

Introduction

Mr Speaker,

It would be easy for me to spend the entire time I am allowed today criticising the Government.

It would be easy to highlight the failure to deliver improvements in the education system, health care or for the economy.

The inaction. The indecisiveness. The instability.

The lack of any plan, as highlighted by the Premier yesterday.

The fact that Tasmanians are no better off than they were a year ago.

The fact they are still suffering under the rising cost of living.

The economy is weaker than it was a year ago – much weaker.

And the State Budget is a wreck.

Another year on, and Tasmania has another Labor Premier. Another Premier, but one without a plan.

And Tasmania is still suffering the same old problems.

This isn't a better government because Ms Giddings has taken over from Mr Bartlett. But Tasmanians expect you to be a better government.

Tasmania cannot afford a government that is drifting along; that – as we heard yesterday in the Premier's speech - has no plan to improve things over the coming twelve months.

No plan to fix the budget mess they created – other than the wholesale sacking of thousands of Tasmanian workers – nurses and teachers and police officers.

Mr Speaker,

It would be easy for me to spend the entire time I am allowed today criticising the government.

But Tasmanians know how bad they are.

They can see that the Labor-Green experiment is failing.

And I understand that Tasmanians want to know what we - their alternative government - would do differently.

That's what Tasmanians want.

That's what they deserve.

And that's what we will give them.

Our agenda

Mr Speaker

Our vision is of a Tasmania where everyone has the opportunity to get a good education, to get a job, and to raise a family.

Where we grow the economy not shrink it.

Where we support small businesses.

Where the government takes action to keep the cost of living down.

And where the government lives within it means – and knows how to manage a budget, and stick to it.

To achieve this vision we must grow the economy, create and protect jobs and take action to keep the cost of living down.

That is our agenda for this year.

Growing the economy

Mr Speaker,

The state of our economy is confronting.

The Government's recently released financial statement has revealed what has been described as a crisis.

Treasury tells us economic growth and job creation will fall well below what the Government promised.

Private investment has slumped.

Retail trade is depressed.

Business confidence has dropped.

And confidence in the Government's policies is down.

The only thing that is up is the unemployment rate.

Hardly the economic renaissance that the former Premier boasted about.

But the latest Premier was right when she said yesterday that economic growth has gone, and the budget has deteriorated.

Mr Speaker

We believe that the Government's priority is to fix the economic mess it has created.

The Liberals firmly believe that a strong economy is the best way to provide the highest possible standard of living, health care, education, and to build infrastructure for the future.

To provide a greater opportunity for Tasmanians to live here, to work here and to achieve their potential.

So that's why we say the Government's priority should be to re-boot the economy, not shrink it.

To create and protect jobs – not cut them.

And to take action to keep the cost of living down.

We must embrace and cultivate our diversified economy.

We need to maximise our natural advantages and our support our existing industries – like forestry or agriculture or tourism – without losing focus applying all our energy to new industries which are as yet unproven.

Yes we should look for new opportunities, but we should treat the businesses and industry that are established here as gold class - and make sure we keep them here.

And we have suggested, recently, that following the horrendous floods in eastern Australia – and like the Premier, I extend our thoughts and prayers to all those affected by these terrible events – the Government should identify Tasmanian businesses that have spare capacity and are able to take on extra work and to assist Queensland and the other states in the rebuilding effort.

We can actively move to keep the jobs here in Tasmania whilst ensuring that we help flood affected areas to get back on their feet.

That is another positive suggestion we have recently offered.

Mr Speaker

Our vision is for Tasmania to be the most competitive place it can be to support Tasmanian businesses, and to attract new business here.

Our vision is to grow our economy, not shut parts of it down.

And we must reduce the cost of doing business and the burden of red-tape.

Too many people tell me it's too hard to do business in Tasmania. It's too hard to get anything done.

We believe that the role of the Government is to facilitate the conditions for business and enterprise to flourish, not micro-manage or pick winners.

And we need a government that can exercise some fiscal discipline and manage its budget.

Liberals firmly believe that a government should live within its means, get value for money, and cut waste.

Our vision and our plan for the economy is to achieve these objectives.

And we must do so with a sense of urgency, and a sense of purpose.

Tasmania cannot afford a government that is indecisive, unstable and without a plan.

Mr Speaker,

One of the critical ways to ensure we are able to secure sustained economic and social growth is to make Tasmania more productive.

More people participating in the workforce and less people dependent on government support.

