

Remainder incorporated, by leave

PREMIER
LAIN UPON THE TABLE OF THE HOUSE
THE CLERK OF THE PARLIAMENT

JF
9/10/03

Economy Ministerial Statement

Independent experts continue to expect Queensland to drive national economic growth.



In its September quarter 2003 Business Outlook report, independent analyst Access Economics stated:

"Any State that can rack-up more than 5% growth in output in a year that included SARS, the Iraq war, striking global weakness and failure of the Broncos to make the Grand Final deserves all the applause it can get."

Access's bullish forecast of 5.5 % economic growth - which is above our forecast of 4.75 % - is a resounding vote of confidence in Queensland's economy.

Access points to a range of factors that have helped drive Queensland's success - including population growth, housing activity, consumer spending and investment.

Comparing various states and territories, it expects Queensland to continue growing faster than Australia as a whole.

One of our key sectors is small and medium enterprises, and I noted with interest the recent Sensis Business Index (formerly known as the Yellow Pages Business Index Survey).

This showed business confidence among Queensland SMEs rising for the fifth consecutive quarter.

The business confidence index for Queensland for the next 12 months stands at 71 – 10 percentage points above the national average of 61.

Sales, profits and capital expenditure indicators are all up.

Strong economic activity is great news for jobs.

The ANZ job advertisement numbers for Queensland increased by 2.4 % in September, to be 11.4 % higher over the year.

In contrast the annual job series for Australia declined by 0.9 per cent.

Queensland's job advertisement numbers are now at their highest level since October 1989 - the best in 14 years.

Australian Bureau of Statistics data show 53,600 jobs were created in Queensland in the past year.

This was the highest number of jobs created in any State and comprised about one-third of all jobs created nationally.

The August trend unemployment rate was the lowest rate since January 1990.

This contrasts to the peak jobless rate delivered by the Coalition when in government - **9.5 %**.

However we won't be complacent.

Signs of an emerging international recovery are becoming clearer, but we want to see this growth reflected in exports.

And future interest rate rises are looming on the horizon as another challenge to business and households.

It remains to be seen whether the Federal Government can deliver on housing affordability by keeping interest rates in check.

In the face of these challenges the Queensland Government will do all it can to maintain Queensland as the economic engine room of Australia.