




Speech By
Dr Christian Rowan

MEMBER FOR MOGGILL

Record of Proceedings, 12 March 2025

QUEENSLAND PRODUCTIVITY COMMISSION BILL

 **Dr ROWAN** (Moggill—LNP) (12.23 pm): I rise to address the debate on the Queensland Productivity Commission Bill 2024 which delivers on yet another key election commitment of the Crisafulli LNP state government. This legislation will restore an essential pillar of economic growth and prosperity in our great state. This legislation is not just about reinstating an institution; it is about reinforcing the Crisafulli LNP state government's commitment to improving productivity, enhancing competitiveness and securing a brighter economic future for all Queenslanders. The Treasurer outlined that clearly to Queenslanders in his contribution. We thank him for the work that he has put into this to date and there will certainly be more work into the future.

The importance of enhanced productivity cannot be overstated. It is the key driver of economic growth, higher wages and improved living standards, yet under the former Labor government productivity was neglected with Queenslanders suffering the consequences. Weak productivity growth has had real-world implications for our state, with lower economic growth and lower wages along with associated employment and inflation impacts. These are not abstract economic concepts; they are challenges that affect every household, every worker and every business across our state.

It is important to understand the historical context of the Queensland Productivity Commission and why its re-establishment by the Liberal National Party is so vital. The Queensland productivity commission was first introduced in 2015 by the then treasurer, with the stated goal of providing independent economic advice to lift productivity. Indeed, even as the now leader of the Labor opposition acknowledged when in government, the commission had a vital role with respect to that.

Despite these acknowledgements, Labor systemically undermined the commission's relevance. In its first year alone, the commission was referred four inquiries on critical issues, including electricity pricing and service delivery in Indigenous communities. However, over time the Labor state government effectively starved the commission of work, referring only seven matters between 2016 and 2021 when it was abolished altogether under the then treasurer, the current member for Woodridge. The member for Woodridge defended this outcome by claiming the productivity commission's work would be continued within government agencies. However, this was seen by many as dubious at best, given the loss of an independent and rigorous body.

The consequences of Labor's neglect of productivity in Queensland have been substantial. A 2020 report from the Queensland productivity commission itself highlighted a troubling decline in productivity since 2015. We know that, had productivity growth remained at its pre-2018 average, Queenslanders' real per capita income could have been \$11,000 higher in 2023-24. Instead, we have seen declining productivity in key industries such as construction and utilities, where productivity has grown by less than 17 per cent over the past three decades compared to 64 per cent in the broader market sector. Such stagnation is costing Queenslanders potential job opportunities, higher wages and economic security.

It is in this context that the Crisafulli LNP state government is committed to reversing this decline. In 2022, it was made clear to Queenslanders that an LNP state government would restore the Queensland Productivity Commission and today we are delivering on that promise. Restoring the Queensland Productivity Commission is not a symbolic move; it is a substantive reform aimed at reinvigorating Queensland's economic engine.

Restoring the Productivity Commission is just the first step. This important independent institution will play a pivotal role in shaping a positive future for the Queensland economy. It will help to reduce cost-of-living pressures, improve public services and build the infrastructure that Queensland desperately needs. What is particularly important for our businesses across Queensland is that the re-established Productivity Commission will also drive one of the LNP state government's key economic imperatives: cutting red tape and reducing unnecessary regulation. This will lower costs for businesses and consumers, enhance investment and ensure Queensland remains an attractive destination for industries looking to expand and innovate.

The Liberal National Party state government made it clear that the Queensland Productivity Commission will waste no time in examining and getting Queensland's productivity back on track. Importantly, the first major inquiry for the commission will focus on productivity in the building and construction industry—an industry that has struggled with declining productivity growth in recent years. By increasing the productivity of this sector, we can improve housing affordability, reduce costs for businesses reliant on construction inputs and ensure that the state government's Capital Works Program is delivered on time and on budget. There is no doubt here in Queensland that we need to ensure that we have sufficient housing stock coming online, and the Queensland Productivity Commission will assist with that task.

This is not just about economic efficiency; it is about ensuring Queenslanders have access to affordable housing, better infrastructure and a more resilient economy. In addition to this, the commission will be tasked with preparing an intergenerational equity report. This will ensure that government policies not only are benefitting the economy today but also are sustainable for future generations. The ultimate substance of this legislation is about ensuring independence and accountability. These are hallmark features of the Liberal National Party state government. This legislation sets out a clear framework for the operation and governance of the commission. Crucially, it will be established as an independent statutory body, ensuring that its work is free from political interference. This independence is vital for restoring public confidence in economic policymaking.

In short, the Productivity Commission will identify areas for improvement in policy and regulatory settings to support business growth and income growth; provide independent analysis and recommendations to the government on economic, social and regulatory matters; operate with core values of independence, rigour, responsiveness, openness, and effectiveness; and it will be led by a full-time Queensland Productivity Commissioner, appointed by the Governor in Council, with up to three additional commissioners, as required. I also note that, importantly, the commission will conduct inquiries through an open and transparent process informed by public consultation and, what is more, maintain full control over its reports and findings, ensuring recommendations remain independent and contribute meaningfully to the policymaking process.

In an increasingly competitive global economy, Queensland cannot afford to be left behind. Other states and nations are investing in productivity-enhancing reforms, cutting red tape and modernising their economies. If Queensland fails to act, we risk falling behind, losing investment and stifling economic growth.

The re-establishment of the Queensland Productivity Commission by the Liberal National Party government demonstrates our commitment to securing a better future for all Queenslanders. It is a commitment to evidence-based policymaking, as well as economic growth and a more prosperous Queensland.

This legislation is the first step in restoring Queensland's economic potential by putting in place the structures that are needed to drive long-term growth, create jobs and ensure Queenslanders enjoy a higher standard of living.

In concluding my contribution today, the Crisafulli LNP state government is committed to making Queensland a leader in economic reform and in productivity growth. By re-establishing the Queensland Productivity Commission, the Crisafulli Liberal National Party state government is taking a decisive step in delivering a more competitive, prosperous and resilient future. As such, I commend the bill to the House.