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SUBJECT: Queensland Economy

MEMBER: Mr PEGG

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Queensland Economy

 **Mr PEGG** (Stretton—ALP) (11.49 am): In the last sitting of parliament for 2015 I had the privilege to talk about how the economic position of Queensland has improved immeasurably since the election of the Palaszczuk Labor government. As well as listening to the people of Queensland, this government has improved the state's finances, reduced unemployment and focused on an innovation-led approach to economic growth—an approach that is paying handsome dividends in just 12 months of this government being in power. After the complete fiscal recklessness of the former LNP government, it is remarkable just how quickly the Premier and Treasurer have been able to get Queensland back on track.

Last year, the former Treasurer, the member for Clayfield, said a number of entertaining things about me. There is nothing wrong with a bit of entertainment and colour in political life. He also referred to me as an economic genius. So I take this opportunity to thank the member for his very kind compliment. However, that comment also reflects a grudging recognition by the member for Clayfield that this government is quickly reversing the LNP's fiscal mismanagement without putting fear into the hearts of public servants, nurses, doctors and other hardworking Queenslanders.

Let me remind the House of just a few of the absolute unmitigated economic and fiscal failures of the former administration of which the member for Clayfield was a key part: the sacking of 14,000 public servants in 2012 for no economic benefit; the increase in Queensland's debt from \$62.6 billion in 2012 to \$75.5 billion in 2014-15; the increase in Queensland's taxes by \$600 million—all this from the supposedly low-tax LNP; the increase in Queensland's unemployment rate from 5.7 per cent in early 2012 to 7.1 per cent by October 2014 in seasonally adjusted terms—this from a former premier who fancifully claimed that he was committed to reducing unemployment to four per cent; and, of course, the LNP classic, a desperate attempt to have a fire sale of the prime silverware by liquidating \$37 billion in highly profitable assets and then using \$8 billion of this money for wild and irresponsible pork-barrelling election commitments. That is indeed a legacy of failure, a litany of wasted opportunities.

Fortunately, Queensland is rapidly recovering from this quagmire. I would like to share with the House just some of the economic achievements that this government has realised over the last 12 months. Last year, I noted that the unemployment rate had fallen to 6.1 per cent in December. I am happy to see that unemployment has remained at this rate in trend terms and that 9,600 new jobs have been created in January alone. Queensland's growth is stronger than ever, with the midyear fiscal and economic outlook forecasting growth of four per cent this financial year and 4.5 per cent in 2016-7. The Deloitte Access Economics *Queensland business outlook* from December backs this up, stating that Queensland's growth will outpace that of all other mainland states this financial year.

We have a superior budget position for the state, with an operating surplus of \$1.175 billion this financial year and with this surplus increasing every year up to 2018-19. During 2015, Queensland building approvals increased by almost 27 per cent, which represented almost 49,000 new dwellings being approved last year. Queensland now leads the nation in the strength of our building approvals.

In 2015, overseas merchandise exports were up over 16.7 per cent, with LNG exports representing over \$1.75 billion in value over the period, powering the Queensland economy with clean, green exports. There were also very strong indications of confidence from the business community, with the January NAB monthly business survey indicating that Queensland's business confidence was the highest of any mainland state for the sixth month in a row.

The member for Clayfield and the LNP fail to understand, or just do not want to hear, that you cannot cut your way to prosperity through attacking people's income and conditions. That is old thinking reminiscent of the 1980s. In 2016, you have to focus on innovative approaches to growing the fiscal pie so that all Queenslanders can benefit from economic growth and achieve their full potential. Fortunately, owing to Treasurer Pitt's fiscal rectitude and the innovation-led approach of this government, which promotes growth rather than cutting it, Queensland now has a bright economic future. Of course, one

example of this approach is the groundbreaking \$180 million Advance Queensland program. This is an economic future based on hope rather than fear—the very real fear that, if the LNP is re-elected, there will be mass job cuts and privatisations courtesy of the member for Clayfield and the LNP and their unreconstructed and ill-judged 1980s neoliberal policies.