

Question on Notice

No. 1639

Asked on Thursday 30 October 2008

MS MALE ASKED THE MINISTER FOR TRANSPORT, TRADE, EMPLOYMENT AND INDUSTRIAL RELATIONS (MR MICKEL) —

QUESTION:

With reference to the significant economic volatility during the last few weeks—

Will he advise how this economic crisis will impact on Queensland's export market?

ANSWER:

The world has seen significant economic volatility during the past weeks as the crisis that started in the US credit markets deepens and governments the world over respond to the turmoil with unprecedented assistance packages to shore up and return confidence to the global financial system.

This volatility will continue for some time yet as the crisis that commenced in the United States credit markets spreads to the real economy and reduces growth around the world.

Queensland and Australia will not be totally immune to these world events – slower world growth will affect the Queensland economy – but Queensland is amongst the best placed in the world to weather the economic crisis.

Queensland's export profile is broadly diversified and balanced amongst the major global economies. It includes a mix of both emerging and developed markets. This diversity will assist Queensland to ride out the economic shockwaves as some of our trading partners' economies slow more than others. Our top ten export destinations are balanced and diversified throughout Europe, Asia and the Americas.

The Queensland Government is committed to growing the Queensland economy during this period of global economic turmoil.

In a softening global economy, overseas exports by Queensland firms diversify the Queensland economy to help it weather adverse economic conditions.

The latest Queensland's export statistics supplied by the Australian Bureau of Statistics is encouraging. Queensland's merchandise exports were valued at almost A\$15.5 billion in July to September 2008/09, which equals to a 83% growth compared to the same period last financial year (July to September 2007/08). The same statistical comparison shows a merchandise exports growth in Western Australia of 48%, New South Wales of 28% and Victoria of 5%.

I am advised in 2007/08 financial year, Trade Queensland achieved \$521 million worth of export sales by client firms. This was well ahead of their target for the year.

In 2008/09 Trade Queensland continues to assist Queensland businesses and is implementing some 29 strategic export projects targeting export opportunities in priority markets and for priority sectors.

Despite the current global economic crisis, export outcomes for Queensland companies for the first quarter of the financial year encouraging. Between July and September 2008, Trade Queensland assisted Queensland exporters to generate an estimated \$62 million worth of exports.

Our key markets continue to perform well in the first quarter of 2008-09, with Trade Queensland assisted export deals to China worth some \$26 million and \$12 million to the Middle East and India.

Trade Queensland continues to open up new markets for Queensland, including Latin America, with strong relations established with key business and government decision makers in Colombia, including the Ministry for Trade and Commerce, Ministry of Mines, the Colombian National Coal Association, the National Mining Association and the Colombian Energy Producers Association.

Assistance to Queensland firms includes providing export advice, market information and skills development programs to help companies make informed export decisions on the path to achieving exporting success.

In the first Quarter of the 2008-09 financial year, Trade Queensland delivered 44 exporter development initiatives such as Global Connect Networking Events, Getting Export Smart workshops and seminars, Export Master Classes, e-marketing training for the education industry as well as pre-mission market intelligence briefings.

Trade Queensland also supports businesses through industry-focused trade missions, business introductions that are linked to inbound trade visits, and other Queensland export promotional events held within the State and internationally. 84 such trade initiatives were delivered by Trade Queensland from July to September 2008.

For Export Week held in October 2008, over 2,000 business representatives attended seminars, market briefings and networking events throughout Queensland.

Exporting is important to Queensland. One in five jobs is linked to exports and this figure rises to one in four in regional Australia.

Encouraging and assisting overseas trade and investment remains at the forefront of this Government's plan for the future.