



Speech by

Andrew Cripps

MEMBER FOR HINCHINBROOK

Hansard Friday, 17 June 2011

APPROPRIATION (PARLIAMENT) BILL; APPROPRIATION BILL; COMMUNITY AMBULANCE COVER LEVY REPEAL AND REVENUE AND OTHER LEGISLATION AMENDMENT BILL

 **Mr CRIPPS** (Hinchinbrook—LNP) (4.19 pm): The Bligh government's budget increases the state's debt, delivers another budget deficit, increases the cost of living for families and increases the cost of doing business in Queensland. Despite the government's claim that revenues from the fire sale of state assets including our railways, forests, ports and motorways would be used to reduce Queensland's debt, the projected debt remains the same as it was before the fire sale.

Premier Bligh and Treasurer Fraser want people to believe that all the state's financial problems are due to the natural disasters that occurred in Queensland earlier this year. In fact, the state's debt was already \$65 billion before the floods and Cyclone Yasi. With the assets gone, the government's debt is still projected to reach \$85 billion. Without the fire sale, the debt would have blown out to a whopping \$100 billion. This debt is massive and unprecedented. At some point it has to be paid back.

The Bligh government's claim that the abolition of the ambulance levy will reduce electricity bills is hypocritical given that it was the Beattie government that introduced the ambulance levy in the first place. Next year average electricity bills are set to go up by \$118, or 6.6 per cent. So the removal of the ambulance levy will be a very temporary benefit. The opposition strongly opposed the ambulance levy when it was introduced and we have now been vindicated.

Motor vehicle registration will increase by three per cent next year on top of a 24 per cent increase over the last three years. This comes on top of recent increases in driver's licence fees and the removal of the fuel tax rebate in 2009.

One of the most appalling aspects of the Bligh government's budget is its decision to slug homebuyers with an extra \$7,000 of transfer duty, which will undermine an already fragile housing market in some areas of the state. The fact is that the figures, commitments and initiatives in this budget cannot be relied upon because they do not take into account the impact of the Gillard Labor government's carbon tax on Queensland's economy, which the Bligh Labor government supports. Queenslanders should be aware that a Newman LNP government will stand up for them and will strongly oppose Labor's carbon tax and the cost-of-living pressures it will place on families and businesses.

The budget allocations in my electorate of Hinchinbrook are unremarkable insofar as they are a mixture of commitments that have been announced previously, have been funded by the federal government, are part of natural disasters claims or are a result of the damage caused by Cyclone Yasi. There are certainly no initiatives in the budget that represent a positive decision by the Bligh government to support industries, businesses and households in my electorate.

In the area of main roads, no new projects were announced on the state controlled road network in the Hinchinbrook electorate. I acknowledge the second instalment of \$25 million in the 2011-12 financial year for a total project cost of \$115 million of federal funding for the previously announced upgrade of the northern section of the Cardwell Range on the Bruce Highway. The only new moneys in my electorate will

be the \$4.5 million to be spent over two years on Mount Low Parkway which, although a welcome allocation, is a council road funded through the Transport Infrastructure Development Scheme. I am disappointed not to see funds in the budget for state controlled roads that have been a priority for me, such as the Canecutter Way—the road between Innisfail and Silkwood via South Johnstone, Mena Creek and Japoonvale—or the Tully-Mission Beach Road, which needs to be resealed completely after being extensively damaged following Cyclone Yasi.

Another part of the Bruce Highway that I feel strongly about is the section between Black River and Bluewater north of Townsville. Planning for this section to be widened to four lanes needs to be a priority as the northern beaches area continues to grow. There is a lack of observable progress in the planning for this project. The other day I came across yet another accident just north of Black River. Continued and strong residential growth and traffic associated with the Yabulu nickel refinery on the northern beaches mean that this section warrants more attention from Main Roads.

In relation to transport, I am concerned about the failure of a funding allocation in last year's budget for a new commercial fishing facility at Mourilyan Harbour to be brought forward into the current budget, given the facility has not been delivered. In last year's budget there was \$226,000 through the Far North Queensland Ports Corporation for a new commercial fishing facility at Mourilyan Harbour. It has not been delivered, but the allocation has disappeared from this year's budget papers. This needs to be explained immediately.

In the area of infrastructure, the announcements in the budget are a mix of ongoing project spending and new initiatives associated with the recovery of the Cassowary Coast region following Cyclone Yasi. The budget contains a \$15 million support package for the Cassowary Coast Regional Council to restore council infrastructure, natural vegetation and beach foreshores that were damaged by Cyclone Yasi in February. This allocation is welcome and was jointly funded by the state and federal governments through the Queensland Reconstruction Authority. This funding will be used by the Cassowary Coast Regional Council to undertake repair work not covered by its NDRRA claim. I hope this funding will go some way to meeting the cost of the repair works undertaken by council following Cyclone Yasi that are not covered by its NDRRA claim. The ratepayers of the Cassowary Coast region desperately need this support package because they cannot possibly afford a rate increase as a result of Cyclone Yasi.

