually investigates the probity of that action and the reasons for it.

It was the LNP government that reintroduced the accountability mechanism that saw a separate supplementary Appropriation Bill for unforeseen expenditure brought into this House so that the people of Queensland could know where the extra money was spent. We undid what was done by the Bligh Labor governments, of which the Treasurer was a member. We undid their patently transparent attempts to reduce scrutiny of legislation and the expenditure and actions of executive government.

I am not quibbling about unforeseen supplementary expenditure being supported by a separate bill; that is entirely proper. This notion of some sort of fanciful, interim supply appropriation bill—a creature not known to the Constitution of Queensland, a creature not known to the Financial Accountability Act, a creature not known to the standing orders of this parliament—has no place here and it should not be used by the Treasurer to try to conceal from the people of Queensland the proper appropriations and estimates of expenditure, as it has been this time around. The explanatory notes are full of sophistry and misinformation. For example, on page 2 it says—

The Appropriation Act 2019 ... included \$27,349,450,000 of interim supply—

I went to section 3 of the Appropriation Act 2019 and there is no mention of 'interim supply'. There is simply 'supply'—meaning supply for the financial year beginning 1 July 2020. The explanatory notes then went on to say—

The intention was that this amount would provide sufficient supply for agencies to continue the ... operations of government until the Appropriation Bill for 2020-21 received assent.

The intention was for an annual appropriation bill at that time to be brought down in April that year, according to the then treasurer. It was quite clearly the case that it was intended to deliver annual supply for the year beginning 1 July 2020. Anything else is purely and simply an attempt by a government that is functioning—if you can call it functioning—at a level where it wants to hide its mismanagement and ineptitude from the people of Queensland.

These appropriation bills are a sign of the disarray, despair and desperation of a government stumbling from one catastrophe to another. They highlight that this government has only one plan—to borrow, to beg and to tax. It is a government with no fiscal plan and with a budget in a shambles, with its third treasurer in three years, its third Under Treasurer in three years and its sixth debt repayment plan in five years. It has yet another fiscal deficit as well as an operating deficit, not to mention a cash deficit as revealed in the Consolidated Fund Financial Report. On every metric that governments are measured, this government is going backwards and spending more than it earns and doing it hand over fist. It has operating deficits of almost \$6 billion last financial year and \$8 billion for the current year.

**Ms Grace** interjected.

**Mr Mellish** interjected.

**Mr DEPUTY SPEAKER:** Member for Clayfield, please wait. Member for McConnel, you will get a turn. Member for Aspley, you are very close to your turn.

**Mr NICHOLLS:** It has operating deficits of almost \$6 billion last financial year and \$8 billion for the current year. Fiscal deficits continue, with \$2.1 billion in 2018-19, \$9.3 billion in 2019-20, and \$13 billion projected for 2020-21. There is no explanation of where that money is going and no consideration of other factors. For example, will the Treasurer advise the House of the impact on GST collections? There is a shrinking pool of GST. Victoria will be getting more of it. When that happens, Queensland, New South Wales, Western Australia and other states will get less of it. Where are the projections for that hit to income?

Queensland's total debt—the amount Queenslanders are on the hook for across all operations of government, businesses, government owned corporations, everything—is heading to more than \$102 billion. The net worth of the state has gone backwards, the net debt has ballooned and the rivers of gold from coal royalties, which have covered the financial ineptitude of this government, are now running a lot dryer. Like a falling tide, they are exposing the nakedness of this government's plans.

Total borrowings as a percentage of revenue have blown out to 108 per cent of revenue for the first time ever in Queensland. Expenses as a percentage of gross state product have increased, and Labor is still yet to be able to show any capacity to control the expenses growth, and most of that occurred last financial year. They have gone from \$50 billion just five years ago to over \$64 billion next financial year. Borrowings as a percentage of state product have reached decade highs of 159 per cent. That is a 50 per cent increase just last year. It is not as if this government has not raised taxes. A quick look at the consolidated fund report shows that the Department of Environment and Science is richer to the tune of almost a quarter of a billion dollars as at 30 June 2020. The waste tax means revenue for that one department alone has increased from \$6.9 million a year ago to almost \$252 million this year. That is a quarter of a billion dollars of waste levy, but that is only part of the process because this government refuses to be held accountable.

The effect of this bill if it is passed is that we will be authorising this government to spend more money of Queenslanders, to tax them more and to beg, borrow and steal more from Queenslanders without one iota of scrutiny and without the opportunity for the estimates committees to be held in public as they are mandated to be in the Constitution of Queensland and in the standing orders. It is entirely appropriate that governments are responsible when they make policy decisions that restrict entire sectors of the economy, as have been made in this case.

When the government says 'thou shalt not open' to entire swathes of the economy, it must step up—I have no argument with that—but that does not mean the processes of government and financial accountability should be abandoned. The excuse of COVID-19 is no excuse for poor financial planning and not having a proper scrutiny of expenses and accountability to the people of Queensland. In fact, I would argue that in a time of emergency the need for scrutiny is even greater. Not only has this government failed in its financial management and failed in its fiscal principles; it has also failed to be accountable not only to this place but to the people of Queensland. It is shameful.