




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) (9.51 am): The Palaszczuk government's economic plan has laid the groundwork for the return of business and consumer confidence in the Queensland economy. This week's release of the National Australia Bank Business Survey for August 2016 again showed Queensland at the top of the rankings for business confidence. Like the July survey, Queensland shares top spot on the business confidence ladder with New South Wales with a ranking of +7 showing that business in the state has positive expectations for conditions in the coming month. Queensland is still at the top of the NAB index among mainland states, as it has been for the past year. The Prime Minister cited the NAB survey back in February to say that business confidence was strongest in Queensland at that time, and that is where we have stayed.

Yesterday, the latest Westpac-Melbourne Institute Consumer Sentiment Index was released for September which showed a rise of 1.3 per cent in Queensland's consumer sentiment index to reach 103.3, second only to New South Wales and ahead of the national average of 101.4. On a three-month moving average for Queensland, we are at the highest level achieved since November 2013. These consumer and business confidence results are a reflection of an economy that is returning to growth after the worst performance in a generation in the 2014 calendar year. Queensland is now a place where businesses and consumers are willing to spend. The return of positive sentiment in the economy is also driving the return of positive growth in Queensland's economy. We have already chalked up the strongest growth in the nation during 2015-16, estimated at around 3.5 per cent. This is a great outcome in light of global conditions and international peers that are adjusting to a new low-growth environment globally. Queensland Treasury forecasts our economy to be the fastest growing in Australia at four per cent in 2016-17. That is one per cent higher than forecasts for New South Wales and Victoria and almost three per cent higher than Western Australia.

Private analyses broadly reflect this position. The Deloitte Access Economics business outlook for June forecast Queensland to have the strongest growth in the country in 2016-17. We are forecast to grow faster than the national economy through to 2025-26. The NAB state update for July 2016 forecast our real GSP to grow solidly over the next two years. Queensland is a diverse economy and this diversity is our strength. While key sectors and regions are affected by global conditions such as soft prices and demand for our resources, the overall outlook for growth is good. However, this government is committed to providing additional support for regional economies because some regions and some sectors are not transitioning as quickly as others in the wake of the peaks of mining boom investment.

I have always said that there are great reasons to be confident about the Queensland economy. We have the best resource of human capital in the Southern Hemisphere, attracting the high-knowledge jobs for tomorrow; we are blessed with superior natural resources which underpin our mining and agriculture sectors; our spectacular natural environment is the envy of the world, which attracts tourists to our shores—never more so than right now—and this is all on the doorstep of the biggest middle class in the world in Asia. With a government that backs Queensland, consumers and businesses have every right to be confident in our future.