



Speech by

Hon. ANNA BLIGH

MEMBER FOR SOUTH BRISBANE

Hansard Wednesday, 5 September 2007

MINISTERIAL STATEMENT

Queensland Economy

Hon. AM BLIGH (South Brisbane—ALP) (Deputy Premier, Treasurer and Minister for Infrastructure) (9.46 am): Members will have noted overnight the federal Treasurer, Peter Costello, crowing about the latest economic data. He is quoted in today's *Australian Financial Review* as describing the economic activity at a national level as 'remarkable'. I can only say to the federal Treasurer of Australia that if he wants to see remarkable economic activity he should come to Queensland, because he ain't seen nothing. If Peter Costello's figures are remarkable, then Queensland's figures are simply staggering. Well may the southern states look north with envy.

Opposition members interjected.

Ms BLIGH: I note the efforts of the opposition members to pull down the Queensland economy, to talk it down at every opportunity they get. They will not find us on this side of the House doing that. Queensland is the forward pack making the hard yards and dragging the rest of the country along.

The latest ABS data shows that domestic economic activity in Queensland rose at an annual rate of 8.2 per cent in the June quarter, compared with a 5.4 per cent growth in the rest of Australia. That is domestic final demand—economic activity excluding export. The strength of our economy in the June quarter was driven mainly by strong growth in investment by both the private and public sectors.

Specifically, total private investment in Queensland increased by 16.3 per cent higher than that in the same quarter last year. The national rate was up 11 per cent. Even more impressive was the investment by general government and public corporations at state and local levels, which rose at an annual rate in the June quarter of 39.7 per cent—so almost 40 per cent. We are nation building here in this state. Unlike Western Australia, our investment is much more broadly based. In the Western Australian economy, mining investment accounts for some 70 per cent of its total projects while in Queensland it is 24 per cent.

Dwelling investment in Queensland continued to defy the national trend. In annual terms, dwelling investment in Queensland recorded double digit growth of 13.7 per cent for the third consecutive quarter to June 2007. This 13.7 per cent rate of growth compares with a mere 2.6 per cent of growth in the rest of Australia. Again I say to Peter Costello that if he wants to see activity, he should come to Queensland.

Although the rate of quarterly growth in business investment is distorted due to the reclassification of Telstra from a public to a private corporation in the March quarter, the strengthening in growth in annual terms demonstrates that growth in business investment remained solid in that quarter. The strength of the Queensland economy has benefited both workers and job seekers in this state. Over the year to July 2007, the level of employment in Queensland increased by 82,000 persons. Not only was the rate of employment growth in Queensland almost double—

Mr Johnson: After March it will drop off after you shut down local government.

Ms BLIGH: Mr Acting Speaker, I am sure that there are other people in this House who are pleased to hear that the rate of growth in employment in Queensland was double that in the rest of Australia. Most impressively, 77,500 of those 82,000 positions were full-time jobs. This excellent outcome in employment growth has also been reflected in sustained low unemployment. The five per cent unemployment target has not only been achieved but also broken consistently since early 2006. The 3.5 per cent unemployment rate recorded in July 2007 represents the best outcome for more than three decades. Remarkably, with more than half a million more Queenslanders working, the number of unemployed Queenslanders has halved since the Beattie government came to power in June 1998. The labour force participation rate has increased and reached an historic high of 67.4 per cent and remained close to this level.

If any further proof were needed that this is a great time to be in the building game in Queensland, it has arrived with the latest construction data from the Bureau of Statistics. The figures show that in the three months to June in Queensland construction work completed grew by a staggering \$1.24 billion over the previous quarter to \$8.35 billion. Construction work completed in this state increased by 16 per cent over the March quarter, which is the best result of all states of Australia and well above the national average of 9.6 per cent. In fact, Queensland is now a very clear leader over all of the states on this measure. This measure is a red hot signal that the state is setting new records in terms of economic activity.

In raw data terms, for the 2006-07 year the value of construction work in Queensland was \$30.4 billion compared to \$28 billion in New South Wales and \$24.5 billion in Victoria. The statistics speak for themselves. In terms of construction work done, Queensland has recorded growth for each and every one of the last 16 quarters. In comparison, our fellow boom state of Western Australia has recorded that growth for 14 quarters.

As I said, any time Peter Costello wants to see an economy that is performing at its peak he should come to a state like Queensland and see how a Labor government does it.