



Speech: Budget in Reply

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Member for Noosa

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Mr ELMES (Noosa--LNP) (2.30 pm): Every time I rise to speak in this place, I feel honoured--honoured that my electorate has placed its trust in me to represent its views faithfully. The work of the parliament is vitally important to our democracy. It is of course the cornerstone of our democracy, and so it is equally important that the effectiveness of the parliament is not hindered in any way.

Since I came into this place a number of changes have been made to hinder the effectiveness of the opposition in assisting the government to govern well and make good laws and getting our alternative point of view out into the electorate. This is particularly the case now as we debate the budget bills. The time constraints for analysis and debate limit good government. The way in which the budget papers are presented year on year makes comparative analysis very difficult, as I am sure is sometimes intended.

The restructuring of ministerial portfolios and the reshuffling of the departments has made objective and constructive analysis more difficult this year than it should have been. Although the budget papers appear comprehensive, the devil is always in the detail, and there is precious little detail on many matters of importance to this side of the House and, much more importantly, to the electors whom we represent and who have got a right to know how their tax dollars are being spent.

Since the debate on the budget bills commenced, I have been either in the House listening to what Labor government members have been saying or indeed watching on the monitors. It would seem that each and every Labor member in this House is in some form of denial. We never hear the words 'asset sales' and we never hear the words 'fuel tax'. I wonder sometimes just how this is going to be sold by those members when they get back to their electorates.

In terms of my shadow portfolio, the operating budget, excluding water, for the sustainability and climate change portfolio has declined by about \$57 million over the past two financial years. The capital budget, excluding water, has also declined by around \$14 million. On the other hand, staffing numbers have grown in total from 5,416 full-time equivalent staff to 5,436--a decline in service delivery and more staff to administer the decline! We find the big winners in staffing arrangements are Environmental Protection, where 54 staff have been added; an extra 32 staff have gone to Conservation and Environmental Services; and 22 staff go to sustainable futures, which is of course the Office of Climate Change. In aggregate, the operating budget has declined while staffing numbers have increased but unequally. For example, the water and catchment services operating budget has decreased by about \$73 million, with only a minor reduction in staffing.

It would seem that in this and other areas we have staff sitting around in offices with little or nothing to administer and little to provide Queenslanders with in terms of service delivery. On

the other hand, the land and vegetation services operating budget has increased by more than \$17 million, while staffing to administer those sums has declined significantly. The oddity of this approach is also evident in Environmental Protection. The operating budget for Conservation and Environmental Services has increased by about \$8 million in part to fund recruitment of an additional 32 full-time equivalent staff.

But when we look at performance and capability, there is a modest increase in the operating budget of almost \$4 million but with stagnant staffing levels. Finally, we come back to sustainable futures--the province of a certain Mr Withers--where the operating budget has declined by \$14 million, yet there is an extra 22 full-time equivalent staff to administer yet another decline in the government's commitment to the environment. This issue goes much further.

There are new responsibilities to be added to the Office of Climate Change and new priorities which mean that much of the work--if this is indeed what you call it--handled by the Office of Climate Change will be shelved so that it can now take on new priorities as set out in the Great Barrier Reef Protection Amendment Bill 2009, which, for obvious reasons, we cannot elaborate further on today. When one goes through the budget papers, regardless of how the figures are presented, sooner or later they crystallise and what cannot be denied is the truth surrounding the Labor government's commitment to protecting the environment.

Labor's commitment to protecting the environment for a sustainable future has been reduced from a capital program of \$55.7 million in 2007-08 down \$11 million to \$44.7 million in 2008-09 and then down another \$14.7 million in the financial year to come. Those opposite can continue to lay the blame of the disgraceful state of Queensland's finances on the global financial crisis. I will be one who will not let either the Labor Party members opposite or anyone I come into contact with forget that, in financial terms, Queensland is right out ahead of the rest of the world.

In fact, we are stellar performers in financial management as against the rest of the world because we managed to get a state debt of \$64 billion before the rest of the world knew there was a global financial crisis! Another great first for the state's most unpopular politician--the member for Mount Coot-tha.

To go bust in a boom is quite an achievement. When one looks at the statistics, they will see with undeniable clarity where the Queensland debt started to get completely and totally out of control, and that was the very day that Anna Bligh was appointed Premier and Andrew Fraser appointed Treasurer on 13 September 2007. The figures are worth recording. In 1999 the state debt stood at \$20 billion. Just eight years later in 2007 when the current financial geniuses took over, the state debt stood at \$30 billion.

