

## FIRST YEAR FORTUNES OF THE QUEENSLAND GOVERNMENT

Dr Chris Salisbury

The weekend of 13-14 February, 2016 marked a year since Annastacia Palaszczuk 'claimed the keys' to the office of Premier and, for the second successive election, Queenslanders had delivered an historic verdict resulting in a change of government. The occasion passed with varying assessments from predictable sources, but vied for attention amid anticipation of a federal Cabinet reshuffle, which would see erstwhile Queensland, Barnaby Joyce, elevated to the deputy Prime Ministership. However, a handful of events in the few weeks leading up to this anniversary neatly encapsulated what had been recurring themes in the first twelve months of Queensland's minority ALP government. These themes, broadly speaking, can be labelled separately as 'perceptions', 'performance' and 'perils'.

### Perceptions

The release in early February of the year's first polling figures showed the ALP, which could hardly be accused of not living up to its modest list of election promises, again slipping marginally behind the LNP in a see-sawing contest for preferred party of government. But interestingly, in both the Morgan and Gallop polls<sup>1</sup> Palaszczuk was still clearly ahead as preferred Premier (despite dips in support in both), with a majority of poll respondents favouring her over LNP leader, Lawrence Springborg, a situation unchanged since the 2015 state election. Overall, these figures accurately represent a relatively evenly split electorate, and more or less reflect the evenly matched numbers in the state's hung parliament.

While Queenslanders have been seen to be harsh markers of government performance, they're clearly sensitive to the way that government is led. In this regard, the role of the government's (or the party's) leader is important, as voters still seem wary of a return to 'Newman-style' leadership. The perception here is that Palaszczuk presents as more of an

---

<sup>1</sup> See Amy Remeikis, 'LNP would win Queensland government if election held now: poll', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/lnp-would-win-queensland-government-if-election-held-now-poll-20160203-gmkssg.html>, 3 February 2016, and 'LNP would win clear majority: poll', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/lnp-would-win-clear-majority-poll-20160214-gmtnhd.html>, 14 February 2016.

authentic, communicative and reasonable leader,<sup>2</sup> valuable commodities when negotiating the government's way through the finely poised parliament. This can be seen in the government's determination to wind back the more 'extreme' or 'ill-considered' measures introduced by Campbell Newman's administration, many of which were, rightly or wrongly, sheeted home to Newman himself. With many of these changes, Palaszczuk and her ministers have generally gone about things in a deliberate and consultative way, as seen with the lengthy – though diligent – process undertaken to appoint a successor to former Chief Justice, Tim Carmody. Such a measured approach to changes – described by observers as a 'steady-as-you-go approach' – inevitably takes time and a lot of 'behind the scenes' groundwork and reviewing, which has added, perhaps unfairly, to an impression that little is actually being achieved.<sup>3</sup>

The minority government is at pains to be seen as different to its predecessor – and indeed Palaszczuk as very different to Newman, a strategy used successfully prior to and throughout the last election campaign. Thus far the government has avoided picking fights with 'easy' targets, and has sought to mend fences inside the parliament and the public service, and with groups across society at large. Labor has even gone to some lengths to accommodate the policy wishes of the Katter Party crossbenchers – who had been spurned by the previous LNP administration – though not without disagreements.<sup>4</sup> Generally, stances have been adopted only on non-controversial issues established before the election, such as animal protection, accountability measures and domestic violence, although its recent success in passing alcohol-fuelled violence laws (with the help of the KAP MPs) is a notable exception.

These differences between Palaszczuk's and Newman's governments are important and still politically valuable, but it's not enough in the longer term to simply NOT be like the last guys. The odiousness (for many) of the former Premier, combined with the unpopularity and campaign-damaging actions of former Prime Minister, Tony Abbott, were considerable factors in Labor being in a position to form government a year ago. But with both of those figures gone and replaced by more palatable conservative leaders at state and federal levels – and, in the case of the latter, supposedly generating 'spill-over effects' in terms of rising coalition popularity in the states<sup>5</sup> – Palaszczuk's team needs to be seen to do more, primarily in relation to jobs and the economy. As a 'call to action' op-ed in the *Courier-Mail* in January put it, "voters now expect Labor's training wheels to come off and for Ms

---

<sup>2</sup> See Lorann Downer, 'Research Report 25: Political leadership in contemporary Queensland', TJ Ryan Foundation, <http://www.tjryanfoundation.org.au/cms/page.asp?ID=1131>, 8 April 2015.

<sup>3</sup> See Amy Remeikis, 'Annastacia Palaszczuk government first 100 days reviewed', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/annastacia-palaszczuk-government-first-100-days-reviewed-20150518-gh4md4>, 19 May 2015.

