STATEMENT ON THE BER INQUIRY

The Upper House inquiry into the BER has failed to acknowledge how vital the schools stimulus program was in keeping Australia out of recession.

The BER was designed to support jobs and business during the worst of the Global Financial Crisis, and we succeeded, with 11,400 people working on-site every day across NSW.

The results speak for themselves – NSW has been Australia’s most successful state in stimulating the economy, achieving five consecutive quarters of economic growth.

NSW had the most challenging BER program with around 4,700 projects worth $3.5 billion - 36% larger than the next biggest jurisdiction, Victoria, and three times bigger than the Catholic system.

As the recent Orgill Report pointed out, despite those challenges NSW has delivered impressively against the required timeframes. NSW leads the nation in delivering the BER.

The 2009 Budget forecast the NSW economy to shrink by 0.5%, but by early 2010 it had grown by 6.8% - faster than any other state.

Without the BER, non-residential building would have gone down by 20%, and more than 200,000 people nationwide would be out of a job.

The claim in today’s report that the Global Financial Crisis is over is at odds with leading economists from around the world. The NSW economy is doing well, but this is no time for complacency.

The Orgill Report also praised the use of the Managing Contractor model saying we achieved the most rapid rollout of the stimulus. Without it we may have risked billions of dollars in funding.

Guidelines for projects were set by the Federal Government to ensure rapid delivery. Schools were consulted and Principals were required to sign-off before each project started.

It’s important to remember the costs of BER projects are still estimates. As projects reach completion we will have actual costs and in many cases we expect these to be lower than the estimates.

We’ve always said that with a project of this size that there will be some problems, and we’re continuing to work with the Federal Government’s taskforce to resolve issues in a very small number of NSW schools.

The Nobel Prize winning economist, Joseph Stiglitz, said Labor did a fantastic job of saving Australia from the Global Financial Crisis.

The Liberal Party has had plenty to say about the BER, but they are yet to tell us what they would have done to stop a recession and keep people in jobs.