The projections for a state debt now are at \$85.5 billion by 2013, but we on this side of the House believe that the Treasurer can do much better than \$85.5 billion: we believe that, without too much effort at all, the Treasurer and this Premier could get our state debt to somewhere around \$100 billion, and wouldn't that be an achievement! If we look at some of the comparisons that are around, the state debt in New South Wales--the largest state in the Commonwealth--is \$67.2 billion.

Victoria, once the rust-bucket state led by Kirner and Cain, has a state debt of just \$39.2 billion. If we compare ourselves with the state most like Queensland--and I refer to Western Australia because it is a resource dependent and large decentralised state--Western Australia has a state debt of \$27.7 billion. The state debt in Queensland--the \$85.5 billion--represents an additional debt of \$78,000 for every family in Queensland, and of course this debt also comes on top of federal Labor's debt for all Australians.

It is important to realise that by 2013 on every single solitary day Queenslanders will pay \$14 million in interest payments alone. Due to the downgrading of Queensland's AAA credit rating--something which no other state has managed to achieve--additional interest payments of \$1.2 billion every year will apply. As the shadow Treasurer said earlier in this debate, that is the equivalent of building a new children's hospital every year rather than one in a lifetime.

We have heard a lot of bleating from the government about the pressure the budget is under from severe weather events which have occurred in recent times in this once-great state of Queensland. The government blames climate change for these events--the cyclones and the flooding rains which have impacted on different parts of Queensland over the past couple of years. If the government really believed in climate change and believed that because of it more would be needed to be set aside to help ordinary Queenslanders who were the victims of it, then the government would have put aside a good deal more than \$15.6 million over five years for disaster support initiatives.

While I am on the subject of climate change, one of the Bligh government's aims in its Toward Q2 target is to cut car use and electricity use by Queenslanders by more than one-third. Once again, they are right up there and able to do it. Look at the way electricity prices have gone, even though we were promised that there would be no electricity price increases outside increases in the CPI.

Over and over again electricity prices have gone up. Let us look at the cost of running the family car. We are going to have the most expensive registration in the country. We are also going to have a fuel tax subsidy that is about to become a fuel tax. That will mean that on 1 July an extra 9.2c per litre will be applied to the cost of petrol for families and ordinary Queenslanders. There is lots of advertising, lots of spin, lots of talk, but little in the way of a plan. There is investment in this budget for roads, but little in the way of investment for planning and designing alternative transport models.

In the south-east corner of our state, the time has come when crucial decisions must be made in regard to koalas. We have witnessed a 51 per cent decline in the koala population of this part of the state in less than three years and still more and more koala habitat, which cannot be replaced, is being cleared and some of it, as we heard this morning, has been cleared by the Queensland education department.

The sad truth is that unless this government acts today, the koala will be a native to South-East Queensland only in zoos. Where is the koala crisis response strategy? Where are the funds being made available to purchase land in South-East Queensland that is currently earmarked for residential development but which contains significant koala populations? If the government is serious, it will ban any and all future development in koala habitat and ensure that those koalas that are on the fringes of residential development are protected from predators such as dogs and cats.

The remote areas of our state deserve the trust the Premier promised on the night of the election--'Queenslanders, you can count on me.' There are significant numbers of meaningful jobs to be created in remote rural areas.

These jobs would justify making more funds available than the tiny \$7.3 million that has been provided in this budget to the Great Artesian Basin Sustainability Initiative. The decline in pressure and the wastage of water from uncapped bores is a major problem, but the response from the Bligh government is only minor.

While I am on my feet, I would like to take a couple of moments to address the budget measures for my electorate of Noosa. This will be a very short contribution. It will take only a minute, because my electorate received a meagre, but very welcome, \$70,000 for a lookout at Hell's Gates in the Noosa National Park. That is about as good as the budget got for Noosa.

A government member interjected.

Mr ELMES: I take that interjection from the Treasurer. I find out that I am now bragging—

Ms Jones: It was not the Treasurer.

Mr ELMES: My electorate got \$70,000 more than the electorate of Clayfield.

A government member: That was not the Treasurer.

Mr ELMES: Do not worry, he will be one day--in about two and three-quarter years time. Sooner or later, Labor will have to acknowledge that the people of the Sunshine Coast are Queenslanders too. They do not vote Labor; they are too intelligent for that. Indeed, from Glass House to Hervey Bay, there is not one Labor seat--not one. But they pay their taxes and they deserve a return on them.