<sup>4</sup> 'Katter MPs want more from Qld Labor govt', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/katter-mps-want-more-from-qld-labor-govt-20151113-gky1xl.html>, 13 November 2015.

<sup>5</sup> William Bowe, 'Poll Bludger: Bob Katter wants Qld to add five new seats to parliament', *Crikey*, [http://www.crikey.com.au/2015/11/20/poll-bludger-bob-katter-wants-qld-to-add-five-new-seats-to-parliament/?wmpm\\_switcher=mobile&wmpm\\_tp=1](http://www.crikey.com.au/2015/11/20/poll-bludger-bob-katter-wants-qld-to-add-five-new-seats-to-parliament/?wmpm_switcher=mobile&wmpm_tp=1), 20 November 2015.

Palaszczuk to deliver in spades”.<sup>6</sup> Several commentators have reiterated this notion – observing that big job-creating projects such as Brisbane’s Queens Wharf development were largely initiated before this government came to office – along with suggestions that it needs to improve its agenda setting and to make a better show of its willingness to make tough decisions.<sup>7</sup>

## Performance

Less politically charged than polling concerns, CommSec’s quarterly ‘State of the States’ report, released the morning after the Australia Day public holiday, showed Queensland’s economy performing reasonably well in some sectors – employment growth being a critical indicator for any government – but that, overall, Queensland still lagged behind the other large states.<sup>8</sup> The CommSec assessment points to a state continuing to grapple with continuing economic challenges (many not of its own making), such as declining mining sector revenues and decreasing levels of population growth, and budget woes accentuated in the immediate term by the government’s policy of not selling public assets.

In response, Treasurer Curtis Pitt promptly took to the media to make the case – citing impressive dwelling construction levels and lower unemployment figures (5.9 per cent), as measured in other economic assessments – that the state’s economy was performing better than it had been under the previous LNP government.<sup>9</sup> The number of full-time jobs created in the twelve months since taking office is impressive (around 60,000), but in a transitioning economy with a volatile jobs market, these numbers have fluctuated. Still, it’s a measurable improvement on overall jobs growth under Newman’s government; but negative headlines about big development projects appearing doubtful (Adani’s Carmichael mine, for instance) or waiting on government approval have, to some extent, undercut public confidence in the jobs market in the state’s regions especially, and in the economy’s health more broadly.<sup>10</sup> Apparent ‘inactivity’, particularly as regards big mining projects, speaks of tension between pro-mining and pro-environment forces within the ALP, as much as it does about economic management and business confidence.

In the absence of asset sales, the state government is also cautious about the prospect of raising fees and charges, and has played a straight bat to suggestions about lifting the rate

---

<sup>6</sup> ‘Editorial: Training wheels off, it’s time for the Palaszczuk Government to deliver results’, *Courier-Mail*, <http://www.couriermail.com.au/news/opinion/editorial-training-wheels-off-its-time-for-the-palaszczuk-government-to-deliver-results/news-story/fe1fa045327f72b7d2feeb2a6f89a840>, 3 January 2016.

<sup>7</sup> Amy Remeikis, ‘After one year of Queensland Labor government, Palaszczuk needs new narrative’, *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/one-year-of-queensland-labor-government-palaszczuk-needs-new-narrative-20160215-gmut96.html>, 15 February 2016.

<sup>8</sup> ‘State of the States: Queensland ‘heading in right direction’ despite poor showing in CommSec report, Treasurer Curtis Pitt says’, *ABC News*, <http://www.abc.net.au/news/2016-01-27/queensland-one-of-lower-performing-economies-state-of-the-state/7116426?section=qld>, 27 January 2016.

<sup>9</sup> Queensland Government, ‘Queensland forecast for nation leading growth in 2016’, Media Statements, <http://statements.qld.gov.au/Statement/2016/1/27/queensland-forecast-for-nation-leading-growth-in-2016>, 27 January 2016.

