




Speech By
Hon. Tim Nicholls

MEMBER FOR CLAYFIELD

MINISTERIAL STATEMENT

Newman Government

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (9.42 am): It gives me great pleasure to rise in the House today to reflect on the achievements of the Newman government in the 12 months since we took office. During the election campaign we made a number of commitments to the people of Queensland: to restore Queensland's finances and put an end to Labor's waste; to revitalise front-line services; to reduce the red tape that impedes business; and to grow a four-pillar economy based on tourism, agriculture, construction and resources.

We also made the commitment to lower the cost of living for Queensland families. I was particularly proud to introduce the Treasury (Cost of Living) and Other Legislation Amendment Bill in the first sitting week of the 54th Parliament, one of the first bills introduced by this government. That bill and our first state budget both contained initiatives aimed at alleviating the pressures on households and businesses.

To get Queensland's economy going again we knew we had to give Queenslanders confidence: confidence to raise a family; confidence to build a home; confidence to invest and expand a business. We introduced a raft of carefully targeted measures, including a \$15,000 Great Start Grant to make the dream of homeownership a reality while also stimulating the construction industry. To help Queenslanders struggling with the rising cost of power we froze the standard electricity tariff for 12 months, while South-East Queensland water users benefited from an \$80 rebate. Our changes to the payroll tax threshold go to the heart of our belief that small business is the lifeblood of the Queensland economy. We established Projects Queensland, a stand-alone unit within Treasury, to deliver value for money for taxpayers and foster public-private partnerships on major infrastructure projects. Two-way trade is vital to the Queensland economy, which is why we announced a comprehensive review of Trade and Investment Queensland to develop a clear plan and focus for this important agency. Perhaps most significantly, we set Queensland's government finances on the path to recovery. Just five days after being elected, we announced that we would conduct an independent audit of the state's finances. We appointed commissioners and we received recommendations for fiscal repair.

In what little time we had left in the 2011-12 financial year, the Newman government immediately set to work and identified savings of \$186.5 million—or \$2.8 million a day. On 15 June, in their interim report, the three independent commissioners warned that a business-as-usual approach would result in debt reaching \$100 billion by 2018-19. In other words, if Labor's wasteful spending had been allowed to continue, Queenslanders would have been paying an interest bill of \$115 million a week—or \$685,000 an hour. As a result of the measures we have implemented, in 2014-15 Queensland's gross borrowings are now forecast to be \$4.8 billion less than under Labor, dropping from \$85½ billion to \$80.6 billion. That is a saving of over \$1.3 billion in interest repayments over the forward estimates. We are working towards a fiscal surplus, which will mean that Queensland is able

to support itself and live within its means. We will not be spending more than we earn and racking up more and more debt on the taxpayer funded credit card.

It is encouraging to note that the changes already implemented by this government have been well received by the market and ratings agencies. We have consistently said that the fiscal repair task will take time and we know there will be several challenges ahead. Natural disasters and global conditions do take their toll on the state's finances. But if the last 12 months are anything to go by, Queenslanders can rest assured that the Newman government has the determination and discipline to return the state to a position of financial strength. We will not lose sight of what we were elected to do: make Queensland a great state with great opportunities.