




Speech By
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MEMBER FOR TOOWOOMBA SOUTH

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APPROPRIATION (PARLIAMENT) BILL (NO. 2)

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 **Mr JANETZKI** (Toowoomba South—LNP) (Deputy Leader of the Opposition) (12.09 pm): I rise to make a contribution to the Appropriation Bill (No. 2) 2021, which provides for supplementary appropriation for various departments for unforeseen expenditure that occurred in the 2021 financial year, and the Appropriation (Parliament) Bill (No. 2) 2021, which provides for supplementary appropriation for the Legislative Assembly and Parliamentary Service for unforeseen expenditure that occurred in the 2021 financial year. The opposition will not be opposing the bills. I note that there were no submissions to the committee's consideration of the bills.

Supplementary appropriation is necessary where expenditure from the Consolidated Fund for a department rises beyond the amount approved for that department as annual appropriation at budget time. Such supplementary appropriation is authorised by the Governor in Council on authorisation of the Treasurer to be made in advance of appropriation. I note that the total unforeseen expenditure incurred by the Legislative Assembly and Parliamentary Service was near \$1.8 million, which the Treasurer has advised was primarily for the running of the election during the pandemic.

I turn to the Treasurer's seeking of authorisation to pay nearly \$448 million from the Consolidated Fund for six departments as stated in the financial year starting 1 July 2020. I will be returning to those six departments a little later on in my contribution. The bill is seven pages in length but really it is only about four pages. Still it is one of the most important bills that this parliament will debate. This is the people's opportunity, through us as parliamentarians, to scrutinise the allocation of the public's money expended by the government of the day. It is the public's money. We are here to ensure that every dollar is spent in the highest and best cause in the service of the people and businesses from whom it is appropriated.

Today we are talking about nearly half a billion dollars. Firstly, it is worth noting that all the Treasurer had to do was control expenditure for seven months, not even a whole year—just seven months—but even that ended up being a bridge too far with nearly half a billion dollars. Of course one only need examine the government's track record on unforeseen expenditure and budget mismanagement to know this could hardly be considered a surprise. Let us look at Labor's recent unforeseen expenditure figures totalling \$1.1 billion in 2019-20, \$1.4 billion in 2018-19, \$500 million in 2017-18 and \$2.27 billion in 2016-17. What a far cry from the LNP government's unforeseen expenditure figures of \$63 million in 2012-13 or \$12 million in 2014-15.

Indeed, the fact that these supplementary appropriation bills are being considered so shortly after the end of the financial year, although I note we have waited five months since the committee's deliberations were handed down for debate, is in fact a result of the financial accountability measures introduced during the last term of the LNP government. Previously, then treasurer Andrew Fraser combined the supplementary appropriation with the annual appropriation bills introduced on budget day. That practice resulted in lengthy delays in accountability between when the expenditure was

incurred and when it was approved by the parliament. For example, the Appropriation Bill for the 2011-12 budget year included unforeseen expenditure from the 2009-10 budget year. That is at least a year's delay from the end of the financial year and parliamentary scrutiny of unforeseen expenditure for that particular year.

The opposition has made integrity in government a priority. During the budget last year I announced our policy of a new parliamentary budget office in government. This office will provide an independent, nonpartisan economic and financial outlook six weeks before the commencement of each election campaign. It will also produce an intergenerational report that sets out a long-term strategy for Queensland.

Mr POWER: Madam Deputy Speaker, I rise to a point of order. I ask the member to come back to the appropriation bill and be relevant to the bill.

Madam DEPUTY SPEAKER (Ms Bush): As I hear it, he is remaining within the realms of the bill.

Mr JANETZKI: This office will provide an independent, nonpartisan economic and financial outlook six weeks before the commencement of an election campaign and it will produce an intergenerational report that sets out a long-term—

Ms PEASE: Madam Deputy Speaker, I rise to a point of order. Could you ask the member to come back to the long title of the bill? From what I am hearing, he is debating some fantasy, quite frankly.

Madam DEPUTY SPEAKER: Member for Toowoomba South, I ask you to come back to the supplementary appropriation.

Mr JANETZKI: Madam Deputy Speaker, I would argue that, given the wide remit of the Treasurer and they being appropriation bills, this is entirely in keeping—

Madam DEPUTY SPEAKER: Member for Toowoomba South, I have directed you to come back to the long title of the bill.

Mr JANETZKI: When it comes to the appropriation of public funds, accountability matters. Those opposite may not want to hear the accountability measures that a future Liberal National government would introduce in terms of financial accountability. They may not want to hear it but I swear that after the last six weeks they have all had—

Government members interjected.

Mr JANETZKI: Look at them all! After the last six weeks they have all had with the integrity crises raging across the government, we will not be silenced by raising integrity in the financial reporting of this state.

