Reed misleads on Auditor-General’s Report

Former CLP Treasurer Mike Reed’s claim that the Territory is close to $18 million more in debt under Labor exposes his inability to grasp basic accounting, Treasurer Syd Stirling said today.

Mr Stirling said the Auditor-General’s Report clearly points out that a $17.7 million change in total Territory debt was due to the different way debt was measured under accrual accounting compared to cash accounting.

"The Territory moved to the more transparent accrual accounting system at the last Budget, as Mike Reed well knows," Mr Stirling said.

"Either he doesn’t understand the difference between cash and accrual accounting or he is deliberately misleading Territorians.

"His claim that this difference was not made public by Government is also ridiculous – it is contained in both the 2002-03 Budget Papers and the Treasurer’s Annual Financial Report.

"Mike Reed also tries to lay the blame for the Territory’s net debt of $280 million at the feet of this Government.

"As one of the main offenders responsible for the Territory’s parlous economic situation before the last election, he lacks any credibility on this issue. The Territory’s high debt levels are the direct result of the CLP’s economic mismanagement.

"The Martin Government has introduced a responsible deficit reduction strategy to rein in that debt and to start to reduce debt levels.

"And as the Auditor-General acknowledges in his report, the strategy is working. The 2001-02 result showed a $43 million improvement in the Territory’s Budget deficit compared with the Mini Budget estimate.

"The Territory is at least $43 million better off than it was under the previous Government.

"This Government will continue to implement its deficit reduction strategy to bring the Territory Budget back in the black after years of CLP mismanagement."