



Speech by

Hon. PETER BEATTIE

MEMBER FOR BRISBANE CENTRAL

Hansard Tuesday, 7 March 2006

MINISTERIAL STATEMENT

Economy

Hon. PD BEATTIE (Brisbane Central—ALP) (Premier) (9.51 am): In the past week data has been released that further underscores the strength of the Queensland economy and why we are the engine room of Australia. I seek leave to incorporate the details in *Hansard*.

Leave granted.

Figures from the Australian Bureau of Statistics on national accounts show state final demand growth of 1.9% in Queensland compared to 1% in the rest of Australia during the December quarter.

Over the year we recorded an increase of 6.5% compared to 4.2% in the rest of Australia.

Business investment was the main driver of the increase in the December quarter rising 6.1% to be 17.4% higher over the year.

Machinery and equipment investment increased by 6% while non-dwelling construction increased by 6.3%.

Household consumption increased by 1% with a rise in most areas of consumer spending except motor vehicles and transport services.

Dwelling investment declined slightly for the first time in over a year dropping by 0.2%, however, looking ahead housing construction should be supported through strong population growth and a large volume of construction work yet to be completed.

In fact, despite building approvals moderating from the high levels of a few years ago, the total value of residential building work yet to be done has remained above \$3 billion since June quarter 2004.

In addition, the home renovation market continues to grow—rising by another 0.1% in the December quarter.

Mr Speaker, the latest retail trade data released by the Australian Bureau of Statistics is also very encouraging.

Trend retail turnover increased by 0.4% in January.

On the back of strong growth last year this has resulted in an annual increase in trend retail turnover of 6.8%.

This is the highest growth rate for any mainland state in Australia and well above the national growth rate of 3.9%.

Hospitality services and household goods made the strongest contributions to monthly growth consistent with strong growth in household incomes.

Over 2005 retail growth was underpinned by strong average weekly earnings as well as the highest annual trend employment growth since 1989.

Household wealth also benefited from higher house prices and a surging sharemarket.

Looking forward, continued strong labour force and wage conditions indicate a positive outlook for retail turnover in 2006.