A smarter Tasmania, where we improve the education and skills of Tasmanians.

We must have an education system that focuses on outcomes, not experiments.

I have always said that we must invest more effectively in our greatest asset – our people.

We must ensure that when our kids leave school they have the education and the skills to be a productive contributor to the community.

And achieving this will continue to be a central plank of our agenda – our vision and our plan – for the future.

We must invest in our critical productive infrastructure, such as roads and ports.

We should aggressively pursue policies to attract more people to Tasmania.

The Government set up an advisory council in 2006 which has identified our demographic problems, but what policies or strategies has government implemented to address them? None.

These are the cornerstones of our economic agenda for the state.

Education. Productivity. Making Tasmania a more competitive place to do business. Investing in infrastructure for the future. A government that lives within its means and gets value for money.

So Mr Speaker, to start things moving on making Tasmania a better place to invest and do business, we propose that the Government should act with greater urgency in reforming the state's fragmented and often dysfunctional planning system.

The Government has had twelve years to fix it, but they have failed to act, repeatedly sending the issue off for review or delaying making a decision.

The Liberals went to the last state election with a policy for a single state-wide residential planning code – as a critical part of planning reform – and we remain committed to that policy.

The Government has talked enough about it and done nothing.

We will take action to make it happen.

We will introduce legislation to force this government to act and to implement a single state-wide residential code in Tasmania by the end of this year.

And to support many of the thousands of small businesses, that are the engine room of our economy, we will take action to cut red-tape.

We will introduce legislation that will reduce the regulatory burden small business suffers and require that when a new government regulation is imposed on business, two existing regulations must be removed.

This is a first step in reducing the burden of red tape that is strangling our small businesses.

And we will further move to have this government better recognise and support local business.

Liberals fundamentally believe in competition, and choice in markets.

But we also believe that a government should look to support local Tasmanian business before deciding to buy elsewhere.

We will bring in legislation to introduce a Local Benefits Test which will require the Government – the biggest purchaser in this state – to take into account the wider economic and social impact of purchasing decisions upon the community when deciding where to buy their goods from – and to look more actively at buying locally.

So that rather than our hospitals buying eggs from interstate, local producers have a fairer chance of getting the contracts.

Rather than the sign-making for the Spirit of Tasmania being done in Melbourne, a

Devonport businesses will be in the mix.

This is about proudly supporting Tasmania, and Tasmanian business –and our government should lead the way.

Mr Speaker, these are the sort of initiatives we will continue to propose as a part of our positive plan to make Tasmania a more competitive place to do business.

Forestry – ending the madness. Our 13 point plan

Mr Speaker,

I spoke earlier about valuing and supporting our natural advantages, and those industries that are established here.

Forestry is one such important industry.

Forestry is a valuable, renewable industry that is the second biggest contributor to Tasmania's gross state product contributing around \$1.6 billion to the economy, employing thousands and supporting regional communities.

This important industry is now under threat.

Under threat from the so-called peace talks – which despite the Premier's claims yesterday – were initiated by the former Premier David Bartlett in May of last year – just *one month* after the new government was commissioned.

Something he did not tell the people of Tasmania he was going to do during the election campaign.

Purely a by-product of his self-described “deal with the devil” – his alliance with the Greens.

And it has wreaked havoc on this important industry.

From this process the Government-initiated “Statement of Principles” has emerged – and which the new Premier Giddings has confirmed she supports.

And this Statement of Principles – if implemented – will immediately cut the forest industry in half, as Forestry Tasmania has confirmed.

It will cost more than 2,000 direct jobs and thousands more indirectly.

It will trash regional communities from Smithton to Scottsdale, and Geeveston to Dunalley in the process.

And when implementation is complete over 200 years of sustainable native forest management in Tasmania will be history in Tasmania.

And all because of politics.

Initiated by this government.

Based on politics, not facts. Emotion not evidence.

And Mr Speaker if anyone wanted some words of comfort from the new Premier, they would have been disappointed hearing her speech yesterday.

On this very subject, the Premier falsely claimed the Government did not embark on this process. That statement in itself exposed a complete absence of government leadership.

This is a government that is directionless and without a plan when one of our most important and valuable industries is vulnerable.

The Liberals are, and remain, the strongest supporters of our forest industry – as is evidenced by the fact that we are the only party in this place opposing this sell-out.

The pulp mill

And Mr Speaker,

We continue to support the pulp mill.

