




Speech By
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MEMBER FOR MANSFIELD

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ADJOURNMENT

Federal Government, Economic Performance

 **Ms McMILLAN** (Mansfield—ALP) (7.09 pm): Since Menzies the Liberals have postured for the title of best economic managers. However, it has been the Australian Labor Party that has authored the great economic interventions of this country—Medicare, superannuation, HECS and NDIS, policies that have made a profound impact on the lives of Australians and on the economic productivity of our country. The economic performance of a country is objectively measured by the World Bank, the OECD, the IMF and the Reserve Bank. They report Australia's economic performance of the last decade, and it is not as it is presented by the current Prime Minister. It is not strong in comparison to like countries and it has been deteriorating on almost all measures for nearly a decade.

On income per person, the IMF ranked Australia 11th out of 197 in 2007 at the end of the Howard government. During the ALP government's reign from 2007 to 2013, Australia ranked fourth. We have now slipped to eighth. On gross domestic product, the value of Australia's GDP per person was just under US\$50,000 at the end of the LNP government in 2007—ranking 11th among the 38 OECD member countries. From 2011 to 2013 Australia ranked fourth on this measure, with only small rich nations like Norway, Switzerland and Luxembourg earning more. We have now fallen to 27th.

On government spending on GDP, during the last seven years of the Howard government, Australia ranked 14th in the OECD. During the Labor Party reign from 2008 to 2010, which included the GFC, Australia's ranking on spending to GDP improved to between seventh and 10th. During the most recent LNP term, government spending has blown out. Our ranking by 2021 fell to 15th. The only government with a worse spending record than Australia was Chile.

On government debt, at the end of Howard's reign in 2008 and during the resources boom, the OECD ranked Australia as third, with government debt comprising only 2.7 per cent of GDP. By 2012, after extensive borrowing during the GFC to keep Australia out of recession, the ALP's debt to GDP expanded to 27 per cent, but we were still ranked fourth best comparatively. Then came the boom period from 2014 to 2019 under an LNP government. Most OECD countries reduced their debt to GDP but not Australia. Only three poorly managed economies stacked on more than 12 per cent of debt to GDP—Chile, Costa Rica and Australia. Debt under the Morrison government doubled, even before the pandemic spending.

(Time expired)