



Anna Bligh MP
Member for South Brisbane



Media statement

Deputy Premier,
Treasurer and
Minister for State Development,
Trade and Innovation

6 June 2006

Qld's economy outperforms the nation – 10 years in a row: Bligh

Queensland's economic growth rate - for the 10th year running - will beat the national average, Queensland Deputy Premier and Treasurer Anna Bligh said today

"Driven by a strong domestic sector, the Queensland economy is expected to grow by 3½% in 2005-06, beating growth nationally of 2.5% for the tenth year in row," Ms Bligh said.

"We truly are the nation's engine room. Today's outstanding economic data is centred on our on-going prosperity and on wise and prudent management.

- Business investment is estimated to grow by 16½% in 2005-06 encouraged by strong global conditions and rising rates of capacity utilisation.
- At 5% the State's unemployment rate is expected to remain around a 30-year low below the national rate (5¼%).
- Employment is expected to rise by around 55,000 people in 2005-06, reflecting broad-based job gains across sectors such as construction, retail trade and mining.
- The labour force participation rate is estimated to rise to an all time high of 66¼% in both 2005-06 and 2006-07, as strong economic conditions encourage a greater share of the population to participate in the labour market than ever before.

"We are the nation's jobs generator. Today's data again shows Queenslanders that their trust in us is well founded," she said.

"These results can only be delivered by a strong and stable government.

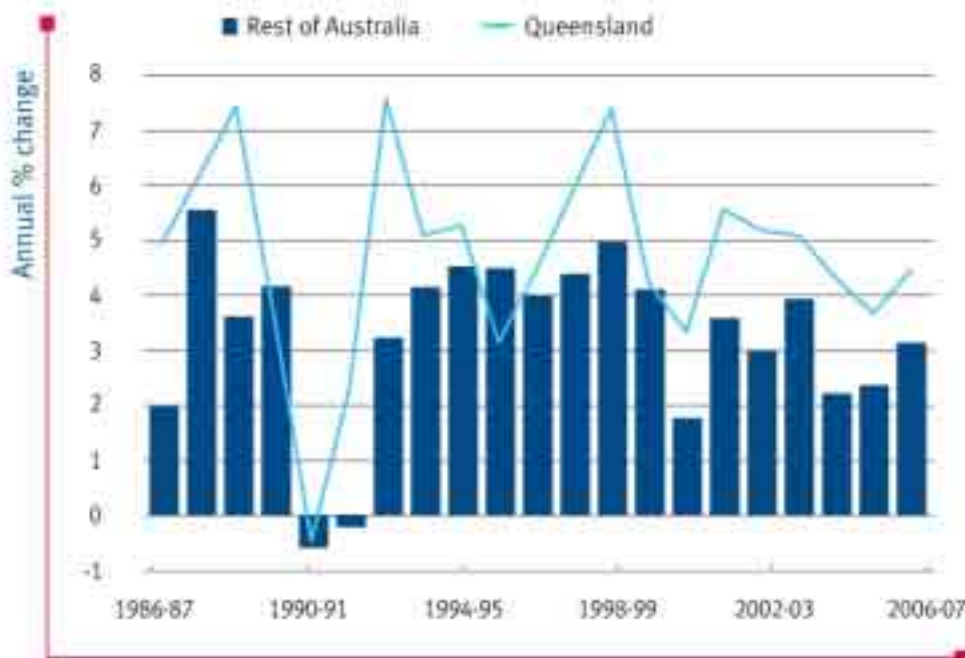
A significant improvement in exports growth is forecast to see overall economic growth in Queensland strengthen to 4¼% in 2006-07.

- Growth in export volumes is forecast to accelerate to 4¾% in 2006-07, representing the highest rate of growth in six years

- Growth in coal and base metal exports is expected to strengthen, reflecting growth in trading partners and expansions to trade-related infrastructure
- Favourable commodity prices are forecast to maintain strong export returns, corporate profitability and consumer spending in 2006-07
- High rates of growth in business and consumer spending are forecast to continue to support the domestic economy and jobs in 2006-07
- Household consumption is forecast to grow at 4½% for the second year in a row despite higher interest rates and oil prices, reflecting strong growth in consumer incomes and wealth
- Business investment is forecast to surpass \$25 billion in 2006-07, reflecting further growth in engineering and non-residential construction, as well as machinery and equipment investment
- Employment is forecast to rise by a further 2½% in 2006-07, more than double the national jobs growth forecast of 1%

“By any measure of achievement - the success of the past 12 months and positive projections for the coming 12 months mean we are exceeding expectations.

“I’m proud to tell Queenslanders we have strong economic growth, thousands more jobs and our key economic indicators are heading in the right direction,” she said.



Note: 1. 2005-06 is an estimate actual; 2006-07 is a forecast
 Sources: Queensland Treasury, Australian Treasury.

Media Contact

Steve Keating/Chris Taylor

3224 6900