



Speech by

Andrew Cripps

MEMBER FOR HINCHINBROOK

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APPROPRIATION BILLS; REVENUE AND OTHER LEGISLATION AMENDMENT BILL

Mr CRIPPS (Hinchinbrook—NPA) (10.48 am): I rise to make a contribution to the debate on the Appropriation Bill for the financial year 2008-09 as it relates to my electorate of Hinchinbrook and the Revenue and Other Legislation Amendment Bill being debated today as cognate bills. In respect of the provisions of the Revenue and Other Legislation Amendment Bill, the Bligh Labor government has little to crow about. These state taxes should have been abolished after Queensland signed the GST agreement with the Commonwealth government.

I welcome the changes in respect of stamp duty for first home buyers, but the reality is that the government was obliged to abolish stamp duty after the signing of the GST agreement. Stamp duty relief is always welcomed, but these changes come only weeks after the state government passed new payroll tax laws affecting contractors, which the building industry advises could add \$3,500 to \$4,500 to the cost of a new home. The announcement that mortgage duty would be abolished from 1 July 2008 rather than 1 January 2009 is another example of a tax that was supposed to be abolished after the signing of the GST agreement. These modest tax reforms are long overdue. Queenslanders deserve the tax relief and indeed deserved it years ago.

In respect of the provisions of the Appropriation Bill 2008-09, budget papers reveal that Queenslanders will soon face a situation where the state government will have borrowed more than \$15,000 for each individual. The Bligh Labor government plans to go \$64 billion into debt by 2011-12 to cover the cost of the day-to-day running of Queensland and pay for infrastructure that should have been built years ago. Under the leadership of Premier Bligh and Treasurer Fraser, the 2008-09 budget papers show that the state government debt is out of control, projected to blow out to \$59 billion by 2010-11 before rising to \$64 billion in 2011-12.

Over the last decade, the previous Beattie government and now the Bligh government have enjoyed record revenues from the GST, record revenues from land taxes and stamp duty, and record revenues from the mining and resources boom. Despite this, the state government has mismanaged these revenues so badly it is now forced to borrow record amounts to run the state. Every day that this debt increases, the interest on that debt increases as well. Every day Queensland racks up more debt and more interest on that debt, we lose the capacity to employ extra doctors and nurses, train more teachers and teacher aides, and enlist more police and ambulance officers. Every day that this debt increases and the interest on that debt increases, we forfeit the opportunity to build more roads and maintain existing roads, build more hospitals and improve existing hospitals, and build more schools and maintain existing schools.

The budget has delivered some positive news for the Hinchinbrook electorate. I am pleased that \$2 million has been allocated in the 2008-09 state budget for a new ambulance station at Tully. This is good news for the hardworking and dedicated Queensland Ambulance Service officers in Tully. Our ambulance officers provide an extremely important service to our local community, often in difficult circumstances, and they deserve to work in the best conditions we can possibly provide to them. I also want to recognise the hard work of the local ambulance committee in Tully who have obviously provided

strong support to the local Tully ambulance officers. Local ambulance committee members are volunteers who give freely of their time to support the Queensland Ambulance Service, and I thank them for that.

I also welcome the budget allocation of \$620,000 for the construction of a new Queensland Parks and Wildlife Service ranger base in Cardwell. I hope this will assist in the management of local national parks and state forests. I have been a vocal critic of the state government for its lack of proper maintenance of north Queensland's national parks and state forests, especially in respect of resources to control feral animals and pest weeds. I have always felt local QPWS rangers have been underresourced and understaffed to manage such vast tracts of state controlled land. Almost two-thirds of the Hinchinbrook electorate is declared World Heritage, national park or state forest. QPWS rangers try to do their best with the meagre resources allocated to them.

Not all the budget announcements have been positive for the Hinchinbrook electorate. Some are of profound concern. The budget papers indicate that the Bligh government has slashed funding for the new Ingham Hospital by \$8 million. Total project funding has fallen from \$44.9 million to \$36.9 million. The people of the Herbert River district will feel somewhat betrayed by Premier Bligh and health minister Robertson, who only days ago stood on the construction site of the new Ingham Hospital and repeated the \$45 million funding figure ahead of the Ingham community cabinet. When the state budget was brought down last year by then Treasurer Bligh, I welcomed the increase in funding for the new Ingham Hospital, which doubled from \$22.1 million to \$44.9 million. The increased allocation was due recognition that the new Ingham Hospital would need to service the healthcare needs of the communities in the Herbert River district for many years to come.

I am disappointed that Premier Bligh and Minister Robertson would come to Ingham, look the people of the Herbert River district in the eye and then weeks later cut a significant amount of funding from a critical project as far as the delivery of our future health services is concerned. I have many questions for Premier Bligh and Minister Robertson. Why weren't the Premier and the minister honest with us when they visited Ingham less than two weeks ago? Where did almost 18 per cent of the budget go for the new Ingham Hospital? What features of the hospital building plan have been abandoned or what services will not be offered? I said that the success or otherwise of the Ingham community cabinet would be measured by outcomes of the event. The loss of \$8 million from the new Ingham Hospital budget condemns the forum as a failure.

