



Speech By  
**Bart Mellish**

**MEMBER FOR ASPLEY**


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## **APPROPRIATION (PARLIAMENT) BILL (NO. 3)**

### **APPROPRIATION BILL (NO. 3)**

#### **BETTING TAX AND OTHER LEGISLATION AMENDMENT BILL**

 **Mr MELLISH** (Aspley—ALP) (4.35 pm): I rise to speak in the cognate debate on the Betting Tax and Other Legislation Amendment Bill, the Appropriation (Parliament) Bill (No. 3) and the Appropriation Bill (No. 3). In regard to the betting tax reforms, these will provide a more sustainable funding model for Queensland's racing industry into the future. The changes broadly involve imposing a five per cent racing levy in addition to the current betting tax of 15 per cent—effectively raising the rate to 20 per cent; incorporating free bets into the calculation of betting tax; and hypothecating 80 per cent of annual betting tax revenue to the Racing Queensland Board. Imposing the racing levy in this manner ensures it will be imposed and calculated on the same basis as betting tax. It will make it much easier for operators to comply with their obligations in relation to their returns and will streamline administration for the Revenue Office.

Country racing is, of course, an essential part of the economic and social fabric of many communities across Queensland. We have heard that from plenty of speakers in this debate. As the most decentralised state, these big racing events are often the biggest day of the year in many communities and are certainly a great day out. These amendments will provide certainty to country racing in relation to funding models into the future so they can plan for future events. They can tie in other local festivals or calendar events in town to line up with the racing carnival knowing that it can go ahead with certainty.

The bill amends the Racing Act and the regulation to provide that Racing Queensland must pay a minimum amount—\$20 million—of the hypothecated betting revenue which the Treasurer will be required to pay to Racing Queensland under the Betting Tax Act to fund country thoroughbred racing meetings. We have invested over \$100 million through the Country Racing Program over the last six years. The proposed minimum dollar amount of \$20 million will replace the Country Racing Program and represents a real increase in the minimum funding for thoroughbred racing with an inbuilt increase.

Should betting tax revenue grow at greater rates than we expect, the government is able to re-evaluate the prescribed amount as it is regulated as a minimum amount. This funding is about certainty so that country thoroughbred racing is no longer dependent on grants but instead has a sustainable funding source well into the future.

Despite what some may have said, this is not a tax on punters; this is a tax on large multinationals, the largest of which are principally foreign owned or foreign residing. For example, the owner of Ladbrokes and Neds recorded nearly \$2 billion in revenue last year and the owner of Betfair recorded \$2.5 billion in global revenue. These are very large multinationals. It has been argued that they are bleeding Queensland Racing dry. It is about time the companies that are profiting from Queensland's thriving racing industry also invest in its future.

Moving on more broadly to the appropriation bills, the unforeseen expenditure is a routine part of the budget cycle. It happens every year and it is not the same as department overspending. A department can incur unforeseen expenditure which may occur for any number of reasons. These can include natural disasters, emergent issues, new decisions and the implementation of government policies made during the year, a change in timing of Commonwealth payments or accelerated project delivery including bringing forward the capital spending on large projects.

Not only was Australia impacted by COVID last year but we also had significant weather related events. These events are difficult and sometimes impossible to anticipate in a budgetary sense. Many of these significant items of unforeseen expenditure relate to COVID business grants. At the time of the 2021-22 budget it had not been anticipated what form they may take. The minister for the environment clearly outlined which of her departments were responsible for unforeseen expenditure and there were some very good reasons, including arrangements with councils that came about in a timely manner.

As we can see from other jurisdictions, the extent to which unforeseen expenditure arises varies greatly. New South Wales had a very different COVID experience to Queensland. The then treasurer and now Premier had only just released his budget when New South Wales went into lockdown. We are being criticised for our \$2.8 billion in unforeseen expenditure, whereas New South Wales has paid \$17.8 billion out of their Consolidated Fund which is six times more substantial than our budget. Their debt position is much worse than ours overall.

In terms of the reallocation of funds, they have brought forward hundreds of millions of dollars for Bruce Highway upgrades, the Gympie bypass, the Townsville Ring Road, and the Bruce Highway duplication south of Cairns. If we do not want to have unforeseen expenditure we can slow those projects down and they will not be done quickly. I am sure no-one would want to argue that.

**Mr Healy:** No, they would not be happy with that.

**Mr MELLISH:** No. I will take that interjection from the member for Cairns. Locally, I am very pleased to see initiatives in the budget that deliver for the north side of Brisbane. We have a massive hospital expenditure coming up with the Prince Charles Hospital's \$300 million expansion—I thank the health minister for that—93 additional beds. It is an outstanding project in the member for Stafford's electorate just across the border. We will have to chat about those boundaries in the next redistribution, as it is a great hospital for the north side. Everyone who goes there commends the staff for their hard work. I am really pleased that we are extending that. This is in addition to the world-class cancer treatment centre at the Royal Brisbane Hospital, which will host an additional 150 hospital beds. We are also investing \$1.6 billion into mental health services over the next five years.

Locally in this budget there is plenty of education expenditure. I am particularly pleased with the new buildings that are going in Geebung Special School and Aspley Special School. Geebung Special School should be done by early next year; Aspley Special School is coming on great and should be done by the end of this year. I am really pleased that those school projects are going ahead. We have Aspley East State School, Aspley State School, Bald Hills State School and Craigslea getting some great funding in this budget. I am really pleased with how they are going.

In terms of road projects, we have the Beams Road overpass. Early works are underway there relocating the car park. That is a fantastic project. Three levels of government are investing in it. I really look forward to seeing that go ahead. These projects only happen under Queensland Labor governments. I am really keen to ensure we have more great budgets delivering initiatives such as this. I commend the bills to the House.