




Speech By  
**Hon. Mark Bailey**

**MEMBER FOR MILLER**

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Record of Proceedings, 27 May 2021

### **DEBT REDUCTION AND SAVINGS BILL**

 **Hon. MC BAILEY** (Miller—ALP) (Minister for Transport and Main Roads) (12.23 pm): I rise to speak in support of the Debt Reduction and Savings Bill 2021, and in particular the benefits it will deliver in relation to state debt. First, I would like to address a few of the comments made previously in this debate. Listening to the Greens tut-tutting about debt is pretty amusing when you think about it. They always have fantastic plans for spending money on just about everything, but they never have a practical plan or a credible plan about how to raise that revenue. The notion that the actual party name is related to their belief that money grows on trees is probably pretty accurate. To those opposite who want to have a debate on economic credibility, I am happy to do that at any time.

When the economic vandals of the LNP had their hands on Treasury for three years we saw the unemployment rate skyrocket to more than seven per cent; we saw economic growth plunge to 0.7 per cent; we saw public servants sacked in large numbers after they were assured by the former premier Newman when he was opposition leader that they would be safe; we saw infrastructure fall off a cliff; and we saw the economy absolutely vandalised by the LNP. When you look at this government, we have been a very responsible government in terms of investing in infrastructure and jobs. We are investing 50 per cent more in infrastructure than when we came into office. QTRIP is at \$26.9 billion; it was only just over \$18 billion under the LNP.

It is this government that is the government of economic responsibility, and that has been evident during the government's management of the health crisis and the economy during the COVID pandemic last year. It was this government that had the foresight to understand we needed to be hardline about managing the spread of COVID. We did not hesitate to shut the borders if we needed to do that.

**Mr DEPUTY SPEAKER** (Mr Hart): Minister, can I draw you back to the long title of the bill, please.

**Mr BAILEY:** Certainly, Mr Deputy Speaker. I am talking about the economic credibility that has been an intrinsic part of this debate. The fact is that we would be looking at greater issues of debt if we had mismanaged the pandemic. That is a fact.

**Mr DEPUTY SPEAKER:** Minister, I have not seen the pandemic in the bill. Can I draw you back to the long title of the bill, please.

**Mr BAILEY:** Mr Deputy Speaker, I think you have a conflict of interest on this. You have been very clear—

**Mr DEPUTY SPEAKER:** Minister, that would be a reflection on the chair. I would ask you to withdraw that.

**Mr BAILEY:** I withdraw. I am certainly happy to support this bill. It provides a mechanism for the Queensland Titles Registry to be contributed to the first Queensland Future Fund, the Debt Retirement Fund. The Debt Retirement Fund will be structured so that credit agencies recognise the value of contributions to the fund as a debt offset when assessing Queensland's debt burden. Investments in the Debt Retirement Fund will improve Queensland's debt-to-revenue ratio by approximately nine per cent when taken into account by rating agencies when assessing Queensland's debt burden.

This is responsible economic policy. That is what this government is about. In recent months we have consistently seen the jobless rate come down. We have seen the stimulus funding get out right across the economy, with 93 stimulus projects either finished or underway and 10 completed. We are seeing jobs, investment and confidence because we managed the economy because we managed the health crisis. That is an important part of why this is a further contribution to competent economic policy. Not deep cuts, not breaking election promises, not being ideologues, but cutting your cloth to the circumstances—that is what this government is about.

The contribution of the Titles Registry to the Debt Retirement Fund would not be possible without this Debt Reduction and Savings Bill 2021, which provides the mechanism for the transfer of functions, assets, liabilities and employees from the Titles Registry to a new entity registration, Registry Co. As Registry Co will be contributed to a trust managed by QIC, the state will still own Registry Co through the Queensland Future Fund—Debt Retirement Fund—structure while also realising the value of Registry Co as an offset to state debt.

We have heard a fair bit in this debate about the issue of debt, so let's have a look at how Queensland's performance compares to other states' in relation to debt. General government sector net debt for the current financial year is \$25.6 billion in Queensland and \$53.2 billion in New South Wales, more than double our state. When you look at the projection for 2023-24 it is virtually double in New South Wales compared to Queensland. When you look at general government sector gross debt, we have a figure of \$61.3 billion; New South Wales, \$98 billion; and Victoria, \$95 billion. When you project that forward to 2023, in terms of gross debt we see New South Wales at \$157 billion. We do not hear those opposite lecturing us about the debt in New South Wales, which is considerably more not just in raw numbers, but per capita it is much worse.

They can lecture us all they like after they vandalised our economy for three years, but the fact is that this is a government of economic competency in terms of our management of infrastructure, jobs and managing the greatest threat to the economy we have seen in my lifetime: the COVID-19 pandemic. We have seen other economies devastated all around the world, let alone the thousands of deaths we have seen in countries that were unable to manage the crisis. We have managed that. We have been world-leading, and that has put us in a position of strong economic performance relative to other states. That is what this government is about; we will always be about that.

I have another couple of figures here. Non-financial public sector debt for Queensland is \$102.2 billion, and New South Wales is much higher at \$128.3 billion. If you project that forward, the gap is \$60 billion between New South Wales and Queensland—much lower when you take it to 2023-24.

I am happy to back this bill in and happy to have a debate about economic competency with those opposite any day of the week because it is this government that has handled the crisis, the economy and debt appropriately. This is part of our overall economic plan for recovery. It is something that we took to the election and we were very clear about it. We took it to the election. We shared it with people. We did not leave it until the last two days and hide it before election day and then for the entrails to be incredibly embarrassing, like the member for Everton's costings. We took a fully funded plan to the election and we are continuing to manage the economy well. The contribution of the Titles Registry to the Debt Retirement Fund is very much a core part of our measured and responsible plan to invest today to pay down state debt into the future.

When it comes to the economy, our performance means that the big infrastructure projects out there are creating jobs right across Queensland. I have been very happy to visit them. A lot of them are modest when you go out to regional areas. Sealing or widening a regional road is not as glamorous as a big M1 upgrade perhaps, in terms of scale and those sorts of things, but it is really important to those communities. I have been to Barcaldine, Longreach and Roma and met with the mayors and the local workers and they really appreciate a job. When we came to office, I had a long line of mayors who were complaining about the cuts to those local road projects in regional Queensland. That has not happened under this government because we are investing in people and investing in jobs. We will continue to do that.

I look forward to the budget from the Treasurer in future weeks. It will be another step forward in economic competency by this government managing this situation going forward. We are not out of the pandemic yet, and I think the outbreak in Victoria is a sobering reminder that we are not there yet. We need to continue to manage the health threat. It is not just a threat to the wellbeing and health of our people; it is a threat to our economy if we do not control it and it is therefore a threat to debt and every other aspect of the economy.

We will continue under the strong leadership of the Premier and the fantastic and continued health leadership of the Chief Health Officer, Jeannette Young. We all owe a debt of gratitude to her for her advice from the very beginning. We were the first state to declare a health emergency on 29 January

last year. We led the way across the country as a state that was serious about dealing with it. We will continue to do that. We will continue to be the responsible economic managers. I look forward to working with my colleagues, the Premier and the Deputy Premier who have been incredible in terms of understanding the threats to Queensland compared to other jurisdictions. The United States declared a health emergency on 13 March; we declared it on 29 January. Those opposite were still undermining that less than a year ago. The member for Broadwater was very clear in his comments. We will continue to—

*(Time expired)*