



Speech by

Hon. R. E. BORBIDGE

MEMBER FOR SURFERS PARADISE

Hansard 20 July 2000

UNEMPLOYMENT

Hon. R. E. BORBIDGE (Surfers Paradise—NPA) (Leader of the Opposition) (6 p.m.): I move—

"That this House notes that Queensland has the second highest unemployment rate in mainland Australia and condemns the Beattie Government for its anti-jobs workplace relations policies and its continued failure to deliver on the Premier's blatantly opportunistic and cynical commitment of a 5% unemployment rate."

The failure of this Government in terms of jobs generation is the most potent symbol and the real substance of its overall failure. Lowering jobs growth goes with lowering confidence, which goes with lowering investment, which goes with lowering economic activity, which goes with a do-nothing, floundering, self-obsessed, self-possessed Government. All of those factors, I am afraid, reflect reality under this Government, and have done since day one, when the fundamentals of our economy commenced a decline that has been constant.

The dramatic decline in the rate of jobs generation in this State since Labor came to office is, in every sense, a mirror held to its overall performance. It is a great pity therefore, especially for the battlers of this State, that Labor fell into office in 1998 with 38% popular support. It was a cut-price victory, and we got a cut-price Government.

From June 1996 to June 1998 under the coalition, based on ABS Series 6202 data—the bible of jobs statistics—Queensland produced 87,000 jobs, which represented 34% of the jobs created in Australia. With 18% of the population on that ABS database, we produced over one-third of the new jobs. In our first full year in office, we in fact produced over half the jobs generated in Australia—33,400 out of 61,100; 54.6% of all the new jobs—as the State and the nation clawed back to stronger economic activity after the recession we had to have under Paul Keating and Wayne Goss.

In 1997-98, when the coalition in Queensland delivered 5.7% economic growth, we also delivered 52,600 new jobs—a fantastic effort by any standard. That was 27.5% of all new jobs generated in the country in that year. The combined record for those two full years of coalition Government was therefore 87,000 jobs and 34% of all the jobs created nationally. Our employment growth averaged 3%.

Under Labor, the story is very, very different. In 1998-99 employment growth in Queensland slipped from the 3.7% recorded in 1997-98 to 2.5%. Queensland's share of national jobs growth fell from 27.5% in 1997-98 to 22%. The total number of new jobs in Queensland fell from 52,600 in 1997-98 to 40,300. In 1999-2000 our share of jobs growth slipped to 14.5% of the national total, and from 40,300 to 38,300 in simple numerical terms. The growth averaged for the two years of the coalition and two years of ALP Government shows that our record was one of generating 34% of the new jobs in Australia. Across the ALP's two full years in office, Labor's record is barely 18%.

Jobs growth has effectively halved in Queensland under Labor in terms of our share of national jobs growth, according to the ABS figures. A more dramatic way of stating that is to say that if Queensland had retained a coalition Government and retained the policies that sustained that strong economic and associated jobs growth, there would be 90,000 more Queenslanders with a job today than is the case under Labor. In other words, you could fill the Melbourne football ground—you could fill Lang Park twice over—with the jobs Queensland has forgone under the Labor Party. We would have more than doubled Labor's jobs growth if we had maintained the momentum built up from 1996

through to the middle of 1998, and there is no reason to suggest we could not have done that. Australia, by June 1998, was booming. The recovery from the recession we had to have was well and truly in place. Asia was recovering rapidly from its economic crisis of 1997-98, and we had certainly set the scene for the incoming Government. Economic growth in 1997-98 was 5.7%—a fantastic launching pad.

But members opposite dropped the ball almost immediately. In 1998-99 economic growth slowed significantly to 4.75%. It came down again last year to 4.25%, and the projection now is for 3.75% this year. Jobs growth, inevitably, has followed the growth curve down, to the point where the projection for this year is 2%. Based on the June figure, that would produce 33,600 jobs, but obviously the Government has decided to round out its claim of 2% because it predicts only just over 30,000 new jobs—not even 2%. That is about 1.8%.

Even more depressing is that if the Commonwealth meets its target of 2.25% jobs growth next year, which is equivalent to another 26,000 new jobs, Queensland's share, if we use Labor's pessimistic figure of 30,000, is barely 13% of the projected national total. "Mr 5%" has turned up his toes, picked up his bat and ball and gone home. He has given the game away; he has put his hands up. I can just about understand it, because while it is tempting to assert that the Government could have started to turn the situation around with a decent Budget this week, a decent Budget was clearly beyond it.

A bad Budget in 1998-99—which required massive backfilling late in the year even to keep the underlying cash deficit below what we now know, belatedly, to have been a billion dollars—had a cascading impact. It impacted on the 1999-2000 Budget, and, as we have seen in terms of real capital works and real funding for basic areas such as health, education and police in the new Budget, this Government is a burnout case within a single term. It is now so preoccupied with treading water, with keeping its nostrils above water, that we will see nothing imaginative, nothing positive, and the opportunity has been lost. It will take a new Government with real and clear priorities—not rhetoric—to get jobs growth and economic growth in this State back on track.

We know the story behind the 5% jobs promise. At a press conference 18 months into Mr Beattie's term as Opposition Leader he was asked by the media what he thought a reasonable unemployment target was. One of his minders up the back of the room held up his hand and said, "No, no", and Premier Pete, the member for Brisbane Central, said, "1, 2, 3, 4, 5%. Five per cent is a reasonable target in respect of unemployment in Queensland." That is how he scientifically arrived at that core promise of his 1998 election campaign. Journalists who were in the room at the time, people who were there for the press conference, will tell the story. That grew into one of the great and cruel political hoaxes in this State, through his promising something that he simply could not deliver.

I refer to the refusal by this Premier and the refusal by this Government to offer Queensland Government financial assistance in regard to the crisis confronting the sugar industry. If the Premier has an unemployment problem now—if we do not save the sugar industry, it will be so much greater. I remind the Premier that the last great time there was a need for Government assistance for the sugar industry was back in 1985, and the Hawke Government and the Bjelke-Petersen Government, in a partnership, came together to put forward a joint Commonwealth/State assistance package. I say to the Premier and to the Labor Government of this State: you cannot ignore your responsibilities. It is not the sole responsibility of the Commonwealth; it is a joint responsibility of the Commonwealth and the State to assist the sugar industry in this time of economic disaster.

Time expired.
