



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard 10 November 1999

MINISTERIAL STATEMENT

Unemployment

Hon. P. D. BEATTIE (Brisbane Central— ALP) (Premier) (9.37 a.m.), by leave: I am pleased to see yet another Queensland academic believes it is possible for Queensland to lower the unemployment rate to 5%. He has chosen the date of 2002. Professor Allan Layton says the Queensland unemployment rate has been persistently above the Australian figure for most of the last two decades largely because of a significantly higher workforce participation rate.

Professor Layton says that if the participation rate was the same as in the rest of Australia, the very strong jobs growth in Queensland would have resulted in an unemployment figure for the State of 5% by now. Professor Layton says that since the current expansion began in 1992 employment growth has amounted to 15% nationally, with an extraordinary increase of 24.5% in Queensland up to May of this year. He believes that if we reasonably assume a work force growth of 1.5% in Queensland and a labour productivity growth of 2% a year, we would require annual economic growth of 4.5% for three or more years until the end of 2002 to get to 5% unemployment. As we all know, our program was for five years, which is longer. Professor Layton then says that this is not impossible, but he believes that most people would probably agree that it is not highly likely either. Well, for 10 years Queensland's growth rate has averaged 4.7%. And with our record \$5.2 billion Capital Works Program and other initiatives we are driving the economy forward.

Professor Layton says in his conclusion that reducing unemployment to 5% is a very worthy community and public policy goal and he does believe it can be achieved—and so do we. We will be doing everything we can to achieve that target. However, he says it will require us as a community to commit to a set of policies which can bring it about. It appears from Professor Layton's argument that he has not taken into effect the employment creation policies of my Government which are specifically designed with that unemployment target in mind. We have committed to a set of policies which we believe can bring it about.

More than 45,500 new jobs were created in Queensland during our first year in Government—a result of the activities of a can-do Government. Our 1999 Budget aims to create another 41,000 new jobs this year. Our Breaking the Unemployment Cycle initiatives are aimed at creating more than 24,000 job placements and training positions in four years. In fact, we lead Australia when it comes to new apprentices and apprenticeships. In fact, every Cabinet submission we consider contains an assessment of its job creation potential.

Professor Layton's final words are that with the right policies and sufficient resolve he thinks it is reasonable to aspire to be in a position where, at the end of the first decade of the next century—and in the absence of a major international recession—we will be able to look back on a decade of unemployment which averaged 5% to 6%. That is exactly what my Government aspires to.