<sup>10</sup> See Amy Remeikis, ‘Confidence in business down due to government’s ‘inactivity’’, *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/economy-confidence-down-due-to-governments-inactivity-20160210-gmquky.html>, 10 February 2016.

of the GST – unlike South Australian Premier Jay Weatherill, whose state is in more dire economic straits than Palaszczuk’s, but found himself targeted by federal Labor colleagues wary of ‘frightening the horses’ over lifting taxes in this federal election year.<sup>11</sup> Repeated Opposition suggestions of a ‘do nothing government’ have gained some traction, reinforced by a long period of inquiries and reviews, and government not wanting to ‘rock the boat’, at least compared to its predecessor. These observations have been added to by perennial criticisms (predominantly from the pages of the *Courier-Mail*) about Labor simply doing the union movement’s bidding in winding back Newman’s ‘reforms’, or rewarding its union ‘backers’ with appointments to review boards.<sup>12</sup>

Yet some important and well-received initiatives have been announced or commenced, such as the ‘Advance Queensland’ grants program, echoing similar strains from Prime Minister Turnbull about the importance of embracing innovation.<sup>13</sup> Unusually, but perhaps owing to the government’s willingness to engage with business and industry through such initiatives, state business groups and other representative bodies have been largely supportive of the government’s measured approach, including general approval of its modest budget program announced midyear<sup>14</sup> – though all are waiting on delivery of substantial returns from the government’s ‘jobs growth’ promises.<sup>15</sup> Ultimately, though, underpinning the back ‘n’ forth about job numbers and economic credentials is the realisation that state governments have limited policy levers and resources at their disposal to shape the state’s economy, and by and large are bound by economic forces and decisions outside their immediate control.

Partly as a consequence, the government has struggled occasionally to counter ‘financial mismanagement’ criticism from the Opposition and sections of the press, who’ve pointed to so-called ‘accounting tricks’ in the budget’s debt calculations or ‘lacking a plan’ in the

---

<sup>11</sup> Amy Remeikis, ‘Play time over on GST: Anastacia Palaszczuk’, *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/play-time-over-on-gst-anastacia-palaszczuk-20160201-gmimyq.html>, 1 February 2016; and Louise Yaxley, ‘GST debate: Conroy challenges SA Premier Jay Weatherill to take support for increase to election’, *ABC News*, <http://www.abc.net.au/news/2016-02-01/labor-stoush-deepens-over-gst-debate-weatherill-conroy/7128388>, 1 February 2016.

<sup>12</sup> See Amy Remeikis, ‘More power to QTU teachers not about rewarding union, says Kate Jones’, *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/more-power-to-qtu-teachers-not-about-rewarding-union-says-kate-jones-20151014-gk8qh7.html>, 14 October 2015; and Steve Wardill, ‘Public service pay rise opens floodgates’, *Courier-Mail*, <http://www.couriermail.com.au/news/public-service-pay-rise-opens-floodgates-for-unions-seeking-similar-deals-in-upcoming-negotiations/news-story/6ac9f9313b227ef47b6db799529a0d9d>, 1 December 2015.

<sup>13</sup> Queensland Government, ‘Malcolm Turnbull is right – “Business confidence is highest in Queensland”’, Media Statements, <http://statements.qld.gov.au/Statement/2016/2/16/malcolm-turnbull-is-right--business-confidence-is-highest-in-queensland>, 16 February 2016.

<sup>14</sup> Chamber of Commerce and Industry Queensland, ‘Queensland State Budget Analysis 2015-16’, <https://www.cciq.com.au/news/queensland-state-budget-analysis-2015-16/>, 14 July 2015; and Queensland Resources Council, ‘No frills budget: solid, innovative and responsible’, [https://www.qrc.org.au/01\\_cms/details.asp?ID=3708](https://www.qrc.org.au/01_cms/details.asp?ID=3708), 14 July 2015. See Fabrizio Carmignani, ‘Reducing debt without austerity: Queensland govt strikes fair compromise’, *The Conversation*, <https://theconversation.com/reducing-debt-without-austerity-queensland-govt-strikes-fair-compromise-44657>, 15 July 2015.

<sup>15</sup> Jessica van Vonderen and Chris O’Brien, ‘Anastacia Palaszczuk promises ‘year of delivery’ on one year anniversary of Labor Government’, *ABC News*, <http://www.abc.net.au/news/2016-02-14/annastacia-palaszczuk-promises-year-of-delivery-on-anniversary/7166612>, 14 February 2016.

state's handling of electricity generator mergers.<sup>16</sup> In light of obvious resources sector sluggishness – highlighted by Clive Palmer's Queensland Nickel sacking hundreds of workers and going into administration in January<sup>17</sup> – Palaszczuk's government is faced with the tough economic realities of primary industry-reliant regional centres in a large, decentralised state with a history of state-owned business workforces. On top of this, the state's budget position apparently continues to deteriorate with a worsening revenue problem and growing debt levels.<sup>18</sup> At least there have been more conciliatory noises in recent months from the federal government regarding funding for joint infrastructure projects, such as Gold Coast light rail – high-visibility wins for high-profile Deputy Premier Jackie Trad.<sup>19</sup> Fair or not, though, people typically expect to see more 'shovels in the ground', if not 'cranes on the horizon', from a jobs-focused Labor government. Fast-tracking capital works programs in regional areas hardest hit by mining job losses and other industry downturns should go some way towards satisfying expectations.<sup>20</sup>

