




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

Record of Proceedings, 16 August 2016

MOTION: DEPUTY PREMIER, BUSINESS CONFIDENCE

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (6.25 pm): As I said this morning, over the past 18 months the Palaszczuk government has worked hard to deliver on our commitment to advance Queensland's economy through job-creating innovation, investment and infrastructure. The biggest risk to business confidence in this state is the LNP. They are in their fifth year of talking down Queensland's economy. This is a case in point. We know that they had to come out and be political, but I pick up on the comments by the member for Mansfield about the surcharge on foreign investors buying residential property. NAB senior economist David de Garis, at the Master Builders event I attended, said when talking about the Victorian experience that there had been no proven discernible link between the introduction of the surcharge there and a change in purchasing behaviour. They now have a seven per cent transfer duty surcharge. New South Wales has four per cent. Ours is three per cent. Those opposite really need to take a cold shower and look at this in the context of the national economy.

Today's motion is more evidence of those opposite talking down the economy. The member for Clayfield has confected what he calls a slump in business confidence. In reality, the independent data obtained directly from Queensland businesses shows confidence growing and conditions improving. I would argue that those opposite have gone so far as to mislead the House by suggesting that the Sensis Business Index shows that confidence has slumped. In fact, the Sensis Business Index shows that confidence for small to medium businesses in Queensland reached a five-year high in the June quarter 2016—a plus-36-points result. That is double the plus-18 result recorded a year ago. For context, when the LNP was last in government, the Sensis Business Index of December 2014 was plus 13. We are at plus 36; they were at plus 13. That is the difference. I table a copy of Sensis media release from 28 July.

Tabled paper: Media release, dated 28 July 2016, from Sensis, titled 'Queensland business confidence hits highest level in more than five years' [[1255](#)].

The media release states—

Business confidence rose by six points this quarter, to now sit at its highest level since November 2010 among Queensland's small and medium businesses, according to the latest Sensis Business Index Survey.

Given that the motion moved by the member for Indooroopilly specifically relates to activities in Brisbane, it is worth also quoting what the Sensis Business Index said about the city. It states—

Confidence in Brisbane was up 21 points to +63, making Brisbane the most confident capital city in the nation.

This follows the NAB business confidence index, which has consistently shown Queensland having nation-leading business confidence over the past 12 months. Those opposite do not like facts. The NAB Monthly Business Survey for July again showed that Queensland and New South Wales recorded equal highest position on trend business confidence, rated at plus 6 in July 2016 compared with the national average of plus four points.

It is not just about confidence; business conditions on the ground are also improving. According to NAB, Queensland's trend business conditions index rose plus seven points in July, recording the strongest improvement of the mainland states. Even Malcolm Turnbull recognised that earlier this year, despite the constant negativity of his colleagues in Queensland.

The motion moved by the member for Indooroopilly appears to focus on housing confidence in particular. Queenslanders—both owner-occupiers and investors—are voting with their wallets. ABS housing finance data shows that the trend number of housing finance commitments for owner-occupiers in Queensland rose by 5.8 per cent for the year to June 2016. The number of housing finance commitments in Queensland has risen consistently over the past five years, and the trend value of housing finance commitments in Queensland now totals \$3.46 billion as at June this year. This is confidence in action.

It is not just owner-occupiers who are committing. ABS Lending Finance data shows investor housing finance in Queensland for the purchase of existing dwellings for rent or resale grew over the last three months to total \$4.1 billion in the June quarter. In addition, investor finance commitments for the construction of new dwellings totalled \$514 million in the June quarter 2016—\$4 million higher than the same period last year. These are hardly figures that you would use if we were talking about a slump. The member for Indooroopilly is wrong and the member for Clayfield is wrong. They are continuing their mission—and it has been a five-year mission—talking down the Queensland economy when all of the facts belie their arguments. Even the latest CCIQ Suncorp Pulse Survey, which I am sure the LNP can find plenty of negatives in—I am sure those opposite could find them if they looked hard enough—shows Queenslanders are optimistic about the future, with the report stating—

Queensland businesses believe conditions will strengthen in coming months, with customer spending expected to improve, especially within South-East Queensland.

Queensland consumers and Queensland businesses are right to feel confident about the future given the improvements to the economy over the past 18 months and the nation-leading growth still to come as a result of this government's economic plan. Let me repeat for those opposite who were not listening this morning: debt is lower, growth is higher and unemployment is lower under Labor than it was under the LNP.