I have written to the Minister for Health demanding an explanation for the vanishing \$8 million. I understand that the state government has tried to explain away this vanishing \$8 million by suggesting that the contractor has come in \$8 million under budget in respect of the construction of the new Ingham Hospital. I find it difficult to accept that the contractors have made \$8 million worth of savings to date and that the cost of delivering the new Ingham Hospital has decreased at a time when construction costs are increasing sharply. If any savings are being made, these funds should be ploughed back into the new Ingham Hospital to provide enhanced services and facilities, rather than the Treasurer helping himself to \$8 million allocated to the Hinchinbrook electorate.

The Minister for Health has asserted that any savings will be redirected to other upgrades within the new Ingham Hospital project. I suppose I can only take the health minister on his word, and I can assure him I will hold him to that. However, the minister's confidence that the new Ingham Hospital project and the Herbert River district will not be short-changed is not reflected by the reduced figure for this project in the budget papers. If it has always been the intention to plough any savings back into the new Ingham Hospital, then the budget allocation would have remained at \$44.9 million in the budget papers and not fallen to \$36.9 million.

The cost of the controversial coastal route for the Tully to Innisfail transmission line has now blown out to more than five times the original estimated cost, after the 2008-09 state budget papers revealed that the transmission line and associated infrastructure will now total \$106 million. The new 275kVA transmission line constructed along the coast through the middle of a number of communities and good agricultural land between Innisfail and Tully has a sorry history of cost blow-outs. The budget papers last year revealed the project had more than tripled from \$21 million in 2002 to \$68 million in June 2007. By the time I received an answer to a question on notice I asked the minister for energy in December 2007, in which I asked for an update of the total estimated cost for the project, the figure had blown out again to more than four times the original estimate, to \$87 million.

The Bligh Labor government has attempted some creative accounting in the budget papers this year to try to cover up the latest cost blow-out. It has separated the line allocation in the capital expenditure statement for the Tully-Innisfail transmission line from an additional line allocation for the El Arish substation, which has been built on the El Arish-Mission Beach Road. The El Arish substation is a completely new line allocation which did not appear in the 2007-08 budget papers, yet the new budget papers show that \$14.3 million was spent on building the El Arish substation during the current financial year. This means the expenditure was included in last year's estimate of \$68 million for the entire project. The state Labor government is trying to pull the wool over our eyes by splitting these two allocations, but the El Arish substation is clearly part of the Powerlink project along the coastal route.

The current cost estimate for the powerline along the coastal route is \$87.2 million and the El Arish substation is estimated to cost \$18.8 million, a total cost of \$106 million—five times the original 2002 estimate of \$21 million. The public was told in 2002 that the coastal route would cost \$21 million and that the current inland route would be more expensive at \$41 million, despite the fact that the inland easement was already in place. The state government must now admit that it was wrong for imposing the coastal route on affected landowners and the community who have every right to be outraged that their views and objections have been totally ignored.

The state budget only contained funding for projects for schools in and servicing the Hinchinbrook electorate that had already been announced by the government. The capital expenditure statement for the Department of Education, Training and the Arts listed only \$600,000 for the multipurpose centre at Tully State High School, carried over from the previous budget and the already announced \$36.7 million commitment to upgrade the Innisfail TAFE campus into an integrated education precinct. Apart from previously announced allocations in Tully and Innisfail, there were no other allocations for schools in the Hinchinbrook electorate which was disappointing. There are almost 40 schools in and servicing communities in the Hinchinbrook electorate and many are in urgent need of more support. I am pleased to see that the funding for the multipurpose centre at Tully State High School has remained in the budget. The Queensland government contribution to this project is very important. Indeed, I am aware that the Cassowary Coast Regional Council has approached various ministers to increase this contribution.

I cannot identify any enhanced allocations in the state budget papers for the multipurpose centre at Tully State High School, which is disappointing given the strong cases put by the council and by the Tully State High School P&C association for extra funds. I am surprised that budget papers earlier this week indicated that \$200,000 of the total \$600,000 had been spent on the Tully multipurpose centre during the 2007-08 financial year despite construction of the project not having commenced. I have written to the minister for education asking him to clarify how that \$200,000 has been spent. The construction of the multipurpose centre has not commenced due to a range of difficulties including some disgraceful indecision by the federal Labor government about whether to honour approved projects under the Regional Partnerships program of which the Tully MPC was one.

