




Speech By
Tim Nicholls

MEMBER FOR CLAYFIELD

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MOTION: STATE FINANCES

 **Mr NICHOLLS** (Clayfield—LNP) (6.21 pm): I have to say that the Australian Senate's loss has certainly not been our gain. If that is the best they can do, it is no wonder they got rid of him from the Senate. It is like being done over by a wet lettuce leaf. I would like to acknowledge the former member for Pumicestone, who is here in the chamber tonight to enjoy the debate.

We have seen a couple of performances from those on the other side today, and no doubt we will hear and see something from the Treasurer himself as well. It will no doubt be a performance that will be thick on spin and thin on substance—a bit like the Treasurer's performance in question time on Tuesday and a bit like his performance in question time today. Let me deal with that straightaway, because the Treasurer came in here to deliberately strike fear into the hearts of Queenslanders and Queensland businesses with his irresponsible and unfounded claims this morning. They reveal a Treasurer who either does not understand the economic figures he has been presented with or, even worse, he does understand and does not care.

The Treasurer has cherrypicked through some theoretical figures to claim that the Queensland economy is in recession and to talk down Queensland, which is exactly what he claims he does not want to do. What is worse is that he did not need to. It was only done to score cheap political points and not out of any sense of concern for Queenslanders. We saw that on the news tonight when we heard people from the Chamber of Commerce and Industry Queensland saying that the figures were being used for political purposes. They said that there is no need to talk down the Queensland economy and that talk of a recession is unfounded.

After his two sterling performances this week, I wonder whether we will see the Treasurer out again on Friday. He thought he was a magician on Tuesday, and that went so well that he was bottled up by the Premier's media team on Wednesday. Then they let him out again today and what has he done? He has scored an even more monumental home goal; self-immolation on a grand scale. Without a shred of evidence he has done exactly what he claimed others were doing: struck fear into the hearts of Queensland businesses and Queenslanders by talking down the economy. Given the Treasurer's recent performance I think we will need a motion in this place calling for him to come out before too much longer, because he will be bottled up by those over there because of his monumental missteps.

As we look at what this Treasurer is talking about, we also need to look at what the figures are. This morning he talked about the state accounts and the state figures, and the member for Surfers Paradise has spoken about the disclaimer that Treasury puts there. He has been looking at something called chain volume measurements for the last two quarters, and it is worth pointing out that those measures do not reflect the actual price that businesses pay for their goods—what a surprise! It is an economic technique to measure changes in quantities between periods by fixing prices. In the real world, what you pay for something in today's dollars matters. That is the price. Try going to your local fruit shop and buying bananas using a chain volume measure. You will not get too

many bananas for that. You would effectively be asking to pay the price of a banana from sometime in the past; not the price of it today. The fruit shop owner will tell you, 'I pay my suppliers based on today's figures, I pay my employees' wages based on today's figures, and I pay my bills on today's prices.'

If we look at today's prices, what do we find? Looking at the trend series, the seasonally adjusted series or the original series, using current prices we would see that Queensland's economy actually grew over the last two quarters. The trend measures for current prices show that the economy grew by 0.5 per cent in the December quarter and 0.5 per cent in the September quarter. Seasonally adjusted figures show that growth was 0.8 per cent in both quarters over the same period. There is no recession here; just a Treasurer intent on talking down the Queensland economy and destroying jobs.

Why will he not now release the incoming government brief relating to the fiscal repair task? Why will he not stand up and say what Queensland Treasury thinks about the five fiscal principles that he spoke about before the election? Why will he not release the advice about whether they think a return to an operating surplus rather than the fiscal surplus is worthwhile? Why will he not release the advice that talks about retaining expenses growth below revenue growth? Why will he not release the advice that says his plan is a failed plan; that \$450 million in revenue has already been wiped out by the Australian Energy Regulator and another \$650 million will go? The challenge is for him to release—

(Time expired)