Government members interjected.

Madam DEPUTY SPEAKER: Order, members on my right!

Mr JANETZKI: We will not be silenced when it comes to the financial integrity reporting measures we will introduce into this state. Those opposite betray their guilt through their interjections. We will not resile from bringing accountability into the financial reporting in this state.

When it comes to the appropriation of public funds, accountability matters. That is a view shared by Queensland's independent public servants. Last year the Auditor-General made a clear recommendation that at the very least the state's financial statements should have been disclosed to the Queensland people before the 2020 election. In New South Wales and Victoria, their finalised financial statements are released by the middle of October every year. In Queensland, it could be up to six or seven months post the end of the financial year.

A second recommendation made by the Auditor-General at that time—and repeated again in December—was that financial statements ought to be produced for the Queensland Future Fund. This is the fund into which the Treasurer placed the ambitiously valued titles office. The Treasurer has on both occasions dismissed these calls through his chief bureaucrat, denying them on the grounds that the fund is not an entity of itself but a financial instrument and thus does not warrant financial statements. We have a fund which can receive, spend and invest money but we cannot know how much, when or where.

With a straight face the Treasurer is recording a financial benefit from the corporatisation of the Titles Registry—kind of like a privatisation but not really. To keep this in perspective, in 2017 New South Wales privatised its Titles Registry for \$2.6 billion and Victoria in 2018 for \$2.85 billion. In Queensland, the registry was transferred to the Debt Retirement Fund but with a valuation of \$7.8 billion, which was a remarkable lift from the initial estimated \$4 billion. The government then uses this valuation to offset its net debt.

Mr Stevens: Shame! Absolute shame!

Mr JANETZKI: Thank you, member for Mermaid Beach. This is coming from the party that sold all of the assets without any warning either. I want to stay on point, because the valuation of the Titles Registry is the key point of the Appropriation Bill following the budget last June, which flows through to this Appropriation Bill today. I want to unpack it a little bit and back up the committee deputy chair's deep-seated views as well.

Firstly, the Treasurer confirmed at estimates last year that a large portion of the valuation was due to a taxation power unique to government which could not possibly occur should the registry actually be privatised. A valuation must be an amount for which an entity can reasonably be sold. We will see in the fullness of time whether the Treasurer is potentially offending longstanding government accounting principles. I note that an ABS public sector unit classification in July last year said—

When classifying a unit for official statistics the ABS looks beyond legal status and focuses on the economic substance behind the nature of an entity.

My call on the budget last year was that it was a budget without principles, and I have seen no reason to change that view. Pretending to have privatised the Titles Registry when it has not and then refusing to release full financial statements for the funds which own it is a disgrace, and the Treasurer knows it. As I have said, this side of the House will continue to pursue the government for a failure of financial integrity in the accounting of this state and for its true positioning of the budget for the future.

I could not spend all my contribution speaking about various accounting principles, the nature of the budget and how the Treasurer has positioned it without reflecting on whether the government in fact has any budget strategy whatsoever. We have a Treasurer who comes in and parrots figures, but does he have an understanding and does he have the heart for the job? Does he have the ticker for it?

When I look back to December, the Treasurer proved himself to be 'as bad as Trad'. There were nine taxes introduced up to that point under the Palaszczuk government, most of them attacking the wealth-creating property industry, and then in December the Treasurer decided to introduce a 10th tax in MYFER. We have a record of the Treasurer saying in this place, 'There will be no new taxes,' and, 'There will be no increased taxes,' time and time again, and finally we have the Treasurer breaking his promise and launching a 10th tax. We now have 10 new taxes since the Palaszczuk government was voted in to government in 2015. During the media conference the Treasurer held after introducing this 10th new tax—

Ms Grace: It's the same old dead horse!

Mr JANETZKI: Which the member for McConnel has been voting for. She is quite happy to continue to tax the people of Queensland. This is what we saw from the Treasurer during his press conference. I will just read the transcript. A journalist challenged the Treasurer and said, 'You're pocketing hundreds of millions of dollars from transfer duty. You're benefiting from the housing boom. Your forecasts are saying inflation is going to outstrip wages growth. Do you feel at least a little bit bad for people doing it tough in these housing affordability conditions?' We would have thought the Treasurer would show some empathy in relation to housing affordability challenges. There are record low rental vacancy rates right across Queensland, a \$2.9 billion government fund for social housing but only a one per cent increase in total social housing bedrooms in the last five years. We would have expected the Treasurer to have some empathy, some understanding of the challenges.