Not even mentioned by the Premier in her State of the State speech yesterday, but something she claimed is the single solution to our economic woes just a few weeks ago.

As I have said, the Liberals believe in a diversified economy, and do not subscribe to this view of the world that all our eggs are in one basket.

But we have consistently argued the merits of the pulp mill, and its importance to our economy.

And we want to see it built.

But let me be perfectly clear. We do not and we will not support the Labor-Green plan to trade-off 4,500 thousand jobs in our native forests for 450 jobs in the pulp mill – because we can and should have both.

We do not and we will not support exchanging 4,500 jobs in our native forests for 450 jobs in the pulp mill.

Make no mistake - that is what the forestry Statement of Principles is all about.

The Labor-Green plan and the Statement of Principles will do this.

We will oppose the Labor-Green plan to trade-off our sustainable native forest industry, their workers and their communities, for the pulp mill.

We can have both.

So while Mr McKim twists and turns and tries to pretend that it isn't happening – the reality is that's what this Statement of Principles is all about.

He can deny it all he likes, but he knows it is true. The Premier – his government colleague - has said so herself. It's about trading the forests for the pulp mill.

How Mr McKim explains his chameleon-like position on a subject he so strongly argued about for years, remains a fascinating spectacle.

Why the Labor Party, which has previously stood by the forestry industry is now deserting it remains a mystery.

But the Tasmanian Liberals remain firm and clear - we do not and we will not support the Labor-Green plan to trade-off 4,500 thousand jobs in our native forests for 450 jobs in the pulp mill – because we can and should have both.

And I should point out, that this debate, this process, which has involved a select few is plotting the future of an asset that is owned by the people of Tasmania.

Future generations of Tasmanians.

This asset which belongs to the people of Tasmania, which the Labor-Green plan and their Statement of Principles will lock up forever – because of politics, not based on facts, evidence and the best interests of the state.

Mr Speaker, the Liberals do not support it.

We will fight to end the madness.

And Mr Speaker, last year, after months of consultation, visiting forestry operations and regional communities across the state, we outlined our alternative - a thirteen point plan for the future of Tasmania's forest industry.

As I said at the time, it is fair for Tasmanians to know what their alternative government would do.

So we announced our 13 point plan.

A plan to deal with the challenges of the industry.

It allows for the orderly restructure of the native forest industry.

It provides resource security in our sustainable high-value native forest industry in perpetuity.

It underpins the thousands of jobs created by the industry, its value to our economy and the regional communities it supports.

It supports the pulp mill and our native forest industry. We can have both.

And it will allow for significantly improved environmental outcomes – up to 150,000 hectares of forests can be reserved including the protection of ‘iconic’ forests such as the Styx and the Florentine or the Weld.

And it is to be under-pinned by a triple-bottom line assessment that puts evidence and facts ahead of politics and emotion.

It’s a win-win-win for the Tasmanian community.

And I challenge the Premier to stand up for our forest industry.

To stand up for the forest workers she says her Party supports.

To stand up for our regional communities of Tasmania.

The Liberal Party will not sell out the forest industry, the people it employs or the communities it supports.

And we will introduce a motion into the Parliament which seeks to have the Labor-Green Government abandon their plan, the job destroying principles and to adopt our balanced 13 point plan in this Parliament.

Tackling the cost of living

Mr Speaker,

It was pleasing that the Premier finally acknowledged that cost of living pressures are a real issue for Tasmanians yesterday.

We have been arguing long and hard for the Government to respond to the spiralling cost of living, which is damaging our way of life.

But we do not agree with the Premier that there is little a State Government can do.

Furthermore, we firmly believe that the time for 'listening' that the Premier talked about yesterday has passed.

It's time for action.

So while the Government reviews and considers, we will act immediately on the cost of living.

And though Mr McKim and the Greens promised before the last election that "*A vote for the Greens at the election is a vote for lower power bills*" they have since sat idle alongside their Government colleagues - bizarrely moving to vote with Labor against their own policies to bring down the cost of electricity.

We will not stand by and allow the Government to slug everyday Tasmanians with electricity price rises of 27 per cent over the next three years.

The third element of our agenda, and a key issue facing Tasmanians is the spiralling cost of living.

We have and will continue to propose policies that make a real difference.

The irony that we have revealed this year, is that the Government itself is able to obtain cheaper electricity interstate, but it denies competition and access to markets to everyday Tasmanians, instead telling them to “suck it up”.

