



Speech By  
**Curtis Pitt**


**MEMBER FOR MULGRAVE**

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Record of Proceedings, 6 May 2014

**MOTION**

**Federal Government, Budget**

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

That this House:

1. notes that the Abbott Liberal National government is currently considering breaking election promises by implementing massive spending cuts that will affect funding for health, education, pensioners, minimum wage earners and students; and
2. calls on the Premier, the Treasurer and the entire Newman government to stand up for this state and reject the federal government's plans that will adversely affect vulnerable Queenslanders.

Madam Speaker, last week we saw another LNP blueprint for breaking election promises, this time at a federal level. Just like the Newman government, the Abbott government is treating Queenslanders with contempt by following the tory play book—the same trick that has been repeated since Nick Greiner first did it in New South Wales in 1988—the old ‘commission of audit’ routine. It is not an audit; it is not a royal commission; and it is not even a commission, but they still call it a commission of audit. Since he undertook the very first commission of audit in 1988 the concept's founding father, Nick Greiner, has admitted that a Liberal Party commission of audit is nothing more than ‘a political stunt’.

Mr Greiner's advisor at the time, Gary Sturgess, now on the Newman government's Public Sector Renewal Board, described commissions of audit as nothing more than ‘a marketing exercise’ to create ‘a popular demand’ for downsizing and privatisation. How right Mr Sturgess is. If only the LNP members in this chamber could be as honest! Instead they are all lemmings, blindly following their leader off the electoral cliff. They are ignoring the interests of their electorates and, in the process, their own political futures. The member for Ipswich would know very well what is going on there.

To see why Queenslanders and this parliament should oppose the Abbott government's ‘commission of cuts’, we need only to look at the so-called commission under the Newman government. The commission's report by Liberal Party life member Peter Costello included an absurd scare scenario of state debt reaching \$100 billion, for which five LNP members were forced to apologise for misleading parliament. For the record, the previous state government had a return to surplus locked in for 2014-15 without mass sackings and a slowing of the Queensland economy. It was also a return to surplus without the LNP's \$4 billion in unfunded election promises.

The alarmist claims of the federal Treasurer that there is a budget emergency echo those of the Queensland Treasurer of a ‘debt crisis’ and the Premier of a ‘power dive into the abyss’. None of these are backed up by any independent evidence. It is important to look at what happened in Queensland, when an LNP government went through with their commission of audit political stunt, to see what the Abbott government has in store for the nation.

In Queensland we ended up with higher unemployment, slower economic growth and subsequently weaker revenue back to the state, with the Treasurer later increasing taxes to compensate. It was nothing short of a monumental policy own goal by the Newman government, just as the *Daily Telegraph's* Miranda Devine has described Tony Abbott's new debt tax as 'the most inexplicable own goal ... which will define this term in office'. Here in Queensland, the real story from the ABS and Queensland Treasury on employment in Queensland is stark. In March 2014 there were 12,100 fewer full-time jobs in Queensland than there were in March 2012 when the Newman government was elected. That is 12,100 fewer full-time jobs with an additional 140,000 people living here. The unemployment rate has also been consistently higher under the Newman government, rising from 5.5 per cent at the election to 6.1 per cent in March 2014.

The attempts by the Treasurer to cover this up by cherry picking particular months where Queensland ranked higher than under the previous government are, frankly, pathetic. The Premier's and Treasurer's spin are an insult to Queenslanders who are doing it tough under this arrogant government. The economy has also slowed under the LNP, with Queensland Treasury figures showing headline gross state product slowing from 4.8 per cent in 2011-12 to 4.1 per cent in 2012-13. This is a slowing in growth, despite the headline gross state product result being propped up by a recovery in coal exports. It is a result that masks the substantial slowdown in the domestic economy from 8.3 per cent in 2011-12 to 2.2 per cent last financial year. Household spending, private investment, dwelling investment and business investment have all been weaker under the Newman government. Put simply, the Queensland economy is not in a position to absorb more reckless cuts, this time at the hands of the Abbott government.

I make these points about higher unemployment and slower economic growth in Queensland under the Newman government because Tony Abbott's commission of cuts sets out the same short-sighted agenda. It is an agenda of cutting and slashing and selling to fund the LNP's promises at a cost to jobs and the economy. The Costello report was made to order to give the Premier an excuse for breaking election promises that he never intended to keep anyway. The LNP, for all their alarmism about debt, went to the 2012 election with \$4 billion in election promises that they never intended on keeping—promises that forced them to sack around 20,000 government workers, including workers in GOCs and community groups.

