



Speech By
Amy MacMahon


MEMBER FOR SOUTH BRISBANE

Record of Proceedings, 23 June 2022

APPROPRIATION (PARLIAMENT) BILL

APPROPRIATION BILL

REVENUE LEGISLATION AMENDMENT BILL

 **Dr MacMAHON** (South Brisbane—Grn) (5.53 pm): Queensland is an immensely wealthy state, but for us to all benefit from this wealth we need to make mining billionaires pay their fair share. I have lost count of the amount of times I have stood here in this chamber and said exactly that. Do you know what? I am pretty pleased to see that the Treasurer has finally listened to what the Greens have been saying for years. This morning we heard the Treasurer talk about the immense wealth of mining corporations, their high share prices and their capacity to pay more in royalties. I thought this sounded awfully familiar. Don't worry, Mr Treasurer, you are welcome to borrow our homework any time. Not only has the Treasurer finally listened to me and the member for Maiwar, but he has finally listened to the people of Queensland.

We wrote to the Treasurer ahead of the budget and we urged him to implement a bold royalty rate for the resources sector. It is not just us calling for it. The federal election results show that across Brisbane there was a massive surge of support for the Greens' bold platform—a platform pushing to finally make the mining billionaires like Gina Rinehart and Clive Palmer pay their fair share. It does not surprise me that, off the back of these huge swings towards the Greens, the Treasurer has finally got some guts to make the mining billionaires put a bit more of their immense wealth towards public health, education and infrastructure.

This budget shows Queenslanders what we could do if we properly taxed mining billionaires—how we could use more of this immense wealth to improve all of our lives—but if the Treasurer had genuinely listened, he would have gone much further than the pathetic royalty scheme he announced yesterday. Even under the royalties freeze enacted by this Treasurer and his predecessor, Queensland has made three times the amount of royalties that we expected to. It jumped from \$2.6 billion last year to \$9.1 billion last financial year. What this tells us is that mining corporations are making an absolute killing. What this tells us is what a massive missed opportunity this budget really was.

The Greens have been pushing for a 35 per cent flat royalty rate on coal and gas—similar to what Norway have levied on their petroleum. This small rise in royalties shows that Labor have finally taken notice of the Greens' recent successes, but they need to have a lot more ambition if we are to make these royalties work for Queenslanders. This modest rise in royalties will not capture the once-in-a-generation windfall we will see in the dying years of the coal industry and it will not capture the money that we need to find a transition for workers, schools and hospitals.

The new royalty rates the Treasurer announced yesterday will only make a difference when coal prices are above \$175 a tonne, and that is something that happens very rarely. As he said this morning, there is no greater supporter of the coal industry than the Queensland Treasury, and the budget says as much. These new rates will capture a little bit of extra money over the next financial year as coal

prices are predicted to remain high, but once we head into the 2023-24 financial year and coal prices drop back to below \$175 a tonne these new royalty rates will have next to no impact. That is what the government's own figures say and that is what the mining industry is saying. Instead of tinkering around the edges, we need a 35 per cent base rate for coal and gas and 20 per cent for minerals. If the government implemented this now, we would have an additional \$53 billion over the next four years, which is 44 per cent more than the government planned.

Instead, multinational mining corporations will continue to make extraordinary profit off the back of geopolitical disruption, war and despair and will invest next to nothing back into the Queensland community. We will squander this latest boom and we will squander the final years of coal. If we want the money we need to fund a transition, to support workers and to fund hospitals, education and housing, this government has a responsibility to be ratcheting up royalties in the final decade of coal.

Against this backdrop, the Queensland housing crisis worsens every day. A few weeks ago, the ABC reported about a young mother who was 18 weeks pregnant—she has three children, including an 18-month-old—whose rental property was being sold. She was moving into a tent with her partner and their children. There are thousands of stories like this—working families being forced to live in cars and tents. There is no new money for building social housing in this budget. In fact \$61 million has been cut from the social housing construction budget. Every single housing announcement relates to last year's housing figures.

To this government, I want to be really clear: what you are doing is not working and it is never going to work. Despite what Labor has called record investment in social housing last year, the state's social housing stock has only grown by 337 homes in the 16 months to May this year. Meanwhile, 50,000 people are waiting for a home on the social housing register, thousands of families are sleeping in tents and in cars, and thousands more are wondering how they will pay their rent or their mortgage next month.

It is true that supply chain issues and a shortage of tradespeople are making things harder, but you can just look across to Queen's Wharf, the mega casino, where there are tradespeople and materials to build luxury apartments on public land right across the road. I just do not buy these excuses. Queenslanders do not need more shiny announcements, false promises or dodgy accounting. Stop searching for a magic bullet that does not exist; just invest money in actually building tens of thousands of social homes.

The \$53 billion I talked about earlier, the \$53 billion that the government could generate if they properly raised mining royalties, is \$53 billion the government could be spending on building tens of thousands of public homes. We have the money. What we need is the political will. It is not just the housing crisis. Queenslanders are struggling under the weight of rising electricity prices and skyrocketing costs of living. Pensioners are having to choose between sitting in cold homes and skipping a meal. Families will have to cut down on kids' sports or outings on the weekend to keep the lights on. The government's cost-of-living rebate will offer a small reprieve for households now, but what about the next bill or the next quarter or the quarter after that? There is nothing in this budget to bring down electricity prices over the long term.

