



Speech By  
**Hon. Curtis Pitt**


**MEMBER FOR MULGRAVE**

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## **MINISTERIAL STATEMENT**

### **State Finances**

 **Hon. CW PITT** (Mulgrave—ALP) (Treasurer and Minister for Trade and Investment) (9.54 am): I have good news for Queensland. Today I can advise the House of the latest Queensland State Accounts, which show strength and growth in our state economy as a result of this government's economic plan. The latest Queensland State Accounts figures show the best quarterly economic growth result in Queensland in five years and confirm the continuing strong upturn in the Queensland economy. For the four quarters to the March quarter 2017 they show trend gross state product growth of 3.9 per cent compared with 1.2 per cent for the rest of the nation. The March quarter result of 3.9 per cent sees growth strengthen from 2.8 per cent in the December quarter 2016. In the March quarter our economy is growing at 1.2 per cent in trend terms compared with 0.3 per cent for the rest of Australia. The March quarter figure for Queensland was also up on the December quarter 2016 figure for GSP growth of 1.1 per cent.

The QSA figures expose the previous criticisms of federal Treasurer Scott Morrison that Queensland is somehow a drag on the national economy. The facts are there in black and white. If Queensland's growth were not as strong as it is, Australia's growth would be much lower. The figures show that our economic plan is on the right track and has reinjected growth into the Queensland economy. Before Labor took office, growth under the LNP was just 0.8 per cent in the four quarters to the December quarter 2014, which is the lowest since the GFC.

As previously acknowledged, Tropical Cyclone Debbie is expected to impact growth figures by around 0.75 per cent from the loss of around 10 million tonnes of coal exports and damage to other industries, with an economic impact of around \$2 billion. That impact is likely to show up initially in the figures for the June quarter 2017, which are yet to be published. The latest figures show that our economic plan is on the right track and has reinjected growth into the Queensland economy. Queensland's stronger economic growth is being underpinned by our strong export performance, notably our robust resource driven trade sector. Queensland Treasury estimates our state's trade performance to continue to be a major driver of growth, with net exports contributing 1.2 percentage points to GSP growth in the March quarter. This has occurred as a result of both higher exports and lower imports, but the signs of an upturn in our state's domestic economy are still evident. State final demand—a key indicator of domestic conditions which excludes our trade performance—recorded its fifth consecutive quarter of growth in the March quarter after nine consecutive quarters of contraction. State final demand rose 0.3 per cent in the quarter to be 1.5 per cent higher over the year. A key component of this was continued growth in household consumption, which was up 0.6 per cent.

I have been talking about Queensland's economy being in transition following a period of weakness as LNG construction activity wound down from the highs of the resources boom. Now we can see clear evidence of continuing improvements in domestic economic conditions because of the initiatives we have taken in three state budgets delivered under our economic plan. Under Labor, the

Queensland economy is in a much stronger position than the one we inherited in February 2015. Growth is higher, debt is down, confidence is up and we have created 77,300 net new jobs. We know that we have more to do and we will continue implementing initiatives under our economic plan to drive growth, lift investment, foster innovation and create more jobs.