




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

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MINISTERIAL STATEMENT

Queensland Economy

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Employment and Industrial Relations and Minister for Aboriginal and Torres Strait Islander Partnerships) (9.45 am): Mr Speaker, as I did not have the opportunity to do so during the motion of confidence, I congratulate you on your appointment as Speaker, the high and honourable office which you now hold. It is terrific to have you in this position as an independent Speaker of the parliament.

It gives me great pleasure to provide my first economic overview of the Queensland economy as Treasurer of the Palaszczuk Labor government. As I said yesterday during the motion of confidence, I am determined to be a Treasurer who talks up the Queensland economy. I will ensure my public statements and statements in this parliament foster confidence in our state. This also applies to our pro-growth, pro-jobs policy settings to ensure we continue the positive talk around our Queensland economy.

We are certainly seeing green shoots in the Queensland economy. Recent retail trade figures showed consumer spending in Queensland rebounded solidly in December and January, following weakness for most of the full year of 2014. We have also seen the benefit of sustained low interest rates which have boosted housing construction, with total trend dwelling approvals rising 2.6 per cent in January to be eight per cent higher over the year.

In terms of exports, the value of meat and minerals along with Queensland's first shipment of LNG saw the nominal value of our merchandise exports grow by 5.8 per cent over the year to the January quarter of 2015. Mr Speaker, you do not need to be an economist to know that the Queensland economy faces some challenges ahead. The contraction in state final demand of minus 3.4 per cent over the year to the December quarter was the worst result since September 2009. It was the worst result since the height of the global financial crisis. Prices for commodity exports including coal and LNG have fallen considerably, partly reflecting a softer global economic outlook but also reflecting increased supply.

Our rural producers face ongoing tough times, with more than three-quarters of the state still drought declared. Resources investment is slowing from unprecedented levels, in advance of growth in LNG exports in 2015-16 and beyond. The trend unemployment rate, as the Premier mentioned earlier, is stubbornly sitting at 6.5 per cent and the number of people unemployed in Queensland is up by more than 30,000 since March 2012. This underlines the challenge ahead and why only a Labor government, with policies directed at increasing both employment and participation in the economy, can confront Queensland's economic headwinds. To do this we must work collaboratively with business, with industry, with unions, with local government and with community leaders.

What the Queensland economy needs right now is a partnership approach. It needs a government that is about economic management in a responsible way. The one thing we can agree on with those on the opposition benches who spoke to the confidence motion yesterday is the

importance of that partnership with business and industry in creating jobs. We cannot do it alone as a government. We know we need to work with business. We know we need to restore confidence and grow jobs. We know that comes from our policy settings and the things we promised Queenslanders we would do. We have held, and the Premier has hosted, business receptions. We have met with industry stakeholders since coming to office. It is remarkable the number of businesspeople who have told me and this cabinet that under the previous government the doors were closed when it came to dealing with business and industry. The most common phrase I heard was that it was refreshing to see a government that wanted to engage and talk to business.

Our door is open, and of course that means that Queensland is also open for business. The Palaszczuk government has a clear plan and clearly articulated strategy around reducing the state's debt, improving productivity, creating jobs and of course growing our economy.