In the ACT, Labor and the Greens together have switched to 100 per cent renewable energy and electricity bills are set to fall this year. Instead, Queensland has been left with an expensive and unreliable electricity system. Queensland has some of the lowest rates of electricity coming from renewables out of any state in Australia at only 20 per cent. The meagre \$280 million a year in this budget for renewables will do next to nothing to fix this. What we need is billions of dollars of investment to build the scale of publicly owned renewables that we need to have cheap, reliable and clean electricity. If we want the money that we need for a rapid climate transition, where workers and communities are not left behind, the government has a responsibility to be ratcheting up royalties in the final decade of coal. The \$53 billion that the government could generate if they properly raised mining royalties is \$53 billion we could be using to establish the new industries and manufacturing that we need to transform Queensland's economy. It is \$53 billion we could be using to ensure Queenslanders have cheap and reliable electricity for decades to come. That, not just a one-off electricity rebate, is what is going to help keep future electricity costs down.

New hospitals and hospital expansions are welcomed and well overdue, given the crisis facing our public healthcare system. In South Brisbane, we will get a much needed expansion to the PA Hospital, one of our biggest and busiest hospitals, and the hospital from which I have heard dozens of stories from staff and patients about unacceptable wait times, staff overload and stress. However, overall, in terms of new hospitals and health infrastructure, what Queenslanders have gotten is a budget that is just a taste of what is possible if we made multinational mining corporations pay their fair share—just a taste of what is possible. Imagine what we could achieve here in Queensland if we actually increased mining royalties.

In terms of support for staff in hospitals, the unions' response tells you everything you need to know. They have said that the health funding in this budget is meaningless without a wages policy that attracts essential workers and keeps pace with the cost-of-living increases. The Greens are calling for an immediate 10 per cent increase to wages for nurses and midwives and 5.1 per cent in the years after that. As the Queensland Nurses and Midwives' Union pointed out, infrastructure and services must be complemented by a real plan to increase the number of skilled nurses and midwives working in Queensland. Metro South, where I am, will see a drop in the number of FTE staff from this year, not something you would expect from the budget that is meant to be delivering record health funding.

It is a similar story in education. Five new schools will open and billions will go towards infrastructure. The government has finally conceded that there is indeed a teacher shortage in Queensland, something that teachers and the union have been raising the alarm on. This is just a taste of what Queenslanders could have if we properly taxed the mining industry. This budget keeps our existing schools underfunded. There is no assurance that teachers will get the pay increase that they deserve, no funding to assure the future of East Brisbane State School that the state government seems set to close for the Olympic Games. There is no additional funding for Narbethong State Special School for crucial infrastructure, and no plans to bring the school's state funding up to the minimum 80 per cent.

Teachers have been on the front lines over the pandemic and I have heard dozens of stories from teachers about how stressed and underfunded our education system remains: a chronic teacher shortage; schools fundraising for basic resources; and teachers paying for lunches and schoolbooks out of their own, already stretched incomes. What is the government's response? This government froze their wages during the COVID pandemic. Teachers are in negotiations for their latest EB right now. The Greens are calling for an immediate 10 per cent increase to wages for teachers and 5.1 per cent in the years after that. That is the bare minimum that we would need to help attract, retain and properly value our frontline workers.

I was lucky enough to join the Mental Health Select Committee and hear from people right across our state about our failing mental healthcare sector and the barriers facing Queenslanders with mental illnesses. Ultimately the government has pledged about half to a third of what the sector has been calling for. We will still lag behind other states in terms of our per capita funding. The absolute lowest annual figure put forward by any submitter about what new funding it would take to start to fix things was about \$700 million. The government has halved that and committed to \$350 million per year over the forward estimates. While we underfund our mental health system in pursuit of a surplus and pursuit of big shiny events like the Olympics, people will continue to fall through the cracks.

Queenslanders are facing some of the toughest times in a decade: pensioners cannot afford to heat their homes; basic things like meat and vegetables are becoming unaffordable; and tonight thousands of families will be forced to sleep in tents and cars. The future feels more uncertain than ever. Queensland families with mortgages are looking to find an extra \$650 per month for their mortgages, bills, electricity and fuel. That is \$650 more than many Queensland families have.

There are a few good things in this budget, however I cannot help but feel that this budget is still so deeply out of touch with what Queenslanders are going through. This is not a budget that addresses the scale of the crisis that we are facing. What felt remarkably out of touch was this government celebrating a \$1.9 billion surplus. Queenslanders are struggling just to get by at the moment. They do not have the luxury of being able to save. Why should this government get to save when everyday people are struggling to afford vegetables? This is not a budget that reassures Queenslanders that this government will step in when times are tough to make sure they do not freeze or starve, that they do not get kicked out of their homes, that reassures Queenslanders that their kids will have a bright future.

This budget has only tinkered with the edges of what Queensland actually needs while multinational mining companies have gotten off lightly. \$53 billion is what Queenslanders are missing out on when we need it the most, \$53 billion that will go into the pockets of mining billionaires instead of Queenslanders. The Treasurer said himself this morning that mining companies were riding a massive boom with their share prices going up. Over the last year, mining billionaires exported a record \$77 billion worth of resources from Queensland alone. Mining corporations are rolling in massive profits; they can absolutely afford to pay a bit more. This budget is just a taste of what we could do if we put some of this immense mining wealth to good use. The additional investment in schools, in hospitals, in electricity rebates, in building additional renewable energy storage—these are things we could do, but imagine what more we could do for Queenslanders. Treasurer, do it properly and give Queenslanders what they deserve.