




Speech By
Hon. David Janetzki

MEMBER FOR TOOWOOMBA SOUTH

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MINISTERIAL STATEMENT

Federal Budget, GST

 **Hon. DC JANETZKI** (Toowoomba South—LNP) (Treasurer, Minister for Energy and Minister for Home Ownership) (9.53 am): Last week the federal government unveiled its final budget ahead of the federal election, and there are clear implications for Queensland. The most glaring feature of the Albanese government's hasty pre-election pitch is Queensland's loss of more than \$5 billion in GST revenue over the next three years. From next financial year, Queensland will lose \$2.4 billion in GST revenue—the largest redistribution away from any state in history. Meanwhile, Victoria will be gifted an extra \$4 billion and New South Wales an extra \$1.3 billion. Outrageously, federal Treasurer Jim Chalmers' cut to Queensland's revenue comes as the national GST pool swells by more than \$4.5 billion. At a time when Queenslanders face cost-of-living pressures, Jim Chalmers has stripped the state of essential funds.

Federal Treasury has estimated Cyclone Alfred would cost \$1.2 billion to the economy and temporarily lower growth by up to 1.4 per cent of quarterly GDP. That means that Jim Chalmers' GST cuts to Queensland next year would have the economic effect of two Tropical Cyclone Alfreds. No state should be subject to such a dramatic decrease. We have also revealed that in 2022 the former Labor government set aside \$2½ billion as a contingency for any potential shrinking of the state's share of the GST but have squandered it on renewables and hydrogen projects. They put it aside for a rainy day, but the rain has arrived and they have already spent the money.

The Commonwealth Grants Commission's flawed review reflects the inadequacies of Australia's current system of horizontal fiscal equalisation. Queensland should not be penalised because of our strong resources industry or our decentralised population. The rationalisation for the revenue distribution is feeble but its impacts are forceful. It severely compromises Queensland's capacity to deliver essential services and infrastructure for our growing state, particularly after a decade of the former Labor government's fiscal vandalism.

Despite the setback, the Crisafulli government will continue to advocate in Canberra for Queensland's interests. Despite the disappointment, there were some elements to the federal budget that reflect the Crisafulli government's strong advocacy in Canberra. We have succeeded in securing funding for Queensland communities impacted by natural disasters. Where the former Labor state government failed, we have successfully restored an 80-20 funding agreement for the Bruce Highway. While we welcome the planned \$7.2 billion Commonwealth investment in the Bruce Highway, I note that the bulk of this funding seems to be largely beyond the forward estimates. Additionally, I call for this commitment to be isolated from being impacted further by GST adjustments.

The Crisafulli government has shown that, while we will hold Canberra to account as we fight for our fair share, those opposite will not. There has only been silence and weakness from those opposite. They have proven once again that they are only ever interested in politics and not the best interests of the Queensland people.