I certainly hope that the Queensland government, and the minister for education in particular, will be mindful of the constrained financial circumstances faced by the Cassowary Coast Regional Council in proceeding with the integrated education precinct at the Innisfail TAFE campus by not expecting council to absorb any costs associated with constructing the new facility. The budget papers for the Department of Primary Industries and Fisheries were a cause for concern to me as a member representing a regional electorate. I was dismayed to find that capital expenditure has fallen dramatically again under this state Labor government. For the DPIF, capital expenditure will fall by \$8.7 million from \$33.7 million in the 2007-08 budget to \$24.9 million in the 2008-09 budget. Similarly, capital expenditure for Forestry Plantations Queensland will fall from \$19 million to \$16 million for the same period. The disturbing lack of investment in the DPIF continues under this state Labor government despite the rural sector contributing hundreds of millions to the state's economy and employing tens of thousands of Queenslanders.

All the major capital investments are again in DPIF facilities in south-east Queensland—this year at Nambour, at Redlands and on Bribie Island. The South Johnstone Research Station in my electorate of Hinchinbrook focuses on tropical agriculture in north Queensland and far-north Queensland, and it is long overdue for a fair go from the state Labor government. There are tremendous opportunities available for valuable research projects in relation to tropical agriculture that are not being progressed because South Johnstone is overlooked year after year. I am again dismayed that the South Johnstone Research Station has been overlooked for meaningful investment by this government.

The communities in the Northern Beaches area of the new city of Townsville are growing rapidly. There are some very serious concerns about traffic congestion on the Bruce Highway and adjoining roads between the Bohle and Bluewater, particularly on Mount Low Parkway from Bushland Beach. This stretch of road is often a parking lot during peak-hour periods in the morning when everyone is trying to get to work and take children to school and in the late afternoon when everyone is trying to pick children up from school and to come home from work. The residents in my electorate living north of the Black River are heavily impacted on by this traffic congestion. An upgrade of the Bruce Highway is currently underway in that area which will improve the capacity of the road to take traffic. However, the number of cars will continue to grow as these communities continue to grow. We need strategies to decrease the number of cars on this road.

The state government must start by addressing the lack of public transport servicing the communities from Rollingstone to Bushland Beach. In the first instance, there is not any public transport provided north of the Black River in my electorate of Hinchinbrook. South of the Black River, the Queensland Transport funded Hermit Park Bus Service, the recently announced and much celebrated 'qconnect' route 33 service, only goes out to Bushland Beach. Even then there are only two services leaving Bushland Beach before 9 am and only two services returning to Bushland Beach after 3 pm which correspond to those peak-hour periods that I mentioned earlier. It is inadequate to suit the needs of this

community. Queensland Transport must address this situation by delivering permanent public transport services to communities north of the Black River and enhance existing public transport services to Bushland Beach and Mount Low to reduce the number of cars on these roads at these peak times. The lack of public transport services to the Northern Beaches is unacceptable and the state government must take action to rectify this situation.

The Patient Travel Subsidy Scheme is an issue that is of constant concern to me as a member representing a regional area. I have mentioned this issue in the parliament previously. Many constituents contact me about the inadequacy of the rate of the kilometric subsidy, the inadequacy of the overnight accommodation subsidy and the complicated nature of the application process. Last year the state government advised that the PTSS would increase from 10c to 15c per kilometre. This small increase will not make a significant dent in the transport bills being faced by many people in regional areas of Queensland who are being forced to travel long distances more often to access an increasing number of healthcare services.

In my electorate of Hinchinbrook, the government continues to concentrate a larger range of healthcare services in bigger provincial cities like Cairns and Townsville. This is costing patients dearly. The most harshly affected are those least able to cope such as the chronically ill and older Queenslanders such as pensioners. The meagre increase in respect of the kilometric rate of subsidy did not address the issue of the accommodation subsidy part of the PTSS which is also inadequate.

On behalf of the ratepayers of the new Cassowary Coast Regional Council, I need to appeal to the state government to provide some substantial financial assistance to the new council. I raised this issue in parliament in October 2007 after the amalgamation process was rammed through the parliament and the huge error by the Local Government Reform Commission in undertaking the financial assessment of the former Johnstone shire was exposed. The state Labor government forced the former Johnstone and Cardwell shires to amalgamate. The CCRC is facing serious financial constraint but needs to undertake substantial capital works on essential services which will cost in the vicinity of \$175 million. Council needs support from the state government to achieve this. Ratepayers in the CCRC cannot afford the rate increases necessary to fund works of this scale. Surely the intention of the amalgamation process was not to seriously disadvantage the residents of the former Cardwell shire and just shift the residents of the former Johnstone shire from one financially distressed council to another. The \$1.35 million provided to council will not make a real difference after the costs of the forced amalgamation process have been accounted for.

I welcome the allocations that have been made to my electorate of Hinchinbrook, few that they are. Unfortunately, the budget has delivered more unfavourable blows than helpful assistance to the good people and communities that I represent.