




Speech By
Hon. Curtis Pitt

MEMBER FOR MULGRAVE

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MINISTERIAL STATEMENTS

Queensland Economy

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer, Minister for Aboriginal and Torres Strait Islander Partnerships and Minister for Sport) (10.08 am): Over the past 18 months the Palaszczuk government has worked hard to deliver on its commitment to advancing Queensland's economy through job-creating innovation, investment and infrastructure. As a result we are forecast to have Australia's fastest growing economy this year and next year. Queensland's economy has experienced nation-leading growth on many occasions over the last few decades.

We have outperformed the Australian and OECD averages since 1992, but we should not take our economic growth for granted. We have seen what can happen when austerity and asset sales become more important than investing in Queensland and our people. Under the former government economic growth nosedived, falling below three per cent and then to just 0.8 per cent in 2014-15 compared to growth of 5.8 per cent when Labor left office in 2011-12. Since coming to government our economic plan has resulted in Queensland's growth in 2015-16 leading the nation at 3.5 per cent. Growth is forecast to strengthen to four per cent in 2016-17. Over the last 18 months there has been a net 36,600 jobs created. With 3,800 full-time jobs created each month, this equates to around 220 full-time jobs per month. This compares to 12,900 full-time jobs lost under the former government, or around 380 per month.

When you consider Queensland's economic outlook in the national and international context, Queensland's strengthening fundamentals are clear. I was in London last week as part of post-budget briefings and met with a number of institutional investors, as well as our ratings agencies Standard and Poor's and Moody's. I outlined how the Palaszczuk government's strong financial management and whole-of-balance-sheet approach have resulted in general government debt that is \$10.4 billion lower today than it was forecast to be in the LNP's last budget. Amid global uncertainty and events like Brexit, as well as a federal government that has been placed on negative watch, Queensland's economic growth and debt plan are clear positives.

We recognise that much of our growth is export led, but over the last 18 months we have worked hard to further diversify our economy through our Advance Queensland strategy. State final demand, which was negative 2.6 per cent in the final year of the Newman-Nicholls government, has subsequently improved over the last 18 months and is forecast to grow again by 1.5 per cent in 2016-17 before strengthening further to three per cent in 2017-18. The key result of our three key priorities—growing innovation, attracting investment and building infrastructure—is employment growth of around 1.75 per cent per annum over the coming years, while unemployment is forecast to fall to 5.75 per cent over the forward estimates—nearly a percentage point lower than where the LNP left it. In the meantime, we are investing in job creation through our \$40 billion four-year infrastructure plan, by bringing back Skilling

Queenslanders for Work and other initiatives such as our \$100 million Back to Work program dedicated to regional Queensland.

The most important measures, however, are those which demonstrate how Queenslanders who buy and sell goods every day believe the economy is performing. The latest Westpac-Melbourne Institute survey shows Queensland's Consumer Sentiment Index rose 3.8 per cent to a reading of 102 in August 2016. This was above the national average and in positive territory for the first time in more than two years on a trend basis, with consumers more optimistic about the state's growing economy. Similarly, the Sensis Business Confidence Index for small to medium businesses in Queensland reached a four-year high in the June quarter 2016 at positive 36 points—double the result recorded a year ago. This follows the NAB Business Confidence Index, which has consistently shown Queensland having nation-leading business confidence over the last 12 months. Even Prime Minister Malcolm Turnbull recognised that earlier this year despite the constant negativity of his state colleagues.

Queensland consumers and Queensland businesses are right to feel confident about our future, given the improvements to our economy over the last 18 months and the nation-leading growth still to come as a result of the Palaszczuk government's economic plan.