



Speech by

Hon. D. HAMILL

MEMBER FOR IPSWICH

Hansard 11 April 2000

MINISTERIAL STATEMENT

Employment

Hon. D. J. HAMILL (Ipswich—ALP) (Treasurer) (9.54 a.m.), by leave: The Beattie Government's No. 1 priority is jobs. Under the Borbidge Government, Queensland experienced unemployment rates of up to 9.8%. When we took office we inherited a Budget outlook that forecast unemployment on the rise. We dared to talk about that unemployment rate. We made unemployment an election issue and we committed ourselves to doing all in our power to reduce that rate, only to be ridiculed by the very members of the coalition who now sit opposite.

In our first year in office the Beattie Government brought the unemployment rate to a year average of 8.5%. This year the average will come down to 8.0%—slightly above the Budget forecast of seven and three-quarter per cent. This represents a significant improvement on the rate we inherited and it reflects the general downward trend of unemployment under the Beattie Government. It reflects the 65,000 new jobs for Queenslanders that we have created and the outstanding success of the training and apprenticeship programs pursued by this Government.

Despite our efforts, we are now experiencing an easing in employment growth. This has been the subject of considerable comment from Queensland industry. In a press release issued just last Thursday, the Queensland Chamber of Commerce and Industry cited economic uncertainty, the impending tax changes and severe climatic disturbances in Queensland as the primary causes of this development.

Dr Watson interjected.

Mr HAMILL: The member for Moggill may criticise the Queensland Chamber of Commerce and Industry, but I happen to agree with its analysis. In fact, I could not agree more with that statement from the Queensland Chamber of Commerce and Industry.

While there is little that this or any other Government can do about the weather, I am extremely concerned about the effect on employment growth in Queensland. I am extremely concerned that rising interest rates and the GST are a toxic cocktail which is killing jobs in Queensland.

Opposition members interjected.

Mr HAMILL: Those opposite may laugh. They would have to be the only mob in Australia taking any delight in the destruction of employment opportunities through the GST. Shame on them! Shame on them for the tax they support.

Just last week we saw our third interest rate hike in just five months. Already the question is: when will we see the next? These successive interest rate hikes, driven partially by the inflationary pressure of the GST and the southern Olympic boom, are doing nothing for the drivers of the Queensland economy—small business.

Mr Seeney interjected.

Mr HAMILL: For the information of the member for Callide, I was going to quote the QCCI. They are not my words; they are the words of the QCCI. What does the QCCI say about the interest rate rise? It says, "It will certainly do nothing to help economic growth in Queensland". The rise in interest rates in February destroyed consumer confidence, with the interest rate rises and the fear of the GST

sending business confidence plummeting with small businesses putting off investment both in new capital and new staff.

One only has to look at the recent Yellow Pages index to see the impact of the GST on small businesses, particularly small businesses in rural and regional areas. Queensland business is overwhelmingly small business, and confidence among small businesses in regional areas nose-dived 27% to a six-year low. This is bad news for Queensland and bad news for employment growth in Queensland.

The Beattie Government maintains its commitment to jobs for Queenslanders. In our first 18 months of Government, our Breaking the Unemployment Cycle initiatives created over 13,000 jobs or job opportunities. This year, our record \$5.1 billion Capital Works Program has supported 65,400 ongoing jobs and 2,600 new jobs for Queenslanders. We have not and will not shy away from our commitment to creating jobs, but I make it clear that, with continued interest rate rises and the impending introduction of the GST, our efforts are being undermined by the friends of those opposite, the Liberal and National Parties in Canberra. We will not be deflected from our objective, but it is very difficult for us to deliver what we want when the rug is being pulled out from under us by the economic policies being pursued in Canberra.
