

## **Question on Notice**

**No. 561**

**Asked on 12 May 2021**

**MR D JANETZKI** ASKED TREASURER AND MINISTER FOR INVESTMENT (HON C DICK)—

### **QUESTION:**

Will the Treasurer advise what the financial KPIs are that Moody's and Standard and Poor's have placed on the government for Queensland to retain its current credit ratings?

### **ANSWER:**

Following the release of the 2020-21 Budget in the second half of 2020, S&P issued commentary supporting its earlier affirmation of Queensland's AA+ rating with a stable outlook, whilst downgrading Victoria two notches and NSW one notch. More recently, in April 2021, Moody's affirmed Queensland's Aa1 credit rating with a stable outlook. This followed Moody's downgrade of Victoria's credit rating to Aa1 with a negative outlook.

Queensland's credit ratings are based on each credit ratings agency's methodology. Credit ratings agencies point to common indicators as underpinning Queensland's credit ratings, these include:

- Queensland's large and diverse economy, which has demonstrated resiliency to coronavirus-related disruptions.
- This government's strong record of sound financial management, which includes a strong internal liquidity position.
- A mature and stable institutional framework which benefits Queensland's fiscal strength and flexibility.
- The only Australian state to have fully funded superannuation liabilities.