## Perils

News in late January from Cairns MP Rob Pyne that he'd quit the ALP's left faction and was determined to gain more focus on his electorate had headlines appearing, not for the first time, warning that the Palaszczuk government was on the brink of collapse.<sup>21</sup> For her part, the Premier was quick to declare that Pyne was still a 'member of her team' and that people making much of this development needed to 'just calm down'.<sup>22</sup> But such speculation won't go away quickly, especially when votes go against the government in parliament, such as in debates over hospital waiting lists and sugar industry regulation.<sup>23</sup> The same can be said regarding questions hanging over the conduct and futures of some

---

<sup>16</sup> See Mark Ludlow, 'Qld power merger on ice after gouging claims', *Australian Financial Review*, <http://www.afr.com/business/energy/electricity/qld-power-merger-on-ice-after-gouging-claims-20151020-gkdf8f>, 21 October 2015.

<sup>17</sup> 'Clive Palmer's Queensland Nickel goes into voluntary administration', *ABC News*, <http://www.abc.net.au/news/2016-01-18/qld-nickel-goes-into-voluntary-administration/7094818>, 19 January 2016.

<sup>18</sup> 'Queensland mid-year budget review: Queensland debt to grow to almost \$80 billion', *ABC News*, <http://www.abc.net.au/news/2015-12-15/mid-year-budget-review-pitt-1-billion-transferred-ports-water/7028358>, 15 December 2015.

<sup>19</sup> Matt Eaton, 'New Prime Minister Malcolm Turnbull shifts focus on federal funding for public transport', *ABC News*, <http://www.abc.net.au/news/2015-10-03/light-rail-funding-renewed-federal-focus-on-public-transport/6825182>, 5 October 2015.

<sup>20</sup> Tony Moore, 'Palaszczuk to fast-track plan to create 180 jobs in North Queensland', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/palaszczuk-to-fasttrack-plan-to-create-180-jobs-in-north-queensland-20160117-gm7msi.html>, 17 January 2016.

<sup>21</sup> 'Queensland minority government at risk after Labor MP's dissension', *The Guardian Australia*, <http://www.theguardian.com/australia-news/2016/jan/25/queensland-minority-government-at-risk-after-labor-mps-dissension>, 25 January 2016.

<sup>22</sup> 'Rob Pyne still part of Labor team: Anastacia Palaszczuk', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/rob-pyne-still-part-of-labor-team-anastacia-palaszczuk-20160126-gmeef0.html>, 26 January 2016.

<sup>23</sup> See Gail Burke, 'Labor Government loses vote in Queensland Parliament as independent MP Billy Gordon sides with Opposition in bid to restore 'wait-time guarantee' policy', *ABC News*, <http://www.abc.net.au/news/2015-05-20/palaszczuk-government-loses-vote-in-parliament-cook-vote-1np/6482510>, 20 May 2015; and Mark Ludlow, 'Palaszczuk loses vote to stop Qld sugar re-regulation', *Australian Financial Review*, <http://www.afr.com/news/politics/palaszczuk-loses-vote-to-stop-qld-sugar-reregulation-20151202-gldnmf>, 3 December 2015.

government MPs, in particular now-demoted Police Minister, Jo-Ann Miller, after her referral to parliament's ethics committee late last year.<sup>24</sup>

Such are the travails of minority government, in Queensland as much as anywhere else, despite our relatively recent history of the phenomenon. Former Premier Peter Beattie knows this all too well, with his first-term minority administration rocked by party resignations (including his Deputy Premier, Jim Elder) following Shepherdson Inquiry revelations of ALP branch stacking in 2000 and 2001.<sup>25</sup> Similarly, Nationals Premier Rob Borbidge weathered the storm of a parliamentary vote of no confidence going against his minority government's Attorney-General, Denver Beanland, in 1997.<sup>26</sup> After expelling a party member, Cook MP Billy Gordon, within a couple of months of taking office, then sacking Miller from her ministry, and now glad-handling a disgruntled, vocal backbencher in Pyne all in her government's first year, Palaszczuk's claims of leading a 'listening' – let alone stable – government will continue to be tested.<sup>27</sup> None of this is helped by persistent jibes from her opponents that Palaszczuk is an 'accidental Premier', owing to the manner of her assuming the party leadership following the 2012 election wipeout. For now, though, she has successfully overcome potentially thorny problems and negotiated her way around most party and parliamentary obstacles, as sympathetically described recently in *The Conversation*.<sup>28</sup>