Premier Giddings said Tasmanians need to be protected from competition. The Energy Minister claimed no one would want to sell power here anyway.

I don't know what he based that claim on, because our Shadow Minister for Energy, Mr. Groom, has been talking directly with energy retailers interstate and they will come here; they are very interested, if Tasmania moves to full retail contestability.

So the Energy Minister's comments were either dishonest or ignorant.

But, regardless, we will continue to argue that introducing competition and choice into our electricity market is a good thing.

Liberals believe that competition is a good thing. It puts downward pressure on prices, and it provides choice.

It is a good thing that the Government is able to access competition and cheaper power prices. But so too should Tasmanian families and small business be able to access such competition.

But according to Labor and the Greens, Tasmanian families and small business can't be trusted to make decisions about where they get their electricity from.

Mr Speaker, the Liberals fundamentally disagree with this 'government knows best' attitude.

We believe that government is there to help improve your life, not to run it.

We stand for choice and for competition.

And we will introduce legislation to give Tasmanian families and Tasmanian small businesses the opportunity to choose where they get their power from.

Mr Speaker,

We are taking action to reduce the cost of living for Tasmanians, unlike Labor and the Greens.

Managing the State's finances and the public sector

Mr Speaker,

As I have said earlier we believe that a government should live within it means, know how to manage a budget, and stick to it.

The Premier does not deny the sorry state of Tasmania's finances, although she tries to accept no responsibility for the mess.

If last month's Mid Year Financial Report said anything, it was this:

You simply can't trust Labor - or the Greens - with money.

If you consider the Premier's clear election commitment not to force Tasmanian frontline public servants onto unemployment queues, which she is now planning to do to plug a billion dollar budget black-hole - it confirms that you can't trust them to tell the truth either.

The facts are, since 2003-04, the Government has spent almost a billion dollars more than was budgeted.

Since Ms Giddings became part of the decision making group as Deputy Premier in mid-2008, the spending blow-out totals more than \$700 million.

Ms Giddings talks about so-called declining revenues or the global financial crisis, but whilst it is true that forecast GST receipts have been readjusted, the fact is that since 2004/05 total Government revenues have consistently been higher than budgeted over the same period.

The problem, as always with this government, is that they just can't stop spending.

It is a hallmark of Labor Governments to spend, spend, spend.

In the six months leading up to the election campaign Labor spent some \$500 million as part of their plan to buy back favour in the polls.

And then in the election campaign Labor made another over \$400 million in election promises which they then shoehorned into the budget without a single saving.

And they wonder why the budget has a billion dollar black-hole.

Let's be clear; this mess is of Labor's making, and with the recent assistance of the Tasmanian Greens who continue, as we found out yesterday, to support this fiscal incompetence.

Mr Speaker,

The Liberal Party believes very strongly in sustainable budget management. We

demonstrated this in the election campaign and last year we produced an alternative budget which showed that we could have delivered all of our election promises, and still delivered a better budget bottom line than Labor – who could only commit to delivering three quarters of their election commitments.

And they have been progressively trashing them ever since.

And as Liberals, we do believe in small government.

That is, we believe that the Government should be no bigger than required to deliver essential services.

Let's be clear, it is Labor's gross economic mismanagement over recent that has lead us to this position – with Ms Giddings as Deputy Premier and a central member of the Government's decision making team.

But nonetheless - given the situation we are now in - we agree with the Government that their budget mess needs to be fixed.

We agree with the Government that recurrent government spending needs to be reined in.

We agree with the Government that the size of the public service needs to be reduced.

But we definitely do not agree with the Premier's broad-brush plan of wholesale sackings to achieve that objective.

Nor is the very threat to sack people the appropriate response.

We certainly do not agree that this Labor-Green Government should be threatening to cut vital frontline services by sacking thousands of nurses, teachers and police in a desperate attempt to balance the budget.

It will compromise the Government's ability to deliver essential services such as health, education and law and order for Tasmanian families.

It is a blunt instrument response which will – as expert commentators such as Access Economics have said just today – have negative impacts on our economy by causing uncertainty, reduced confidence and a consequent reduction in spending in the economy – at a time we can least afford it.

Mr Speaker,

Ms Giddings herself is saying that sacking people is a last resort.

So why did she put it on the table? Why did she create the fear and uncertainty that comes with the threat?

The reason is that by threatening to cut public servants, Ms Giddings is running a political strategy, not an economic strategy.

