




Speech By
Tim Nicholls

MEMBER FOR CLAYFIELD

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DEBT REDUCTION AND SAVINGS BILL

 **Mr NICHOLLS** (Clayfield—LNP) (3.30 pm): This bill is many things but it is most emphatically not a debt reduction and savings bill. There is no debt reduction out of this bill and the savings, if there are any, are minuscule and are not able to be detailed. Neither the explanatory notes nor the bill itself in any way detail any debt reduction or give any credible basis for the measly so-called savings of \$3 million. There is not one word of it. In testimony to the committee, the Deputy Under Treasurer could not give one basis for calculation of the savings—not one.

We just heard from the member for Jordan, who I do enjoy listening to and who usually makes a sensible contribution to debate in this House—we have different policies which is fair enough, and that is always good too—as opposed to the member for Maryborough, who not only looks like a clown but sounds like one and behaves like one.

Mr DEPUTY SPEAKER (Mr Walker): Pause the clock. That is unparliamentary.

Mr NICHOLLS: I withdraw. It is as you would expect from someone who spends his time pedalling around on a bicycle selling ice creams. That was his one achievement in life—that and using his assistant ministerial salary to buy those stupid boots, Doc Martens. That is a real saving—get rid of eight assistant ministers at \$84,000. They do not do much. What value does the member for Maryborough add to the productivity and economic growth of Queensland? There are eight of them. The member for Pine Rivers is one. The member for Jordan is another, but I would keep the member for Jordan. I think she does add some value. I am sorry to say it, but I think she does. As for the member for Keppel—no, not too much. There is almost three-quarters of a million dollars—

Mr DEPUTY SPEAKER: Member for Clayfield, can we stay on the topic that we are supposed to be discussing here today?

Mr NICHOLLS: I was discussing potential saving routes, Mr Deputy Speaker, but I will return to the bill. Neither this bill nor this Treasurer nor indeed this government does anything to reduce the total stock of debt that the taxpayers of Queensland are on the hook for. The total stock of debt that Queensland taxpayers are on the hook for is not reduced in any way, shape or form by the actions that this bill contemplates. In fact, the total stock of debt will continue to grow each and every year until 2023-24 according to the government's own budget papers. It still goes up. That debt is currently expected to be almost \$130 billion by the 2023-24 budget, which will be delivered in just over two years time. We will see just how much that debt is going to be in reality in three weeks time, but no-one will be surprised if it is even higher than currently projected.

This bill does not create an offset account as Labor tries to claim. It is in no way like a mortgage offset that a home owner would use when borrowing. First, and most importantly, home owners want to pay down their debt and end up with the clear title of their home. This government does not want to pay down any debt. As the budget papers show, Treasurer Dick wants to increase debt every year for the next four years, not pay it down.

Secondly, an offset account reduces the interest payable on a mortgage, offsetting the amount of savings that are deposited in an account against the principal of the loan. This bill does not do that and neither does the so-called Queensland Debt Retirement Fund. Not one cent less interest will be charged on Queensland's borrowings by lenders because of this bill because those interest rates are already fixed. They are fixed in the 10-year bond market. They are being paid now and they will be paid each and every year for the duration of those bonds.

This bill is purely and simply an accounting sleight of hand to avoid an otherwise inevitable ratings downgrade that I mentioned last year in the debate on the two appropriation bills. As the key fiscal indicators blow out under this Treasurer and this Labor government, debt-to-revenue ratios are reaching levels not seen in decades. They are currently budgeted in Labor's own budget papers to peak at 134 per cent in the general government sector and an eye-watering 172 per cent for the non-financial public sector. The Labor government is desperately resorting to accounting trickery to avoid a downgrade. It is the sort of thing that reminds me of the Lehman Brothers debacle that led to that bank collapsing under a mountain of debt that it tried to wrap and sell as some secure positive asset.

Its foundation is dubious—a valuation of \$4.1 billion on no evidence. We have a Deputy Under Treasurer's testimony to the committee that is wishy-washy at best and avoids answering direct questions. This is because the government wants to pump up the tyres on this transaction. It is because it is effectively trying to monetise a service—the registration services of the titles office. The realistic valuation needs to look at the income of the titles office and more importantly the profit, because it is only if it makes a profit that it will generate sufficient funds to both support its value and make any payments at all.

If it is turning a profit and that profit supports a valuation of \$4.1 billion, what is going to replace that money in the Department of Resources? Where is the money coming from to fill the hole? It can only come from one place—and that is from taxpayers. If it is going from the Department of Resources to this company, what is going to plug the hole?

Every year I have been in this place Labor governments have increased debt with no credible plan to reduce that debt, even as they sign up Queensland for more debt. In the best of times in 2007 debt increased—more than doubling from the previous year. Just this year alone, by 25 May the Queensland Treasury Corporation had gone to market and borrowed another \$21 billion. There is much that I can say about Labor's mismanagement of debt, but the figures in fact speak for themselves. I do want to save something to say for the budget when it is brought down in three weeks.

I want to address something in relation to Building Queensland. I am interested to see that the Treasurer is getting rid of Building Queensland and the Queensland Productivity Commission. In a victory for the Treasurer's faction against the Left, we see the dismantling of Building Queensland—the final victory of Treasurer Cameron Dick over former treasurer Jackie Trad. Not content with her absence from this place, the member for Woodridge is now dismantling one of Labor's key election promises from 2015. You have to wonder how long this plan has been hatching in the backblocks of his mind. It certainly formed no part of any election commitment. I wonder why this little announcement was left until March this year.

Of course he has been on the warpath against former treasurer Trad's Building Queensland since 2018, when he started reducing its transparency, increasing the time frame for the pipeline reports and increasing the threshold for oversight from \$50 million to \$100 million and to \$500 million for road projects. What did former minister Trad say in 2015? She said—

... Building Queensland will mean we can prioritise investments based on a rigorous and transparent decision-making process, not on a political whim. This is an important part of what our government stands for. Queenslanders can now have confidence in infrastructure decision making ...

What is the Labor government now doing? It is shutting it all down.

As the member for Algeester said in 2017, demand for Building Queensland's service is expanding. Perhaps there is too much independence in Building Queensland, or maybe it is as simple as a 'get square' from one faction of the Labor Party to the other.

What about the poor old Queensland Productivity Commission? Why does Treasurer Dick hold such a grudge against his two predecessors from his own side? It was set up by Treasurer Pitt in 2015 to independently assess and provide advice, but this Treasurer does not need it. He is like Napoleon leading us over the Steppes into Russia. 'We're on our way! I don't need any advice. I'll get rid of the Queensland Productivity Commission!' They were not too happy with the advice from the manufacturing inquiry. In fact, I went on the website to look at the government response to the QPC's first report on manufacturing but the page could not be found. It was deleted from the department's website at 2.20 this afternoon. I table that document.

Tabled paper: Web page for State Development, Infrastructure, Local Government and Planning, titled 'Page Not Found' [719](#).

It recommended not giving out incentives anymore. That would mean no more photo ops with movie stars for Premier Palaszczuk, and we know how she does not like that. This is bill is a farce, a fraud and a fake from a government marred in economic failure. It should not be supported. It should not be sold. It is a con on the people of Queensland. They will see through it.