




Speech by
Curtis Pitt

MEMBER FOR MULGRAVE

Hansard Tuesday, 27 November 2012

MOTION: PUBLIC SERVICE, JOBS

 **Mr PITT** (Mulgrave—ALP) (5.30 pm): I move—

That this House:

- condemns the LNP government's program of mass sackings that has so far directly cost 14,000 full-time equivalent positions,
- notes the Premier's refusal to say how many people those 14,000 FTEs represent; how many additional temporary jobs lost are not included in that figure; or how many jobs have been lost in the community and private sectors as a result of the government's cuts to front-line services, and
- expresses its concern to the thousands of Queensland families who face a bleak Christmas thanks to the government's callous slash-and-burn policies.

Two days before the election the Treasurer promised Queenslanders that the LNP's election promises would be funded through the natural attrition of government workers—not mass sackings. This promise has been fundamentally broken by this government and it is little wonder that more and more Queenslanders are feeling betrayed. This is a government—elected with a record mandate—that has broken a record number of promises, in record time. The LNP government is setting records for all the wrong reasons.

Just 48 hours before the election Queenslanders were told that the LNP would devise a three per cent employee expense cap and that we need not worry where the LNP would find \$4 billion for their election promises. The Treasurer promised Queenslanders that there would be no forced redundancies. The political Costello report released in June stated that this three per cent cap, to fund election promises, could not be met without cutting budgeted funding in Health, education and communities. Following this, the LNP handed down a budget in September that removed 14,000 full-time equivalent positions from the Public Service through forced redundancies. In addition to this, the government slashed grants programs, including \$368 million in communities, \$120 million in Health and \$60 million for local governments.

Then there are the cuts of \$256 million to Energex, Ergon and Powerlink as this government plans its next big deception on Queenslanders—electricity privatisation—yet again through another Costello report, phase 2. So far we have only been made aware of 500 job cuts in Ergon Energy. None of these job cuts were announced or flagged before the election.

It was only in the estimates hearings that we finally had a vaguely worded admission from the Treasurer that the LNP's funding source for election promises—an employee expense cap—is met by the redundancies of 14,000 full-time equivalent positions. We also asked the government in the estimates hearings to tell us what modelling they had done on the number of jobs that would be lost. The government simply refused to release any such information, despite their constant hollow platitudes about openness and accountability. Either this government does not know and is incompetent or it is engaged in a political strategy of not naming a figure—one that is all about the LNP's electoral fortunes and not about the best interests of Queenslanders.

The Premier did name a figure earlier in the year as he paraded around the state telling everyone that the previous government had borrowed to pay the wages of 20,000 government workers. Under questioning at estimates it was revealed that Treasury had never provided this advice to the government and never provided advice that the government should sack 20,000 workers. Instead it was based on a hypothetical scenario of not growing the Public Service beyond the year 2000, which the Treasurer plucked out of the incoming government brief as something he could spin to fund the LNP's promises.

It is worth noting here that the number of state government workers as a percentage of the workforce has actually dropped in Queensland from 12 per cent in 2000 to 8.9 per cent last year. This means that private jobs in the economy grew faster under Labor, with more than two-thirds of these full-time jobs.

We know for a fact that more than 20,000 Queenslanders have lost their jobs as a result of the actions of this government. This represents more than 20,000 broken promises to Queenslanders. That is why this LNP government continually refuses to disclose the number of people who have lost their jobs.

Not only has the government gone about slashing jobs in the Public Service, it has done it in an appalling way. We have been receiving calls from people who were sent a letter out of the blue saying they could either take a redundancy or join a redeployment pool. These letters have been particularly destructive for some people who have reported being unable to access mortgage insurance if they take a redundancy due to the offer of a redeployment pool. This has forced some people into the LNP's cruel purgatory of a redeployment pool.

Government members who ridicule us for raising this plight should hang their heads in shame. The Premier and Treasurer cannot keep blaming debt levels they knew about before the election for the LNP's decisions. The fact is that the Costello report found no misstatements in Treasury's figures from January and merely made comments based on opinion about Treasury's figures in May—figures for the LNP government. This means that the Premier and Treasurer knew full well that they would need to sack tens of thousands of workers to fund their \$4 billion worth of election commitments. They either knew or they were both grossly incompetent when it comes to the state's finances.

The cuts to jobs that this government has embarked on, and the way that it has embarked on them, are unnecessary and cruel. Not only this, but these savage job cuts are also damaging Queensland's economy and are hitting regional areas particularly hard.