It's all about political marketing, without a concern for the people she is threatening to sack or the impact on the economy.

And it remains to be seen whether the plan will go the same way the last one did, when Premier Bartlett promised public sector cuts but the target was eventually abandoned, unachieved.

800 positions were targeted, but of the 300-odd public servants who left, more than 200 are now back in the public service.

And of those of that haven't come back, many were on the cusp of retiring anyway.

And consider the fact that the Saturday following Ms Giddings announcing the cuts, 164 government jobs were advertised on the State Government website

The real reason Premier Giddings is threatening to cut public servants is a political strategy, not an economic strategy.

Mr Speaker,

We firmly believe that the size and cost of our public service can be managed in ways other than resorting to forced sacking of nurses, teachers and doctors.

And Mr Speaker

We propose that the Government adopt the following steps to achieve that objective.

Firstly, currently there is a silo approach to management of the public sector in each agency or department. This hampers effective, strategic management of the public sector.

We believe that the Government should establish a whole-of-government framework for managing the public service that breaks down the silos and applies a strategic whole-of-government approach.

Second, the Government should move away from the blunt instrument of vacancy control.

Every year, around five to eight per cent of public servants voluntarily leave the public sector.

By applying strategic position management you could comfortably reduce the size of the public sector by 400-500 positions each year, achieving the required savings without the need for forced redundancies

This is all about putting the right people in the right jobs.

But by flagging forced redundancies - as Ms Giddings has done - this natural

turnover rate will inevitably fall sharply, as those who were considering leaving instead hang on for an expensive redundancy payment.

Third, in Government we would work proactively with the community and unions to develop a long-term policy for a sustainable public service - a public service that delivers the services Tasmanians want while containing unsustainable growth.

This would avoid the 'boom and bust' approach that is synonymous with Labor Governments.

Set the parameters, and stick to them.

Fourth, we propose that leave without pay should be encouraged, making it easier for employees to move out of the public sector into the private sector or go elsewhere, enabling them to return to the public sector at a later time in areas where their enhanced skills can make a difference.

Fifth, as I have said previously, a government I lead would value and actively work with the people who work in public sector.

We should harness the people to assist in reducing spending.

I have been contacted in recent weeks by numerous public servants who provide us with countless examples of waste and inefficiency.

I suspect almost every one of our public servants would have similar suggestions.

These are the people at the coal-face. They know how it can be done. They need to be engaged.

Mr Speaker,

Were the Government prepared to adopt these principles we are confident that the savings required can be achieved without sacking Tasmanian nurses, teachers, or police officers - those delivering essential services to our community - who have the threat of the sack hanging over them, courtesy of Premier Giddings.

Mr Speaker,

Prior to the last election, of course, all three leaders gave personal commitments on behalf of their parties not to support forced sackings in the public sector.

We on this side take our commitments to Tasmanians seriously - unlike Labor and the Greens.

Prior to the election Ms Giddings gave a "*rock-solid guarantee*" there would be no forced redundancies under a Labor Government.

And Mr McKim has also committed to no forced redundancies in this term of the government.

It's clear that Ms Giddings has trashed her "rock-solid" promise.

As for Mr McKim, he's had more positions on this issue than the Karma-Sutra.

We will move to end the uncertainty.

It is our duty to stand up for the workers of Tasmania, who Labor used to stand for but have now deserted.

We believe that every Tasmanian job - whether it's in the public sector or the private sector - is important.

We will stand up for everyday Tasmanians who will be negatively impacted by Labor's cuts to frontline service, impacted upon by less teachers, nurses and police.

So we will introduce legislation to the Parliament which seeks to prevent the Government from sacking these hard working public servants, just to balance the books when there are other ways to do it.

And we will hope that the Greens will support us.

Conclusion

Mr Speaker,

Tasmanians understand how bad this government is.

Tasmanians know the Labor-Green experiment is failing Tasmania.

The Liberals have a vision and a plan.

It's a plan we will seek to implement, even from Opposition, because Labor aren't delivering.

I have today outlined key parts of our legislative agenda for the first session of Parliament.

It stands as a striking contrast to what the latest Labor Premier outlined yesterday.

Tasmanians want to know what we - their alternative government - would do differently.

And that is our agenda for the year. An agenda for the State - to grow the economy; to create and protect jobs; and take action to keep the cost of living down.

That's what Tasmanians want.

That what they deserve. And that's what we are giving them.