



Speech by

Hon. Andrew Fraser

MEMBER FOR MOUNT COOT-THA

Hansard Wednesday, 12 March 2008

MINISTERIAL STATEMENT

State Budget

Hon. AP FRASER (Mount Coot-tha—ALP) (Treasurer) (9.52 am): This government has made no secret of the fact that the state budget which I will hand down on 3 June will be the toughest in a long time. The latest Commonwealth Grants Commission determination means that we will lose significant GST revenue from projections, markets are seizing and the Reserve is intent on slaying inflation. These facts are also no secret. To keep Queensland in the excellent economic position it has maintained for the past decade, we need to respond to these external events. The recent audit of the Ambulance Service by government resulted in lessons learned for that agency. It also resulted in the identification of savings in the region of \$12 million. It was a powerful demonstration that there is always room for improvement. As the Premier outlined this morning, a new Expenditure Review Committee will be charged with undertaking the foreshadowed systematic forensic audits of government programs to achieve savings of \$100 million per year that will be directed towards front-line service delivery.

This fortnight families around Queensland are once again sitting down at the kitchen table and redoing their sums. With the latest Reserve Bank interest rate rise, families are asking themselves where they can trim, shave and find savings. Companies large and small are doing the same. And their government should, too, and we are. Last night I wrote to all ministers advising them of the dividend that will be applied in the budget I will introduce on 3 June. It will implement a savings mechanism across government to collect \$80 million a year, phased in from next year with a target of \$60 million. It will provide the discipline upon agencies to make their dollar go further. Agencies will not be permitted to trim services to achieve these savings; they must go back to their kitchen table and redo their sums. It is the discipline that has been visited upon Queensland families, and we are visiting it upon government agencies.

For the record, there will be no forced redundancies among the Public Service, but there will be some decisions that take leadership and vision to achieve better value for money. Our decisions to streamline the Service Delivery and Performance Commission with the Office of the Public Service Commissioner, the amalgamation of tribunals and the wide-ranging review of government boards, panels and councils are exhibits A, B and C in our renewed commitment to reforming, leading and taking decisions for the future.

This is about responding to the global economic environment. It is about taking action to maintain our position—our position way out in front of the pack. This is a drive to improve the efficiency and effectiveness of government activity. It is about discipline and value for money. It is what businesses do all of the time, it is what families are doing right now and it is what the government must do also.