



Speech By  
**Hon. Curtis Pitt**


**MEMBER FOR MULGRAVE**

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Record of Proceedings, 24 May 2016

**MINISTERIAL STATEMENT**

**Budget, Superannuation**

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (9.43 am): Three weeks from today I will hand down the second budget of the Palaszczuk government. At last year's state election Queenslanders made their voices heard loud and clear. They elected this government because we said that we would deliver job-creating infrastructure without selling assets, and this is what we intend to do in the budget on 14 June. We will adhere to our fiscal principle of targeting the full funding of long-term liabilities, in accordance with actuarial advice.

This time each year the opposition would usually be asking me to rule in or rule out various actions in the budget and I would usually refrain from commenting on budget speculation, but today I can confirm that the government is considering a range of options including repatriating a portion of the large surplus in the QSuper defined benefit scheme, in accordance with advice from the State Actuary.

**Opposition members** interjected.

**Mr PITT:** Mr Speaker, they should listen to this. Our strategy, including our debt action plan, is aimed at reducing general government sector debt while also allowing us to invest in the infrastructure that our growing state needs. This is a continuation of the budget strategy that we made clear to Queenslanders last year. It is a continuation of our whole-of-government balance sheet management. Most importantly, we are doing that without asset sales. I repeat that for the new Leader of the Opposition: we are doing that without asset sales. Last year we saw a scare campaign by the LNP. I can confirm that the government remains absolutely committed to the fiscal principle of targeting the full funding of long-term liabilities in accordance with actuarial advice.

I can confirm that the government remains committed to the legislative guarantee that ensures the security of entitlements under the defined benefit scheme. I can confirm that all defined benefit members' entitlements will continue to be paid in full as they fall due. Contrary to the scaremongering of the LNP, I can confirm that the defined benefit scheme will continue until the retirement of the last current member of the scheme. As I stated at estimates last year, if all of the 49,000 members of the defined benefit scheme decided at 9 am tomorrow to leave the government and cash in, the scheme would still be in surplus after every single entitlement was paid.

The defined benefit scheme has been closed to new members for several years. I can confirm that no changes will be made to the accumulation superannuation that the majority of public servants use. The State Actuary confirmed last year that the defined benefit scheme is in a very strong financial position. As I said at estimates, the State Actuary advised that defined benefit scheme assets exceeded accrued liabilities by more than \$10 billion on a funding basis at 30 June 2015. The surplus is now sufficiently large to consider the option of repatriation of a portion of overfunded contributions. Queensland is the only Australian jurisdiction to fully fund its defined benefit superannuation liabilities.

**An opposition member** interjected.

**Mr PITT:** The former opposition leader should listen to this. While Queensland's defined benefit scheme is in a significant surplus, New South Wales has an unfunded liability of \$52 billion; Victoria's unfunded liability is \$26 billion; South Australia has nearly \$13 billion in unfunded liabilities; and Western Australia's unfunded liabilities total nearly \$8 billion. We intend to manage the Queensland scheme in a manner which minimises overfunding of the scheme while maintaining that we can meet all liabilities as they occur. Queensland will remain the only state to retain a more than 100 per cent fully funded scheme. This will continue to be the case under the Palaszczuk government.

The purpose of this government is single-minded: more jobs for Queenslanders. This is what the Premier and I and all other ministers of this government have been saying and have on our agenda every single day. We are working to strengthen the Queensland economy to provide the jobs that Queenslanders need, and we will have a focus on regional Queensland. We will achieve economic growth and a strong budget position without selling assets. There can be no clearer contrast between this side and that side. The LNP continues to tell the media all they need to get assets sales up in the future is to have a 'succinct and clearer campaign'. We know that the Leader of the Opposition wants to sell 47 per cent of Powerlink; he has been backgrounding journalists on that point. It is time for the Leader of the Opposition to come clean and tell Queenslanders what his plans are and whether he is going to continue his push to sell assets in Queensland.