




Speech By
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MEMBER FOR MOUNT ISA

Record of Proceedings, 3 April 2014

ADJOURNMENT

Asset Sales; Putney, Most Reverend Michael; Smith, Ms J

 **Mr KATTER** (Mount Isa—KAP) (8.32 pm): I would like to answer the question that the Treasurer has posed regarding Queensland asset sales when he said, 'What other option do we have?' Allow me to have a crack at this.

To consider this we have to consider the two separate economic ideologies that I and the Treasurer represent. The Treasurer represents the mainstream position of monetarists and supply-side economics, and I might add that this is the prevalent ideology driving both LNP and ALP policy. I believe that the mad obsession with this position is driving us in the wrong direction and denies the state the development opportunities that it deserves. I suggest that the Treasurer spend a little reading time with Keynes versus Hayek to see that there is in fact some alternative policy direction.

The state's wealth that we have lived off for the past 30 years was driven by a government not driven purely by fiscal balance but also by economic policy that focused on creating jobs. Under the National Party this state was under enormous debt burdens. However, the debt was continually directed towards industry-building infrastructure: regional roads, rail lines, power stations and transmission lines. This government is obsessed with fiscal balance but has poorly addressed economic or industry policy. We have roads, rail, water and transmission lines infrastructure going backwards at present in resource-rich areas. We have abundant farmland still rigidly bound up in bureaucracy in the mid-west and Gulf regions that also requires surrounding infrastructure.

Spending money in these areas will have the following effects: it sends the message to Queensland that the government is serious about investing in industry and will provide that incentive for business to move ahead; and it makes our big industries more competitive. Our great mines and primary producers are suffering from infrastructure underinvestment not keeping up with the drive for development. Thirdly, it provides a stimulus in the short term, putting money and real jobs into the economy.

An honourable member: What money?

Mr KATTER: I will address the statement just made, 'What money?' The situation when Joh Bjelke-Petersen came into government was 300 per cent gross debt to revenue ratio. It is now at 150 per cent. He got it down to 40 per cent. There is still latitude. I will table this document.

Tabled paper: Document, undated, titled, 'Research Brief' regarding Bjelke-Petersen Era government debt and revenue levels [\[4881\]](#).

Ken Henry, the former head of Treasury, says that it is acceptable and a good policy direction in these times to use public debt to build industry-building infrastructure. He specifically adds to stop building tunnels and direct it towards strategic industry-building infrastructure. We have a lot of large nation-building projects on our doorstep that can help generate this sort of revenue, but we are obsessed with fiscal balance.

I would also like to use this short time available to pay a quick tribute to Bishop Michael Putney, a great man who recently passed away. He had an immense impact on me personally, and I sincerely believe he may be one of the most intelligent men I have ever had the privilege of sharing company with.

I also recently attended the funeral of Jean Smith in Bedourie with the honourable member for Gregory. It was also a pleasure to attend the funeral of such a great outback woman.