

This is an opinion piece by the NSW Treasurer, Eric Roozendaal, published in The Daily Telegraph on November 19, 2008 responding to comments by the former Victorian premier Jeff Kennett.

Jeff Kennett is right about one thing – getting NSW back on track won't happen overnight, but our own version of Kennett's Carnage is the wrong way to go about it.

Decisions which have been put in the too-hard basket over the past 10 years have been made by the new Rees administration over the past 10 weeks.

But NSW certainly doesn't need Jeff Kennett's brand of extreme Liberal Party politics.

The passage of time might dull memories, but those reminiscing about Mr Kennett should not forget the former Liberal premier's legacy.

He closed around 350 public schools and forced out more than 9000 teachers. He shut down 17 hospitals and sacked more than 10,000 hospital workers, including 3500 nurses.

NSW is not headed down Kennett's path.

NSW has made difficult choices – but we've decided to protect critical frontline services while reforming the way government works in these globally uncertain times.

Jeff Kennett is stuck in the 1990s if he thinks axing police, teachers and nurses is the quick fix our state needs.

The Mini-Budget takes the difficult decisions now to deliberately avoid a situation like the bloodbath Mr Kennett inflicted on frontline services to our southern neighbours in the 1990s.

Mr Kennett's draconian cuts to frontline services is a strategy the NSW Government has deliberately rejected.

The Mini-Budget doesn't close hospitals, doesn't sack teachers and doesn't take police off our streets.

Mr Kennett regarded these services as costs; we see them as priorities.

Yes, there will be a budget deficit this year of \$917 million. But the Mini-Budget is designed to get the NSW Budget back into surplus next year, and the years after that as well.

Yes, there are difficult decisions the Government has taken which are not popular – but to do nothing would mean taking even tougher decisions later like closing hospitals, sacking teachers and taking police off the beat.

Yes, there is a need to reform some schemes like the student travel program, which costs NSW taxpayers almost half a billion dollars every single year. But the Government will still heavily subsidise school travel, and there are hardship provisions in place for people who need help.

Yes, difficult decisions have been made like deferring the North West Metro. But to proceed with it in the current climate would have been economically irresponsible.

It must be emphasised that NSW has the biggest infrastructure program of any Australian Government over the next four years – we're investing more than \$56 billion into projects like the \$950 million Royal North Shore Hospital upgrade, the \$757 million Port Botany expansion or the \$246 million going into 19 new school projects and 12 new TAFE projects.

This year alone NSW is spending \$13.8 billion in job-creating infrastructure.

State governments are primarily providers of frontline services, but we're limited in our revenues and we need to make sure we spend every dollar as wisely as possible.

It would be economic vandalism to put NSW in a position of borrowing hundreds of millions of dollars every year to pay wages or interest bills, like what happened in Victoria.

Mr Kennett spent years struggling to get his state's AAA credit rating back after it was repeatedly downgraded.

NSW has always had a AAA credit rating and this Mini-Budget is designed to help keep it; avoiding Mr Kennett's slippery slide of credit downgrades.

This means we can spend hundreds of millions of dollars on teachers, police and nurses rather than paying off higher interest bills which come hand in hand with credit rating downgrades.

Mr Kennett was right to fight hard to get his state's AAA credit rating back, and it took a very long time for that to happen.

As for cutting services and sacking police, teachers and nurses, The Wiggles said it best: Wake up Jeff.