Disappointingly for some, Palaszczuk's government has been cautious in its approach, and not concentrated on many controversial issues for fear of alienating support in its several marginal seats. After one year, the clear exception to this is its attempts to impose 'lock-out' laws and restricted alcohol trading hours (akin to Beattie's reforms of a decade ago),<sup>29</sup> battling against the Opposition and a vocal entertainment industry lobby. Surprisingly, the government emerged with a much-needed win after striking a deal with the two Katter Party MPs to get its 'alcohol-fuelled violence' legislation through parliament – this 'deal brokering' might boost public confidence in the minority government's

---

<sup>24</sup> Cameron Atfield, 'Jo-Ann Miller sacked: axing was only a matter of time', *Brisbane Times*, <http://www.brisbanetimes.com.au/comment/joann-miller-sacked-axing-was-only-a-matter-of-time-20151203-9lewol.html>, 4 December 2015.

<sup>25</sup> See Queensland Criminal Justice Commission, 'The Shepherdson Inquiry: An investigation into electoral fraud', <http://www.ccc.qld.gov.au/research-and-publications/publications/misconduct/the-shepherdson-inquiry-an-investigation-into-electoral-fraud.pdf/download>, 20 April 2001.

<sup>26</sup> See Centre for the Government of Queensland, 'Interview with Rob Borbidge', *Queensland Speaks*, <http://www.queenslandspeaks.com.au/rob-borbidge>, 01.12.39-01.15.30.

<sup>27</sup> 'Queensland Premier Anastacia Palaszczuk expels Cook MP Billy Gordon over criminal record, government in jeopardy', *ABC News*, <http://www.abc.net.au/news/2015-03-29/queensland-premier-annastacia-palaszczuk-sacks-billy-gordon-mp/6356718>, 29 March 2015; and 'Pyne happy to receive Palaszczuk response', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/pyne-happy-to-receive-palaszczuk-response-20160129-gmgjz.html>, 29 January 2016.

<sup>28</sup> Roger Scott, 'Palaszczuk's first year in office: an unanticipated success', *The Conversation*, <https://theconversation.com/palaszczuks-first-year-in-office-an-unanticipated-success-52701>, 17 February 2016.

<sup>29</sup> Cameron Atfield, 'Queensland lockout laws: Beattie backs tougher legislation', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/queensland-lockout-laws-beattie-backs-tougher-legislation-20160215-gmuq0m.html>, 15 February 2016.

workability, while perhaps raising queries over the consistency of the ALP's policy agenda.<sup>30</sup>

Despite the government's 'perils', Springborg has struggled to land telling blows on the minority administration in its first year, and with his 'preferred Premier' polling continuing to trail well behind Palaszczuk's, he now faces speculation that moves are afoot to replace him as LNP leader.<sup>31</sup> This unrest on the Opposition benches is unsurprising for a party aware that it too needs to tread carefully in the hung parliament, recognising that a large section of the Queensland electorate still hasn't forgotten or forgiven those 'excesses' it saw unfold under its previous administration.<sup>32</sup>

---

<sup>30</sup> 'Queensland lockout laws: Anastacia Palaszczuk secures support of Katter's Australian Party MPs', *ABC News*, <http://www.abc.net.au/news/2016-02-17/lockout-laws-katter-party-support/7175972>, 17 February 2016. See Amy Remeikis, 'One year on, Anastacia Palaszczuk still walking hung parliament tightrope', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/one-year-on-anastacia-palaszczuk-still-walking-hung-parliament-tightrope-20160131-gmi92h.html>, 1 February 2016.

<sup>31</sup> John Harrison, 'Is Tim Mander the one to lead the LNP?', *Brisbane Times*, <http://www.brisbanetimes.com.au/comment/is-tim-mander-the-one-to-lead-the-lnp-20160114-gm5rlc>, 18 January 2016; and 'Lawrence Springborg acknowledges 'discussions' about his leadership position among MPs', *ABC News*, <http://www.abc.net.au/news/2016-02-22/lawrence-springborg-acknowledges-discussions-about-leadership/7190820>, 22 February 2016.

<sup>32</sup> Amy Remeikis, 'State Opposition praised and damned for daring to mention asset sales', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/state-opposition-praised-and-damned-for-daring-to-mention-asset-sales-20160201-gmiznj.html>, 1 February 2016. and 'Billy Gordon's absence highlights hung parliament's fragility', *Brisbane Times*, <http://www.brisbanetimes.com.au/queensland/billy-gordons-absence-highlights-hung-parliaments-fragility-20160222-gn0mg9.html>, 22 February 2016.