The journalist asked, 'Do you feel at least a little bit bad for people doing it tough in these housing affordability conditions?' What did the Treasurer say? 'No, not at all.' I submit that the Treasurer is woefully out of touch with the lived experience of Queenslanders. He would not have the faintest clue about how an economy should work for everyone. No matter where you are, it should be working for the people who are deeply concerned about housing affordability right now in Queensland. There are people on the public housing waiting list who have been waiting years, with the waiting lists only blowing out ever and ever further. We would expect the Treasurer to have some empathy for those Queenslanders who are doing it tough, but he does not.

Returning to the lack of a budget strategy, apart from new taxes the other thing that the government has been strong on has been trickery and deceit. I have gone through some of those accounting-without-principles concepts already in my contribution, but I do want to make a few comments on their lack of a budget strategy because right from the very beginning—let's be clear—raiding public servants' superannuation and long service leave is not a budget strategy. Operating government-controlled entities as an ATM is not a budget strategy. Slashing infrastructure spending by \$4 billion over the forwards is not a budget strategy. Misleading the people of Queensland by taking a \$4 billion debt promise to an election and then presenting a figure seven times as great immediately after it is not a budget strategy. Abandoning your fiscal principles by blowing out the debt to \$130 billion over the forwards is not a budget strategy.

It is certainly not a budget strategy to abolish independent statutory bodies like the Productivity Commission and then demand that it reports to you. It is also not a budget strategy to: oversee backlog road maintenance, \$6 billion and growing; allow budget blowouts of the Gold Coast Light Rail stage 3, \$334 million; the Coomera Connector, \$600 million; Cross River Rail, heading towards \$2 billion by our best estimates; let alone, can I say, Paradise Dam, which now looks like it will cost the Australian taxpayer \$1.2 billion to fix this Labor government's shoddy management of.

I want to turn to some of the six departments that have had unforeseen expenditure: Department of Justice and Attorney-General, unforeseen expenditure of \$188 million due to Queensland floods class action settlement payments; Department of Regional Development, Manufacturing and Water, nearly \$29 million for timing adjustments; and Department of State Development, Infrastructure, Local Government and Planning, nearly \$53 million for financial grant payments and adjustments. The two that caught my eye were Queensland Fire and Emergency Services for \$91 million and the Queensland Police Service for nearly \$10 million. They were both due to COVID related matters.

I just want to spend a moment on the unforeseen expenditure across those two departments and the management of the border process last year—this will probably be the last opportunity I get to raise this issue in terms of an appropriation—and some of the challenges and heartbreaking stories this government seemed oblivious to. People were trapped across the border and our hardworking public servants, whether they be QFES or Queensland police, were put to work in those situations. I again want to comment on the Minz family from the Toowoomba region, who were unnecessarily stuck across the border for four months on the grounds of incorrect Queensland Health advice and a government that continually showed no compassion. I want to reflect on the appropriations with respect to those two departments.

The other department I want to raise is the Department of Children, Youth Justice and Multicultural Affairs for \$114 million. That was assigned to be unforeseen expenditure because of increases in out-of-home care, and I want to comment on out-of-home care. Across my region, out-of-home care continues to grow quite worryingly. We have had a 22 per cent increase in kids living away from home in the last five years. We now have 2,300 people across my region who are living away from home.

I acknowledge the hard work of so many in the sector. In one instance, which I have spoken about in the media, I have a five-year-old and a seven-year-old who have been to over 30 homes already in their lives. They are five and seven years old. That is 30 different families, 30 different house rules and 30 different routines for these children. I want to make a plea to the government. With \$114 million in unforeseen expenditure for this department and a growing problem across my region with 2,300 kids now living away from home, which is a 22 per cent increase in the last five years, it is time for this government to sort out the child safety system and the children living away from home. We cannot have our most precious and vulnerable children in this situation. We cannot have a five-year-old and a seven-year-old in out-of-home care in 30 different homes. We cannot have a situation where our vulnerable and precious children are dying.

My challenge to child safety is with this appropriation we need to be doing everything we can. We need to make sure this money is being spent in the best way possible. That is a big responsibility on the minister and this government, and they must do it better. The opposition would be more comfortable with these supplementary appropriations if we knew it would be put to the best service delivery, but we have no confidence whatsoever that government money—no, it is taxpayer money; the money that the government appropriates from the taxpayer of Queensland—is being spent for the best service of the Queensland people. It is time that this government remembered that government money is not their money; it is taxpayer money, and it should be spent on the best frontline services we can have in Queensland and the government are failing in it.

After three terms now—we are well into our third term of this government—this government continues to fail in its duty to provide an economy that works for everyone. This third term government is now failing in its duty to report honestly and with integrity on the true state of the Queensland budget in our financial statements. Most miserably, this government is failing in its obligation to deliver services—whether it be health, housing, infrastructure, youth justice or child safety. I put it to the House that it is Queenslanders who are paying for it.