Labor's election commitments were less than half of this, at \$1.8 billion. There was no plan for debt repayment from the LNP before the last election beyond a preschool argument of targeting the bad debt, while they made fiscally reckless and unrealistic promises just like Tony 'Three Word Slogan' Abbott. The Newman government's commission of audit has been all about justifying their long-held plan for a mass asset sell-off.

As the federal Labor leader Bill Shorten said, the national commission of audit was 'written by big business, for big business'. It should not be forgotten that Costello was hand-picked in secret to the Newman government's commission of audit before the 2012 election while he was supporting the LNP with cash for access fundraising. Isn't that coming to a head at the moment! Then after the election their hand-picked mate, who sold \$72 billion in assets under the Howard government—trusty Peter—tells the Newman government that they should sell \$25 billion to \$30 billion in assets. What a surprise! How convenient!

Before the election the Premier said he had 'no plans to do anything' in relation to asset sales. After appointing their Liberal Party mate, it is amazing how quickly plans emerged for asset sales after the 2012 election, just as plans for new taxes have sprung up under the Abbott government.

**Government members** interjected.

**Madam SPEAKER:** Order, members! There is too much noise in the chamber. Your interjections are not being taken. I call the Leader of Opposition Business.

**Mr PITT:** Those opposite really should have a good listen to this, because they have already been fooled once by their own people. They should start talking to some of their federal counterparts. To vote federally, the latest poll has the Shorten-led Labor Party up at 55 per cent on two-party preferred federally after such a short time, so they really need to take notice of what could happen to them at the next election. They are going to be dealing with a whole range of things, not just what is going on here in Queensland.

Since then, \$11 billion in assets have been sold with no election mandate here in Queensland, including Queensland Motorways, schools and TAFEs, office buildings and Aurizon shares, to name a few. The government asked no-one's permission to spend millions and millions of dollars in secret on bankers preparing more assets for sale. We do not know what those figures are for the scoping studies because they will not release them. There are many parallels between the dishonesty of the commissions of cuts under both the Newman and Abbott governments. Before the election the

Premier insisted his commission of cuts would not eventuate, saying 'We wouldn't put ourselves in a position of having to say it's worse than we thought,' just as he told government workers that they had 'nothing to fear'.

Before the election the Treasurer said Queensland's taxes and charges were 'out of control', and the LNP committed to lower the cost of living in its contract with Queensland. They really should have been taken for breach of contract long ago. But then again, lawyers in Queensland just are not talking to them at the moment! Tony Abbott committed that there would be no new taxes under his government and that he would remove the price on carbon and the mining tax. Since the Newman government was elected, taxes have increased by more than \$1,000 per year for the average family of four. In addition, the Newman government has introduced a multibillion dollar hike in mining royalties despite criticising the previous federal government's mining tax.

Just like the LNP in Queensland, Tony Abbott is using his commission of cuts as a blueprint for broken promises. We are now being told that a debt tax and a fee to visit a GP will be needed to pay for the LNP's unfunded promises to cut the carbon tax and the mining tax; that is, a new tax on the sick and a tax on workers to pay for a tax cut for big polluters and big mining companies. That is what those in the LNP really believe in: serving their big business donor mates.

That is what those in the LNP really believe in—serving their big business donor mates. Just like in Queensland, Abbott has handpicked a mate—this time Tony Shepherd from the Business Council of Australia. When the federal Treasurer talked about an end to the 'age of entitlement', he was only talking about entitlements for the parts of the community not donating to the LNP. The National Commission of Audit takes aim at those whom the LNP and their business donor mates see as 'entitled' with a founding principle that starts with 'do not deliver services'. The National Commission of Audit targets so-called 'entitlements' including front-line services in health and education, and we know what it is like having these services cut in Queensland; support for higher education which would turn Australia into the dumb country rather than the lucky country we are today; people on the minimum wage to create a new class of working poor; support for those 'entitled' disabled Queenslanders and their carers; removing support for 'entitled' pensioners and the elderly; and imposing a sick tax for people in need of medical assistance. Even if this is just budget kite flying, it is irresponsible. The federal member for Leichhardt has said that this process is 'scaring the living bejesus out of people', including his 'petrified' mother, and is 'unnecessary'. The *Illawarra Mercury* has probably best summed up what the National Commission of Audit advocates for—

Make no mistake: despite all the talk of sharing the pain, this report does almost nothing to extract a larger share from those most able to pay it.

The fat cats would be happy to slash the minimum wage. They would be happy to make ordinary Aussies work longer, pay more, get less.

Last week Bill Shorten said that a tax is a tax is a tax. From the way that this National Commission of Audit has come about, it is clear that a tory is a tory is a tory.

*(Time expired)*