Call for Qld Government to fund job-generating infrastructure

Daryl Passmore, The Sunday Mail (Qld)
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QUEENSLAND is attracting rising numbers of people to live in the state – but failing to create the jobs they need, says new analysis.

Peak industry groups for property, business and infrastructure are challenging the State Government to use next week's mid-year fiscal and economic review (MYFER) to refocus policy direction and close a growing "performance gap'' between Queensland and New South Wales.

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They say the emphasis needs to be on stimulating investment on infrastructure to generate private sector employment rather than further padding the public service.

"With the NSW housing market coming off the boil, now is the perfect opportunity for Queensland to seize the economic initiative and entice new investment north," Property Council Queensland executive director Chris Mountford said.

The Sunshine State has reclaimed its traditional lead over its neighbour in population growth rate over the past year.

But employment figures are tracking in the opposite direction. New South Wales' unemployment rate has fallen to 4.4 per cent while Queensland's sits stubbornly at 6.3 per cent.

"As more people move north, we must ensure that we're crating enough jobs for them," Mr Mountford said.

Property Council Queensland executive director Chris Mountford says the performance gap between Queensland and NSW is widening.

The southern state is enjoying the fruits of an infrastructure-driven boom, which is leaving Queensland in its shadow and is forecast to intensify over the next few years.

Analysis commissioned by the Property Council said that Queensland consistently spent a much greater proportion of Gross State Product on developing infrastructure than NSW did between 1999 and 2014.

But forward Budget outlooks show that trend will be reversed for the first time between 2019 and 2022 – four-year period during which NSW will invest $87.2 billion on infrastructure, almost double Queensland's $45.8 billion expenditure.

"A business-as-usual MYFER response will only allow NSW to get further ahead," Mr Mountford said.

It needed to be a circuit-breaker to supercharge economic growth through encouraging greater private sector investment.

Infrastructure Association of Queensland chief Steve Abson said: "It's critical for industry that agencies do not underspend on capital works, a situation which has plagued the government until being redressed in 2017-2018.

Premier Annastacia Palaszczuk has more to worry about than Queensland's rugby league prowess.

"This MYFER will give an indication if last years positive result was a 'flash in the pan', or whether capital profiling and monitoring measures are actually working."

Australian Industry Group's Queensland head Shane Rodgers said: "The State Government needs to focus heavily on delivering its infrastructure promises and getting momentum flowing through the economy.

"Despite the mining comeback, the Queensland economy does not seem to have kicked up as quickly as we might have expected this financial year.

"Jobs growth is sluggish and the unemployment rate is sitting in uncomfortable territory."

Chamber of Commerce and Industry Queensland general manager of advocacy Kate Whittle said the accelerated level of public servant hiring was a concern, with more than 40 per cent of state spending allocated to wages.

"The state's debt constraint is the key sticking point as Queensland taxpayers can only look on enviously as NSW and Victoria power ahead by taking sensible decisions about leasing assets and unleashing an investment wave which sees those two state's as the nation's leading economic lights," Ms Whittle said.