




Speech by
Curtis Pitt

MEMBER FOR MULGRAVE

Hansard Tuesday, 30 October 2012

NEWMAN GOVERNMENT, UNEMPLOYMENT

 **Mr PITT** (Mulgrave—ALP) (11.36 am): On 11 October and 18 October the Australian Bureau of Statistics released data showing the damage that the LNP's first budget has done to the Queensland economy. Unemployment in Queensland has increased to the highest trend result in almost a decade—the highest since December 2003. Members should not just take my word for that; it is all detailed in Queensland Treasury's information paper. Seasonally adjusted, the unemployment rate in Queensland is now at 6.3 per cent—up from 5.5 per cent in March. In contrast, Labor oversaw the largest fall in unemployment in Australia—from 9.8 per cent when the LNP was last in office down to 5.5 per cent in March. Under Labor, more than 740,000 jobs were created in Queensland, with more than two-thirds of those full-time jobs.

On 11 October, a desperate media release was issued by the Treasurer, as he tried to blame everyone except himself for this result. Just two days earlier the Under Treasurer told an estimates hearing that Treasury's projections for the slowing employment growth this financial year is partly owing to the LNP's program of savage cuts to jobs and services, which are having a flow-on impact on Queensland's economy. We have been saying for months that the LNP's slash-and-burn budget strategy would increase unemployment. This has been confirmed by labour force figures and its own public servants.

There is no hiding for the Premier and the Treasurer. They are accountable for the highest unemployment rate in Queensland in nearly a decade—and higher than during the height of the global financial crisis. But these figures are not the product of a global financial crisis; rather, they are the product of the Newman financial crisis. The ABS figures show that over 20,800 Queensland jobs were lost in the month of the LNP budget, with more than half of those lost full-time jobs. This figure compares with Australia's total employment rising by 14,500 in September.

It is not just the opposition making this contrast. These figures are also detailed in a Queensland Treasury Corporation *Weekly market and economics review*. Thanks to an LNP government, there are now 19,494 more unemployed people in Queensland than there were in March this year. That is the result of a budget that the Premier has described as 'fun'. These figures are compelling. They show that the LNP's budget has permanently damaged Queensland's economy. The Treasurer himself admitted in the estimates hearing and in answer to a question on notice that the forced sackings of 14,000 government workers has been used to fund the LNP's election promises. This makes his desperate media release on 11 October all the more pathetic.

In that media statement the Treasurer attempts to cherry-pick from Treasury modelling undertaken under the previous government to try to blame the carbon tax, despite the same modelling showing that 474,000 jobs would be created in Queensland to 2020. The Treasurer also tried to blame a tax on mining. This is the very same Treasurer who has just introduced a \$1.64 billion royalty slug on the mining industry. Both the Treasurer and the Minister for Employment need to explain how the LNP's four per cent unemployment promise will be met and release the advice provided to party members that the jobless rate could skyrocket to 8.5 per cent as a result of the LNP's reckless program of cuts.

Most people know the Newman government's mass sackings and savage cuts to front-line services are to blame for the spike in unemployment we have seen so far under the LNP and that its first budget took away more than it gave to regional economies. It stands to reason that the tens of thousands of people who have been sacked by the LNP or those whose jobs are under threat will be drastically cutting back on their spending. That all flows through to local shops, tradies and tourism operators. In Far North Queensland unemployment increased to 9.7 per cent in September compared with 6.4 per cent in September last year. In the Darling Downs south-west statistical division it is 6.4 per cent, up from three per cent in September last year. In Ipswich it is six per cent, up from 4.2 at the election. On the Sunshine Coast the unemployment rate is 7.6 per cent, up from 6.3 per cent last year and in Brisbane the unemployment rate is at 6.1 per cent, up from 4.5 per cent in September last year.

While the economic impacts of the severe budget measures and mass sackings are there for all to see, the social cost is still not fully known. Leading up to Christmas, public servants will be battling with other public servants for jobs. They will also be battling school leavers, as well as school leavers from higher educational institutions. This is not a good climate, particularly leading up to Christmas. The Premier and Treasurer promised Queenslanders before the election that they would not engage on a program of mass sackings and cuts to front-line services to fund their election promises. It is clear that this promise to Queenslanders has been broken, along with so many others.