




Speech By
Hon. Tim Nicholls

MEMBER FOR CLAYFIELD

MINISTERIAL STATEMENT

Budget

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (9.36 am): The 2013-14 budget delivers for the people of Queensland in a number of ways. It is about growing the economy, about rebuilding the state after the January 2013 natural disasters and about increasing Queensland's resilience to mitigate against the impact of future disasters. It delivers significant funding boosts in the core service areas of health, education, law and order, and disability services. Importantly, it is also about ending the Queensland government's debt and deficit binge—a binge that started with Labor; a binge that ends with the LNP.

The Newman government's second budget is the next step in our attempts to turn around Queensland's finances—to stop the flow of red ink. The budget outlines that gross debt in 2014-15 will reach \$80.1 billion. That is more than \$5 billion less than Labor's last projection and far less than the forecasts of the independent Commission of Audit. Importantly, debt will stabilise at around \$81 billion in 2015-16. That will mean that the Newman government has achieved the first step of fiscal repair, stabilising the patient. We can then take the next step on this long road to fiscal recovery.

We have stopped the rot and brought Labor's debt spiral under control. Nowhere is this more obvious than when looking at Queensland Treasury Corporation's indicative borrowing program for 2013-14, which was released yesterday. The QTC's total borrowing program for this 2014 fiscal year will be \$12.1 billion. This requirement is \$2 billion lower than was reported in the midyear update in January 2013 and down another \$1 billion in 2014-15. Why is QTC borrowing less money? The answer is simple. I will quote from their statement—

The decrease in QTC's borrowing requirement next year, and over the forward estimates, reflects the Queensland government's commitment to fiscal repair, which includes reducing expenditure and stabilising the State's level of debt, with a surplus forecast in the General Government sector by 2015-16.

In learning of QTC's borrowing update, I could not help but reflect on the first piece of advice that I received after being appointed Treasurer of this great state. That also was from QTC. It was—

The State's debt has reached unprecedented levels. Together with its published forward estimates showing an even greater volume of debt required, Queensland is now in uncharted waters with respect to the volume of debt on issue and the resultant interest bill.

This advice reinforced the need for action. The release of the updated borrowing program, which shows a \$3 billion reduction in the borrowing requirement since January 2013, illustrates that we are moving in the right direction. The Newman government can pride itself on being a can-do government. We mean what we say and we deliver what we promise. We promised Queenslanders that we would restore Queensland's finances to a sustainable position. This budget delivers on that promise. It is a balanced budget from a responsible government that can balance revenue with expenditure. It is a budget from a government that is determined not to saddle the next generation of Queenslanders with Labor's debt. It is a budget from a government that is determined to create more opportunities for all in our great state of Queensland.