



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 11 June 1999

MINISTERIAL STATEMENT

Employment

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (9.43 a.m.), by leave: When the Beattie Government came to office, our No. 1 priority was jobs and jobs creation. This continues to be our priority. On coming to Government, we focused on implementing our Jobs Plan and got on to the task that we were elected to do, that is, breaking the unemployment cycle.

In stark contrast to the previous Government, when we came into office we did not institute a crippling, job destroying capital works freeze as they did as they struggled to find and develop a policy direction. Instead, we concentrated on the delivery of our Capital Works Program to boost both employment opportunities and the capital assets of Queensland. In our Budget, we honoured our election commitments and we honoured them without selling off the family silver. All of this has been achieved without introducing new taxes or charges, without damaging our fiscal position and without hocking public assets to pay for recurrent expenditure—commitments that were not based on short-term political gain.

We have also maintained Queensland's low-tax status and will continue to do so despite the Commonwealth's ill-conceived tax fiasco. Just this week, we trebled the general rebate for those paying land tax to 15%, honouring yet another of our election commitments. All of this has been achieved within a blueprint which has received the largest possible tick of approval with the credit rating agencies, which have again reaffirmed Queensland's AAA credit rating.

Since the honourable members opposite were ejected from Government, we have turned this State's fiscal fortunes around. While the forecast economic growth in the current year of 3.75% may be less than the historical growth differential between Queensland and Australia as a whole, in 2000-01 and beyond, growth levels are expected to return to levels outstripping the rest of the nation by up to a full percentage point. Even though overseas demand is expected to fall by three-quarters of a per cent this year, State final demand, which translates to confidence in a strong, stable Government in a well-managed economy, is 5.6% higher than a year previously. Retail sales figures show turnover 8.3% higher than a year ago—another vote of confidence in a well-managed economy. All this means employment growth, new jobs and rediscovered confidence.

The previous Government's May Budget envisaged an average unemployment rate for this year of 8.75%, with unemployment trending upwards towards the end of the year. This was under a coalition Government that simply did not have a strategy for reducing unemployment and boosting employment growth and, I might say, a coalition which ridiculed our commitment to target unemployment. In our first Budget, we predicted that we would create 30,000 new jobs in our first year in office. We estimated that unemployment would fall to 8.5% by the June quarter of the financial year. Our success speaks for itself. ABS figures released yesterday reveal that in just 11 months we have created 43,800 new jobs. I am pleased to announce today that Treasury analysis now forecasts an average—and I stress, average—unemployment rate for the whole of the year of 8.25%—a full half a percentage point down on what the Budget forecast. Treasury now expects a June quarter average unemployment rate of 8%—again a full half a percentage point down on Budget forecasts.

This has been achieved because we put the programs in place to boost employment, to boost training and to increase investment in business confidence. This is a determined and proactive Government that is not afraid to set itself ambitious targets and, whenever humanly possible, we aim to not just achieve those targets but to beat them.