As I mentioned earlier today, the Commonwealth Bank issued a report in September stating that—
... the substantial tightening in fiscal policy announced by the Newman Conservative Government in its maiden Budget ... will weigh on the Queensland economy over the coming financial years and beyond.

I table this report.

Tabled paper: Document, dated 26 September 2012, titled 'Global Markets Research, Economics: Issues', by John Peters, Senior Economist, Commonwealth Bank [\[1724\]](#).

It is an assessment backed up by Queensland Treasury in the budget papers which predicts economic growth to slow next financial year, partly as a result of the LNP's budget cuts. This means that the Premier and Treasurer would have received prior warning on the impacts of the LNP's budget cuts to the Queensland economy. I am sure the Premier and Treasurer did not share this information with other government members.

The Premier and Treasurer talk as if the economy was not growing at all last financial year. It was growing at four per cent, and ahead of the rest of the nation. Since the election, unemployment has risen from 5.5 per cent to 6.2 per cent. Unemployment now sits higher than it did under Labor during the global financial crisis. Let me say that again: unemployment now sits higher than it did under Labor during the global financial crisis. It is now the Newman financial crisis. There are 26,600 fewer jobs in Queensland according to the ABS.

In September, as the LNP handed down its first budget, Queensland lost 21,500 jobs and was the only state to go backwards in October losing another 1,400 jobs. The LNP government's cuts are causing flow-on job losses across the community. These cuts to jobs are hitting particularly hard in regional centres.

As I travel around the state people approach me about someone they know who has lost their job or is losing their job or a local business that has had to close its doors because customers have left town looking for work. Local P&Cs, the SES and rural fire brigades—all of these important bodies in regional communities—are also suffering as families have to relocate in search of a job. The LNP's mass sackings are hurting real people and their families. People are left unable to pay their rent, their repayments on their mortgage and are avoiding the local shops.

To make things even worse, the government has cut the Skilling Queenslanders for Work program that had supported more than 116,800 disadvantaged job seekers into work over five years. Not only is this unfair and cruel, it is also financially foolish. An independent report by Deloitte Access Economics said the program was expected to generate \$1.2 billion in tax receipts to 2020, far in excess of its costs.

If this government continues down this road it will create a new legacy of the long-term unemployed in Queensland while slashing front-line services to Queenslanders. This Premier will have ghettos of unemployment to look back on, along with his new office tower in the CBD.

We in the Labor Party will fight unnecessary and cruel cuts to jobs and services every step of the way. We have a proud record on jobs having overseen the largest fall in unemployment in the nation—lowering Queensland's unemployment rate from 9.8 per cent under a coalition government to 5.5 per cent. In that time, Queensland created more than 740,000 jobs, with more than two-thirds of these full-time jobs.

I believe that this government will likely vote down this motion today because it simply does not care about employment in Queensland. This is a government without a jobs plan and with a Minister for Employment who is not running any employment programs except an assistance line for sacked government workers. If it was not so serious it would be comical.

As the motion sets out, this is about thousands of Queensland families who face a bleak Christmas thanks to the government's callous slash and burn policies. What we know is that Queenslanders who are now on the unemployment line are going to be competing with other Queenslanders for jobs. Those in the redeployment pool will potentially have to go into other jobs as well. Public servants will have to fight against other public servants for jobs. Then they will be competing with school leavers and potentially others who are leaving tertiary institutions.

This is a crisis created by the Newman government. They knew about their election promises being well and truly undercooked. They knew they had \$4 billion worth of election promises and they now have \$6.5 billion in new spending and revenue cuts. This is exactly the sort of thing that we do not expect a government to do. They were given an enormous mandate, a mandate to do things in Queensland. Queensland expected better of this government. They have let them down. They have let them down every step of the way.

Mr Crandon: They expected a lot more from you, too!

Mr PITT: If this is the sort of thing we can expect to see in this term of government, then I really do not think that we are going to be seeing—

Mr Crandon: You had 20 years.

Mr PITT:—this being a long-term LNP government here in Queensland.

Mr Crandon: \$65 billion in debt—that's what you delivered!

Madam SPEAKER: Order! The member for Coomera will cease his interjections.

Mr PITT: Madam Speaker, we really must be getting to some of the non-frontbenchers here of the LNP because they are getting very testy today. They are getting testy because they know that they, as well as plenty of Queenslanders, have been duped. They have been conned. This has been one of the cons of the century. The LNP government have a lot of explaining to do. They know that they have done the wrong thing by Queenslanders and now they are going to just sit there watching them have a horrible Christmas as a result.