




Speech By
Hon. Tim Nicholls

MEMBER FOR CLAYFIELD

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MINISTERIAL STATEMENT

Queensland Economy

 **Hon. TJ NICHOLLS** (Clayfield—LNP) (Treasurer and Minister for Trade) (9.51 am): The year 2014 is shaping up to be a year in which important financial and economic decisions the government has made during our first two years in office will deliver even more positive results for Queensland and Queenslanders. We have already made considerable progress in restoring Queensland's financial viability and boosting prosperity, but I firmly believe, as does the Premier, the Deputy Premier and the whole of this side of the House, that in 2014 we are on the cusp of greater prosperity and greater opportunity.

In looking towards the year ahead, it is important to reflect on where we have come from and the progress we have made. One of our key election promises identified in our contract with Queensland was to grow the Queensland economy by focusing on four key pillars. We made that commitment because economic growth in Queensland had been stagnating. In the last years of the Bligh Labor government, economic growth averaged only 2.1 per cent. Under Labor, Queensland consistently had the highest unemployment rate in mainland Australia. The state's building approvals were plummeting, retail trade had either fallen or remained flat in two of the last three years, and business confidence was plummeting. Contrast that with the results we are achieving now. Last year Queensland's economy grew by 3.6 per cent, outstripping the national average and outstripping our own predictions. Economic growth over the next two years is forecast to average four per cent. By 2014-15, a year earlier than we predicted at the last budget, we will have the fastest growing state economy in the nation, with economic growth strengthening to six per cent in 2015-16.

The story is just as positive when it comes to job creation and business investment. The Premier has already mentioned the record, but let us hear it one more time. Jobs growth in Queensland is the strongest in the nation. In fact, 75 per cent of the jobs created last year were created here in the Sunshine State. Forty-four thousand more Queenslanders now have a job than a year ago, and that is using the seasonally adjusted measure. Instead of having the highest unemployment rate in mainland Australia, as Labor did in 2011, we now have the second lowest.

We are also seeing considerable activity in the construction sector—one of those vital four economic pillars that was neglected by the former Labor government. Trend building approvals are now at their highest levels in almost six years and have been growing constantly every month since the Newman government was elected. Total approvals are now 55 per cent higher than they were when this government came to office—building the future of Queensland, their homes, their offices and their places of work. Similarly, retail trade continues to grow. Last week ABS data showed nominal retail turnover was almost five per cent higher over the year to December 2013. People have confidence to spend in Queensland. Monthly retail turnover is now more than \$300 million higher than it was in March 2012. This increased spending has translated into increased sales and revenue which has further boosted business confidence—more confidence, more jobs.

You only have to look at the latest Westpac Group CCIQ Pulse Survey of Business Conditions to see that Queensland small business operators are confident about where they are placed and what is on the horizon in 2014. Three-quarters of all CCIQ survey respondents are expecting stronger profitability levels over the next quarter. More profitability means more staff being employed. The government's careful, disciplined and methodical economic management is fostering an environment that gives consumers the confidence to spend and business the confidence to expand. We are not going to rest on our laurels in 2014 and we will not lose sight of our goal of supercharging the Queensland economy. Already the government's pro-growth approach is delivering results for the state's economy. I look forward in 2014 to building on the momentum we have created so that we continue to build this great state and great opportunities for all Queenslanders.