




Speech By
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MEMBER FOR MULGRAVE

MATTERS OF PUBLIC INTEREST

Newman Government, Performance

 **Mr PITT** (Mulgrave—ALP) (11.20 am): The state and federal LNP have been consistently attempting to scare Queenslanders about government debt, to use this fear to justify cuts to front-line services—cuts which are all about funding the LNP's election promises. In March, Tony Abbott issued an alarmingly worded press release saying—

Labor's debt and deficits have left Australia more vulnerable to an economic shock and mean less protection in the event of a financial crisis.

In the same month, the Liberal Party issued a media statement saying that we should only compare Australia's debt as a percentage of GDP with Chile, Finland, Sweden and Norway, to paint a negative picture. However, sadly for Mr Abbott, the facts set out in the latest Queensland Treasury Corporation investor booklet, the 'blue book', explode his claims, just as the independent QTC analysis exploded Treasurer Tim Nicholls's debt claims when he went overseas last year to sell our state's potential to investors. At page 15 of the latest QTC 'blue book' it states—

Among countries with a AAA credit rating from all three of the major rating agencies, Australia has the lowest level of gross debt ...

The graph on the very same page details how Australia's debt position compares very favourably with other developed countries around the world.

Government members interjected.

Mr DEPUTY SPEAKER (Dr Robinson): Order! There are too many interjections.

Mr PITT: Of course here in Queensland over the last year we have come to know the reason for this dishonesty from the LNP on debt. It is all about painting a story of horror to justify savage cuts to front-line services to fund their election promises. If you add up all the new spending measures and cuts to revenue of the LNP in the front table of Budget Paper No. 4, it reaches a total well in excess of \$6 billion.

The LNP went to the election knowing full well they could not deliver on their promises to Queenslanders without cutting front-line services. They decided to mislead Queenslanders and worry about the consequences of breaking their promises later—promises on the cost of living that have simply been abandoned, such as ongoing cuts to electricity bills of \$120 per year, and promises to lower debt without asset sales that they have now admitted are a complete fallacy. Under this government, gross debt is increasing by more than \$20 billion over four years. And while peak debt is projected to be 3.3 per cent lower, this is largely the result of at least \$2.8 billion in asset sales so far by the LNP including the sell down of QR National and the ElectraNet business.

The simple fact is that cuts to front-line services and jobs across Queensland are about paying for the LNP's \$4 billion in unfunded election promises. And these cuts represent more broken promises and dishonesty from this government, such as the promises from the Premier to create

420,000 jobs and lower unemployment to four per cent in six years. The Treasurer early last year described Queensland with an unemployment rate of 5.5 per cent and state final demand over the year to the March quarter at 7.9 per cent as an 'economic basket case'. He is now attempting to convince Queenslanders that a higher trend unemployment rate of 5.8 per cent with state final demand from the June to December quarter last year contracting by 0.8 per cent is 'great'. 'Economic basket case' and 'great'—I am not really sure who the Treasurer is trying to convince because Queenslanders simply do not believe him. For the Treasurer's benefit, I use state final demand figures here because he has removed the publication of gross state product figures in the state accounts. I will keep it simple for the Treasurer, as he said today: if you do not release the information, we cannot use it.

On seasonally adjusted figures, more than 28,000 full-time jobs have been lost in Queensland since March 2012 with fewer overall jobs to go around. This has contributed to a significant fall in the participation rate or people actively looking for work of more than 1.1 per cent seasonally adjusted. If the same percentage of Queenslanders were looking for work as in March last year, both the trend and seasonally adjusted unemployment rates would now be over seven per cent here in Queensland. The Treasurer issued a remarkable media release in response to these figures saying that they reflected a 'positive trend', when the LNP drove unemployment to over six per cent—levels not even seen during the global financial crisis.

During the period of this so-called 'positive trend', on the Treasurer's newly preferred trend measure—and we are not sure which measure he wishes to use: one minute it is seasonally adjusted and the next minute it is trend—2,400 full-time jobs were lost in March with over 10,000 full-time jobs lost over the preceding six months. I think most Queenslanders would strongly agree—and hopefully those members who wish to remain in this chamber after the next election should be asking serious questions—that this is not a 'positive trend'. Unfortunately a trend we are seeing emerge here in Queensland is the LNP breaching the trust of Queenslanders. You cannot trust a word this Treasurer says on debt and you cannot trust him on employment or on the state of the economy.