If members want to add some Independents into the mix, there is not one Labor seat from Glass House to just south of Rockhampton. If members turn around and look out towards the Northern Territory border and draw a line straight east-west on the map of Queensland, they will find only one Labor seat and that is the seat of Toowoomba North.

However, I can tell members that my electorate is fortunate to be on the receiving end of a new state school at Peregrian Springs. This school—

Government members interjected.

Mr ELMES: This is great. The members opposite are going to enjoy this. This school has been promised in the last three budgets and construction is underway. That is great and it will be welcome. However, it is phantom funding. It is voodoo dollars.

Mr Gibson interjected.

Mr ELMES: It is voodoo dollars. That is what we are going to institute as the cash currency of Queensland. It illustrates beyond doubt the bankrupt mentality of this government. The government plans to borrow the capital funding necessary to construct seven schools, two of which will be built during the balance of 2009 to open at the beginning of the school year in 2010. One is at Peregrian Springs, at a cost of \$27.2 million.

The supported debt model funding is not well understood and I doubt that it has been used before. The government borrows the funds needed and its private partner then services the debt. The government is able to borrow more money more cheaply than the private sector under the AAA credit rating scheme--however, of course, that has now been lost to Queensland by this Treasurer.

The private partner will charge a premium so as to make a profit. So why would the government not just build these schools itself? The truth is that the Treasurer plans not to consolidate the borrowings and, as a result, understate the total state debt. Does the Treasurer plan to fiddle the books? Is he going to cook the books and have another tranche or two of borrowing off balance sheet? Is our now AA+ rating to be put back further? Where else in the budget is this sleight of hand being used?

Is our state debt more than \$85.5 billion? I have a funny feeling it probably is. We should remember that the worst Prime Minister--perhaps apart from Gough Whitlam--Paul Keating left this country with a \$96 billion debt and it took the best Prime Minister and the best Treasurer this country ever had 10 years, spread across 20 million Australians, to pay off that debt. In Queensland's case, an \$85.5 billion debt will be serviced by just over four million Queenslanders and overseen by easily the worst Premier and the worst Treasurer Queensland has ever had.

I forgot one other piece of infrastructure that is coming to the Sunshine Coast courtesy of the Bligh Labor government. That is, of course, the Northern Interconnector Pipeline. This is a little beauty. It is a 48-kilometre pipeline that stretches from Eudlo to Cooroy. It will finish up just outside my electorate. It will cost \$211.5 million this year and \$450 million in total. It will take our water and send it to Brisbane where apparently it is now needed.

The debate that we are having in the House today is about the Appropriation (Parliament) Bill, the Appropriation Bill, the Infrastructure Investment (Asset Restructuring and Disposal) Bill and the Fuel Subsidy Repeal and Revenue and Other Legislation Amendment Bill.

As I said at the start of my short contribution to the debate today, in the speeches I have heard from members on the Labor side of the parliament I have not heard much in the way of how they are going to go back to their constituencies and their Labor Party branches--those

good, solid Labor people--and justify the infrastructure sale of \$7 billion of Queensland Rail and the scrapping of the fuel subsidy of 8.35c a litre and turning it into a fuel tax of 9.2c a litre. From the point of view of my electorate, during the course of this budget process one of the things that I was hoping to see was some additional road funding for the Eumundi-Noosa Road. This road carries about 16,000 cars every day. Such is the state of the middle section of this road, it has reached the situation where it would be almost better to take up what is left of the bitumen and take it back to gravel.

I am hoping that buried somewhere in some maintenance project somewhere there is some money that will allow that very dangerous section of Eumundi-Noosa Road to be sealed and brought up to some sort of standard.

Also this week we learned that, because the state is broke, the Sunshine Coast University Hospital is to be put off for another couple of years. One of the issues that I have been putting to the minister very directly--both the current minister and his predecessor--is that the Noosa Hospital has the capacity to undertake an additional 700 public procedures a year.

The only thing it lacks is the funding. I do not understand why on any day of the week you can drive past the Nambour Hospital and see ambulances ramped up outside with patients on board. Yet there is spare capacity at the Noosa Hospital to be able to deal with those people who badly need attention.

I have heard some Labor members say that they want us to come up with a solution to Queensland's economic mire. Well I have a solution. Those opposite do not mind early elections, so why don't we have another one? Why don't we have one now, and the outcome would be that we would be over there and there would be very few of them over here!
