




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): Four months ago I delivered the first budget of the Palaszczuk government—an unashamedly pro-business, pro-jobs budget. The budget included a range of measures to support Queensland businesses, to boost confidence in our economy and to grow jobs.

Earlier in the week we saw further evidence of how that confidence has returned to the Queensland economy. For the fourth month in a row the National Australia Bank's business monthly survey has found Queensland has the highest business confidence level of any mainland state in Australia. At plus seven it is higher than New South Wales and higher than Victoria. Importantly, the survey also found business conditions have also improved. It shows how businesses are reaching for the stars. It shows that they are reacting to the positive economic agenda of this government.

Yesterday the Westpac consumer sentiment index was released. While these figures at a state level can be quite volatile on a month-to-month basis there are encouraging signs. The survey showed there is confidence about the future, with a 9.1 per cent increase for the subindex on economic conditions over the next five years. Businesses and consumers have reason to feel confident about the future. Economic growth is improving, jobs are being created, business confidence is strong and independent analysts are also starting to take note.

It was particularly pleasing to see the commentary of rating agency Standard & Poor's in their credit update released earlier this week. The headline was 'Ratings on the state of Queensland affirmed at AA+ on improving budgetary performance, outlook remains stable.' It is important to compare what S&P said in terms of its ratings assessment of the previous government. It stated, 'Queensland's budgetary performance has improved to average from weak'—weak being its characterisation of performance under the LNP. S&P went on to state, 'A higher rating may occur with a track record of sustaining operating surpluses.' This compares to S&P's credit update in October 2014, under the LNP, which clearly stated, 'Upside rating potential is unlikely within the next two years.' S&P stated—

In our view, the state's prudent approach to debt management, as well as the development of medium- and long-term fiscal and economic strategies and its prudent expenditure management, demonstrates its financial strength. The government is focused on reducing the state's high debt burden ...

It is particularly pleasing to see recognition from respected analysts like S&P that the Palaszczuk government's first budget has turned the corner on the last three years. S&P conclude—

The stable outlook reflects our expectation that the state's financial management will remain strong and its budgetary performance will continue to improve compared to recent years.

The Palaszczuk government intends to maintain this momentum. Queensland has the highest forecast growth of any state across the forward estimates. Last month Queensland Treasury's trend gross state product figures showed the Queensland economy grew at 1.3 per cent in the June quarter 2015 to be 2.2 per cent higher over the year.

This is the highest quarterly growth since December 2011 when Labor was last in government. Since the state election around 1,320 full-time jobs per month have been created in Queensland. In trend terms that is more than 34,000 jobs created since January. The budget and its pro-jobs, pro-growth agenda that we have set down is making a difference, and I expect to see the positive economic and fiscal direction that we are setting will continue to deliver for Queensland.