




Speech By
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MEMBER FOR BUDERIM

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DEBT REDUCTION AND SAVINGS BILL

 **Mr MICKELBERG** (Buderim—LNP) (4.04 pm): I rise to address the somewhat deceptively named Debt Reduction and Savings Bill 2021. This is a bill that achieves neither of the outcomes it purports to achieve were one to only read the title of the bill. This is a bill that demonstrates that this state Labor government has a failure to plan and a failure to tackle the difficult issues with anything other than political spin. We need look no further for evidence of this than in the fact that despite the Treasurer crowing that this bill will find \$3 billion in savings, to date the government has only found \$3 million in savings. To meet the Treasurer's unsupported claim of \$3 billion in savings, he is going to have to find another thousand times more savings than he has so far. Noting that the member for Woodridge has been the Treasurer for a little more than a year, we can expect this Labor government to deliver on its promise of \$3 billion in savings from this bill by the next millennium, in 3020.

Given the woeful track record of the current Treasurer and that of his predecessor, Jackie Trad, I am sure the Treasurer will forgive Queenslanders for being less than confident in his ability to deliver anything close to the \$3 billion in savings. How can the Treasurer expect Queenslanders to trust him when he went to the election on the basis of increasing state debt by \$4 billion and promptly broke that promise by increasing state debt by \$28 billion? If we consider the savings identified as a part of this bill in light of that increased debt burden, the \$3 million in savings constitutes just 0.0001 per cent of the increase in state government debt over the last year. The \$3 million in savings identified as a part of this bill will equate to approximately 57 cents per Queensland while the increase in state debt in the last 12 months equates to around \$5,354 per Queensland. It is clear that this bill is a con job. This bill is an exercise in political spin, not a genuine attempt to stabilise government spending and reduce debt. Queenslanders deserve better.

The Treasurer could not even convince a single business representative group to make a submission on this bill. It is a clear sign that businesses and lobby groups consider that this bill achieves little and was not even worth wasting their effort on.

This state Labor government is so bereft of ideas and substance that they cannot even speak about the merits of their own bill. We have seen a conga line of Labor MPs come in here and wax lyrical about anything other than a plan to deal with debt. If we use the Minister for Employment and Small Business as an example, in her insipid contribution to this debate, the minister spent six minutes and 10 seconds ranting about the LNP and only three minutes and 40 seconds speaking about a bill championed by her government in which she is a minister. It was almost as if the minister was preparing for a life in opposition. After presiding over failure after failure in child safety and hiding when the hard questions were asked, the member for Bulimba has shown time and again that she is ill equipped for her ministerial responsibility, just as this government is ill equipped to get the state budget under control.

I turn now to the provisions in the bill which continue this Labor government's long march to reduce transparency and oversight. This bill is an attempt to silence those with inconvenient voices. I speak of bodies such as the Productivity Commission, which was established by the member for Mulgrave in his capacity as the then treasurer. It is a body that was established to provide a strong,

independent voice to tackle the difficult issues and to provide economic oversight and advice. This bill seeks to remove that independent voice and fold the functions of the Productivity Commission into Treasury through the establishment of the Office of Productivity and Red Tape Reduction. Just like this bill, it will be an office with a great name and no substance.

We know that the Queensland Productivity Commission operates on the principles of independence, rigour, responsiveness, transparency, equity, efficiency and effectiveness—hardly the hallmarks of this Palaszczuk Labor government. The strength of the Queensland Productivity Commission comes from the fact that it is independent and is able to tackle controversial or difficult issues that are in the public interest to address. Unfortunately, that same approach is the reason the axe will now fall on the Queensland Productivity Commission, because this government has a glass jaw and neither the desire nor the capacity to address the critical issues affecting productivity in Queensland.

Leading economist and former chair of the federal Productivity Commission, Gary Banks, in a 2018 address stated—

... various political pressures have ... elicited a defensive posture in ministers' offices, the enlarged ranks of which now see political advisers and issues managers swamping policy people. With this has come a greater inclination to make policy 'on the run'—whether in response to the minor crisis of the day or to clinch a deal with interest groups ...

With the Premier's legion of media advisers and political spin doctors, it sounds pretty familiar. Mr Banks went on to state—

... independent reviews have found the public service struggling to keep up in this hyper-charged political world, and progressively losing the capability (and possibly the motivation) to provide the evidence-based policy advice on which good political decision-making depends.

The Productivity Commission was tasked with analysing and developing sound policy solutions, not necessarily policy solutions that are good politics. Is it any wonder, then, that the Queensland Productivity Commission has popped up in the sights of a Labor state government that is light on the details, heavy on the politics and only interested in maintaining power at the expense of everyday Queenslanders? Dismantling the independent Queensland Productivity Commission is nothing more than a government intent on shooting the messenger because it does not like the message. Queenslanders deserve better.

I turn now to Queensland Titles Registry, which is being renamed Registry Co, being assigned an unsupportable valuation of \$4.1 billion. That asset is then being transferred into Jackie Trad's baby in the form of the Queensland Future Fund. Because of Labor's flawed methodology, the Future Fund must now be restructured and propped up. Registry Co is being brought in and onto the books to be used to offset debt so the government can improve debt-to-revenue ratios and satisfy the credit rating agencies.

Debt will not be repaid as a consequence of this bill. This is simply a con job that shifts assets from one part of the government to another. How the state government arrived at a valuation of more than \$4 billion for Registry Co remains a mystery. Treasury officials could not provide any detail on the methodology used to arrive at such an inflated figure. As I highlighted in my contribution to the Future Fund Bill in September last year, the New South Wales Land Titles Registry was divested for \$2.6 billion and at the time generated a cash flow of around \$130 million.

I also asked in September why anybody would want to buy an asset with a considerably smaller revenue stream for \$4 billion. In his reply to that debate the Treasurer tried to suggest that the Queensland titles office generates \$304.554 million in cash flow. While I was tempted to take that on face value—that raises its own questions as to why Queensland is charging more than two times more than the much larger state of New South Wales—I thought I would check his number. It turns out that the Treasurer of Queensland simply ignored the expenses that the titles office incurs in generating fees and charges of \$304 million. Presumably the Treasurer's modelling assumes the titles office has no expenses at all: no wages, no IT expenses, no day-to-day running costs—zero, zip, zilch. This is classic 'Labornomics'. It is a con job. The Treasurer knows that Registry Co is not worth \$4.1 billion and that is why he will not provide the details.

We all know that the Treasurer is auditioning for the top job. He is in a race with the Deputy Premier. If he wants to show that he has what it takes, he should come in here and front up with how he has arrived at a valuation of \$4.1 billion for Registry Co, which is fundamental to the justification for this bill.

Government members interjected.

Mr MICKELBERG: They do not like it, but it is true. This bill achieves very little. It is a con job again—an exercise in politics and in spin. Government members could not even bring themselves to speak about the substance of this wafer-thin bill with its misleading title. Queenslanders deserve better than this bill that will not do anything to make their lives better. That is why I am pleased that the LNP will be opposing the bill, and I call on all members of the House to do the same.