In the area of energy, Powerlink continues to fund its replacement of the 132 kVA line with a 275 kVA line between Cairns and Townsville, and the \$121 million upgrade of the section between Yabulu and Ingham is progressing. Powerlink has also made allocations this year to upgrade the high-voltage transmission line between Ingham and Cardwell and between Cardwell and Tully. Both of these sections have \$63 million allocated to them.

I welcome the ongoing investment by Stanwell Corporation in upgrades to the Kareeya hydroelectric power station, west of Tully, which is an important part of North Queensland's electricity infrastructure network. This year that investment will be \$1.2 million. I am pleased that Stanwell continues to make regular allocations for the maintenance and upgrades at Kareeya as the power station is an important employer in the Tully district. I would note that Stanwell also has a positive relationship with Tully State High School, supporting bursaries for and offering career pathways to local students attending that school.

In the area of education, I am concerned about an apparent cut of \$300,000 from the capital budget to construct a new kindergarten at Bluewater State School on Townsville's growing northern beaches. It appears that the allocation of \$1.5 million in last year's budget has fallen to \$1.2 million in this year's budget. This needs to be explained by the Minister for Education.

Once again, I want to raise the issue of the need for a new primary school to be constructed in the near future to service the rapidly growing area of the northern beaches of Townsville. Residential growth on the northern beaches in my electorate—in North Shore, Burdell, Bushland Beach and Mount Low—is still very strong. Education Queensland needs to plan properly for this growth. Incidentally, the state primary school that currently services this area, Bohlevale State School, is celebrating its centenary this year.

There is an allocation of \$6.3 million in the budget for the replacement of B block at Tully State High School which was destroyed by Cyclone Yasi. However, it is not due to be spent until 2012. There are no capital allocations in the budget for the repair and refurbishment of D block, the manual arts block and other facilities at Tully State High School. However, I have had some preliminary advice from the Minister for Education that this work will come from an NDRRA claim. I accept that preliminary advice and give an undertaking to my constituents to monitor this situation closely.

Regarding the environment, I am pleased to find that the allocation for a new Queensland Parks and Wildlife Service ranger station has reappeared in this year's budget papers, three years after it was originally announced. The cost of this project has blown out from \$620,000 to over \$1 million. After originally being announced in the 2008-09 budget, the proposed QPWS ranger station in Cardwell disappeared from the budget papers and was not constructed in the 2009-10 or the 2010-11 financial year. For three years this commitment by the Bligh government has gone nowhere. The QPWS employees in

Cardwell were promised this facility three years ago. The three years worth of delays has seen the project increase in cost by \$400,000. The Bligh government plans to spend \$3.6 million over the coming financial year to increase the size of the national park estate in Queensland and yet it has still not spent the funds that it promised three years ago to build a new QPWS ranger station in Cardwell. I do not believe the Bligh government can justify increasing Queensland's national park estate by 350,000 hectares over the next 12 months when it has failed to deliver the basic infrastructure required to maintain existing protected areas.

In the area of health, I feel compelled, once again, to express my concern that the Bligh government has failed to recognise that many rural and regional Queenslanders continue to be disadvantaged by its refusal to increase the Patient Travel Subsidy Scheme. The withdrawal of services from smaller hospitals in my electorate such as Ingham and Tully means more patients are required to travel long distances to Townsville or Cairns for basic health services.

It is not just the cents per kilometre subsidy that is inadequate but also the accommodation subsidy. The process involved in applying for the subsidy is also very complicated. This poses difficulties for many people for whom the subsidy is important to be able to afford treatment, such as those on low and fixed incomes. The removal of the fuel tax rebate by the Bligh government means transport costs have increased for patients, many of whom have chronic illnesses.

I turn now to the portfolio of agriculture, food and regional Queensland, for which I have shadow ministerial responsibility for the opposition. With all the political rhetoric in his budget speech about the Bligh government supposedly planning for and looking to the future, the Treasurer all but ignored agriculture, mentioning it only as a traditional strength of the Queensland economy that has been affected by the recent natural disasters. The Treasurer also mentioned the mining and tourism sectors as traditional strengths of the state's economy affected by Queensland's recent floods and Cyclone Yasi. The Treasurer mentioned them again later in his speech in terms of the government's support for them and their forecasted contribution to Queensland's future. The Treasurer talked at length about the resources sector, particularly the LNG industry and its importance for Queensland's future. The Treasurer reaffirmed Labor's commitment to tourism as part of the state's future economic framework.

In contrast, agriculture was completely left out of the Treasurer's grand vision for Queensland's future economic prosperity. Mining, tourism and agriculture were all badly affected by the floods and Cyclone Yasi but only agriculture was passed over in Labor's future plans. This is a perfect example of the difference between Labor and the LNP. The LNP sees agriculture as part of Queensland's future; Labor considers agriculture to be part of the state's past. The Treasurer's budget speech makes this attitude very clear.

