



Media Release

Senator Alan Eggleston

Liberal Senator for Western Australia

Ken Henry should make up his mind

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In a bizarre back-flip, Treasury chief Ken Henry has today announced that the proposition that the mining industry helped keep Australia out of technical recession is “curious to say the least.”

Western Australian Senator Alan Eggleston said that the Treasury Secretary has failed to make the link between the massive stimulus packages of China, South Korea and Japan with Australia’s resources sector, which was the main beneficiary of their fiscal stimulus packages.

“To say that the mining sector was not responsible for helping buoy the Australian economy through the Global Financial Recession is simply incorrect, even by Ken Henry’s own analysis last year in the same forum,” said Senator Eggleston.

“Last February I asked Dr Henry whether the Chinese stimulus package had kept Australia out of recession, due to their sustained demand for our resources to continue building infrastructure.

“Back then he answered this question by saying that this was certainly possible and curiously today he has made a concerted effort to discredit our resources sector with being responsible for our healthy economic position.

“Instead, Dr Henry now attributes the avoidance of an economic recession to the actions of the Labor Government and even goes as far as saying that if other sectors had mirrored the mining sector during this time, Australia would have been faced with a dire unemployment rate of 19%,” said the Senator.

“On the one hand, Dr Henry has indicated that fiscal stimulus packages implemented by China, South Korea and Japan were responsible for Australia’s healthy economic position while on the other he has said that the mining industry should not get any credit.

“The economic stimulus from these nations was spent on infrastructure in their own countries, which required materials sourced here in Australia so to suggest that the resources sector did not contribute to Australia avoiding recession flies in the face of his own remarks,” said Senator Eggleston.

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