



Speech By  
**Hon. Tim Nicholls**


**MEMBER FOR CLAYFIELD**

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Record of Proceedings, 19 November 2013

## **MINISTERIAL STATEMENT**

### **State Finances**

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (9.42 am): The Newman government promised Queenslanders we would get the state's finances back on track and I am pleased to inform the House that that is exactly what we are doing. Last week Queensland Treasury released the report on the state finances for 2012-13 showing the government's expenses for the year grew by just 0.2 per cent.

**Mr Rickuss:** How much?

**Mr NICHOLLS:** I thank the member for Lockyer for the question: 0.2 per cent. That is the lowest level of expenses growth since accrual accounting began in the Queensland government in 1998-99. To put this into perspective we have to compare it with the record of those opposite. Labor's record was an appalling average expenses growth of 8.9 per cent a year over the decade to 2011-12. Let me say it again: in its first full year of operation, the LNP's expenses growth was 0.2 per cent; over a decade, the ALP's expenses growth was almost nine per cent a year. Is it any wonder Queensland went broke in a boom under Labor? Is it any wonder there was no gas left in the tank when it came to the global financial crisis?

**Opposition members** interjected.

**Mr NICHOLLS:** Is it any wonder they went to an election in 2009 not telling people what their true promises were because they could not control expenses? We can hear them squawk. We can hear them squawk from Currumbin to the cape because they know they have been caught out.

As a result of the savings that this government has been able to make, we have been able to improve the bottom line, with our operating balance for 2012-13 \$360 million better than estimated. I turn to the fiscal operating balance. The member for Mulgrave sits there. We should ask him if he can explain the fiscal operating balance, because his predecessor could not. The fiscal operating balance is nearly \$1 billion better than expected, that is, \$1 billion better. Can any member remember a Labor government coming into this House and saying, 'We did \$1 billion better than we ever promised'? That never happened, because they could not do it. The fiscal operating balance is \$945 million better than expected, despite \$40 million less revenue this year because of declines in coal prices and GST revenues. Despite the fact that our revenue was less, our outcome is nearly \$1 billion better.

We came to government with five pledges. We pledged to revitalise front-line services and every dollar we save in expenses means more money can go into delivering those front-line services. For example, the \$359 million I spoke about is enough to build another seven top-level primary schools or provide around another 350 hospital beds in Queensland. We have stopped the rot, but at the end of the 2012-13 year state debt will still stand at around \$69 billion. Madam Speaker, that

means that you, I and every other man, woman and child in Queensland are carrying Labor's debt of \$14,500. Those opposite failed to grasp the fact that while we have that debt we have to pay the interest bill and that left us with an interest bill of \$10 million a day. If we were not paying off Labor's debt, we could fund a dual carriageway on the Bruce Highway all the way to Rockhampton, which will be of interest to the member for Keppel. We could do that in just one year if we were not paying off Labor's debt.

The government is determined to get Queensland's finances back in the black so we can fund front-line services. In 2012-13, we managed savings that brought the deficit in at \$7.74 billion, which is \$1 billion less than forecast. The fiscal repair measures we are implementing are working and they are instilling confidence in Queensland businesses and consumers. With confidence in our economy, we will see growth and it is that growth that will ensure Queensland remains a great state with great opportunity.