I wish the resources sector and the tourism industry well. They are indeed traditional strengths of the Queensland economy. However, I believe that, while agriculture has been a pillar of the state's economy over the last 150 years, it is also critical to Queensland's future. The release yesterday by the Minister for Agriculture, Food and Regional Economies of a draft food policy for Queensland, a worthy initiative, will count for little if the Bligh government does not see agriculture as an important part of the state's economy. A strong agricultural sector diversifies and strengthens Queensland's economy. It earns vital export dollars for the state and underpins the economy of many regional and rural communities. Queensland needs a strong and profitable agricultural sector that is supported by the state government at least to the same extent that it will support those other traditional pillars of the economy—mining and tourism.

Queensland's agricultural colleges have achieved outcomes above budgeted expectations but have not been rewarded for this success, having their capital allocation cut again in the budget papers tabled on Tuesday this week by the Treasurer. The budget papers reported that the Australian Agricultural College Corporation achieved an increase in completed qualifications of 24 per cent above 2009-10 levels and delivered more than the targeted hours of vocational education and training in the agricultural sector last year. Despite increasing the number of people completing qualifications in agriculture and delivering more than the expected number of hours of training, the capital funding to the college will actually decrease by \$167,000, from \$3.167 million to \$3 million. Furthermore, despite the Bligh government stating that the Australian Agricultural College Corporation is aiming to increase the number of sites across the state where it delivers training, the budget papers indicate that staff numbers have fallen by 20 full-time equivalents over the last year.

The Bligh government has set out high hopes for the AACC in the budget papers, with the Service Delivery Statement for DEEDI outlining goals that include growth in full-time residential training, creating partnerships with schools and developing new models of training such as cadetships, amongst others. The steady decline in core funding and staff at Queensland's agricultural colleges indicates that these worthy goals will be much harder to achieve. To do so, the AACC will have to do more and more with less and less. This is not the mark of a government that takes rural training seriously.

Careers in agriculture can be rewarding. There is currently a shortage of skilled people available to work in agriculture. Investment in training and our educational institutions is the key to addressing this problem, not slowly starving them of core funding and staff. The sale of agricultural college campuses at Dalby and in the Burdekin by the Bligh government will prove to be a short-sighted decision that ignores

the current major challenge facing Queensland to deliver sufficient skilled workers for the agricultural sector, a recognised pillar of the state's economy.

The budget contains more words than dollars for the agricultural sector, with strategies, plans and reports outnumbering new investment announcements. There are few new capital allocations to reassure agricultural industries that the Bligh government is interested in ensuring that it has a positive, vibrant future in Queensland, particularly in driving economic growth in the state's regional and rural communities. DEEDI's Service Delivery Statement includes the Regionalisation Strategy, the Biosecurity Strategy, the Industry Supply Chain Recovery Plan, the Queensland Timber Plantation Strategy and the *Queensland rural skills and training demand report*. However, the Capital Statement only lists the same projects that were in last year's budget, such as the Food Sciences Precinct at Coopers Plains, the 2020 Beef plan, the biosecurity lab at JCU and the Darling Downs Cropping Research and Training Centre.

I am not criticising the development of those strategies, plans and reports, and I am not criticising those capital allocations that were carried over from last year's budget to this year's budget. It is always important to plan ahead, engage with the relevant stakeholders and have goals for the future. I am just hoping that all of these words will translate into some action. I am not filled with confidence because the current projects in the budget are falling behind or going nowhere. The Darling Downs Cropping Research and Training Centre has stalled, for example, because it is dependent on the sale of the Dalby agricultural college. I am surprised DEEDI included its fire ant and Asian bee responses as a highlight of the department's service delivery in the budget given the fire ant program has struggled badly and the Asian bee program has been described as 'unlikely to succeed'. Queensland has had a terrible season of floods and Cyclone Yasi. While QRAA expenses have been many times more than what was budgeted for last year, natural disaster assistance to farmers cannot stand in for real support for agriculture.

The shadow Treasurer, the member for Clayfield, outlined in his budget reply an alternative agenda of initiatives on behalf of the LNP. The shadow Treasurer tore apart the Bligh government's economic and financial record, pointing out that after 20 years in government Labor had achieved a record debt, lost the AAA credit rating, sold off the state's assets and failed to stand up for Queensland against federal Labor taxes undermining our economy.

In addition to exposing Labor's failings, the member for Clayfield outlined a number of initiatives that an incoming Newman LNP government would implement to reduce the cost-of-living pressures on households and businesses. First, the LNP opposes Labor's 125 per cent increase in transfer duty on family homes and would reintroduce the principal place of residence concession. Second, the LNP will freeze the standard domestic tariff, tariff 11, providing savings to consumers of around \$120 a year. Along with the abolition of Labor's ambulance levy from power bills, this will provide some relief to Queenslanders.

The shadow Treasurer also made it clear the LNP would stand up for the rights of the state of Queensland by strongly opposing federal Labor's carbon tax and in government support a High Court challenge to federal Labor's minerals resource rent tax. Lastly, the LNP is committed to restoring the authority of the Coordinator-General to properly coordinate major infrastructure projects that will create the foundation on which the Queensland economy will grow, addressing two decades of neglect by Labor.