




Speech By
Tim Nicholls

MEMBER FOR CLAYFIELD

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PRIVATE MEMBER'S STATEMENT

Queensland Economy

 **Mr NICHOLLS** (Clayfield—LNP) (10.24 am): I want to address the current harebrained idea by the Treasurer in relation to the transfer of debt from the public sector into the government owned corporations sector. The shadow Treasurer has made some commentary on that and it has been the subject of a fair bit of discussion so far in relation to what most people understand to be a harebrained idea. The idea that the people of Queensland will not have to guarantee the debt of the government owned corporations, that they will not have to pay interest on that debt, is nothing short of a fantasy. It is the same sort of fantasy that, under Labor, saw debt go from around about \$35 billion to over \$85 billion—

Government members interjected.

Mr NICHOLLS: They do not like it. That is a debt that every single taxpayer in Queensland has to pay and a debt, when it goes into the government owned corporations sector, that every single electricity consumer in Queensland has to pay for. That is the debt that the Treasurer is talking about— a harebrained idea.

Yesterday the Treasurer then went on to talk about contributions to superannuation and playing games with something that is probably one of the most sacred trusts entrusted to government for public servants in Queensland and that is the security of their superannuation. Yesterday, the only person who was happy with the Treasurer's statements in relation to superannuation was the police minister, because it diverted attention from her for three hours while the lunacy of the Treasurer was being discussed online, in newspapers and everywhere else, forcing him to come out with a statement. Nowhere was there any mention made of transferring debt in another Mythbusters document, that is, the ALP's election costing commitments before last year. If ever there was a myth, it is that myth and we will see that today.

What did the Treasury officials say? This is the Treasurer who says that he listens to what Treasury officials say. What did the Treasury officials say in relation to the government owned corporations? They said—

It is not possible for GOC gearing to continue to rise without endangering the stand alone credit ratings of the GOCs, which are generally targeted in the BBB (investment grade) range.

So we will see the credit ratings of the GOCs go down.

Mr HINCHLIFFE: I rise to a point of order.

Mr SPEAKER: Pause the clock. What is your point of order?

Mr HINCHLIFFE: The member for Clayfield is referring to a document. I ask that he table the document.

Mr NICHOLLS: Mr Speaker, can I say that the document was tabled in the last parliamentary sitting week. If members would care to read it, it is their own document. It is a Treasury document.

Honourable members interjected.

Mr SPEAKER: Order! Members! Thank you, member for Clayfield.

Mr NICHOLLS: That is a great start to the week, member. This document that I tabled that they could read goes on to state—

The only way for the budget to fund equity injections is through borrowings. For this reason, at the total State level, major new GOC projects that get approved will likely be funded entirely from borrowings.

Nevertheless, their resultant liabilities to revenue ratios are high, and act to drive up the NFP sector ratio—a key metric.

More debt, more deficit, more pain for Queensland taxpayers.