Qld Economic Update

Presentation by Gene Tunny at the Brisbane Club, 21/6/19
March quarter turned out better for Qld than for southern states…
...but National Accounts confirm Qld economy highly dependent on Qld Gov't spending for growth.

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Decomposition of quarterly % change in SFD, ABS seas. adj. estimates, Mar-19

- Public co's capital investment
- Ownership transfer costs
- Household consumption
- Gov't consumption
- General Gov't capital investment
- Dwelling investment - private
- Business investment

% point contribution to quarterly % change in State Final Demand

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Decision Defining Insights | adepteconomics.com.au
Inner City Brisbane will really start to notice Cross River Rail construction activity soon.
“That don’t impress me much” - Qld Gov’t $49bn capital works program over four years as share of economy
For the full story on how the Qld Gov’t accumulated so much debt

Published by Connor Court and available at Folio Books & State Library Bookshop

BEAUTIFUL ONE DAY BROKE THE NEXT
Queensland’s Public Finances since Sir Joh and Sir Leo

Gene Tunny
Excluding households doing renovations, private sector hasn’t been too excited
Infrastructure pipeline not gushing...although Adani mine not included in these ABS estimates yet.
Residential building approvals have plunged.

Value of building approvals, monthly ABS Trend estimates, Apr-09 to Apr-19

NSW

Queensland

Victoria

Type
- Non-residential
- Residential
Goods exports have surged in the last few years. Qld economy now highly dependent on China.
Over recent months, exports have fallen from end of 2018 levels
Services exports strong, too, as Queensland benefits from international education boom
Qld employment growth has been below that of southern states recently.
Qld’s unemployment rate stuck around 6%
Average earnings growth remains low

Average weekly adult ordinary time earnings, ABS estimates

Through-the-year growth rate (%)

Month

Series: Seasonally Adjusted, Trend

NSW | Queensland | Victoria | WA
Qld businesses generally not confident about state economic outlook

Suncorp CCIQ Pulse Survey responses, Dec. qtr 17 to Mar. qtr 19: How do you expect the Qld economy to perform over the next 12 months?

Source: Suncorp CCIQ Pulse Survey of Business Conditions
Qld & Australian economic growth projected to be modest
Don’t get too excited by interstate migration yet

Components of population change as % of Qld population, ABS estimates, 1988 to 2018

- Natural Increase
- Net Interstate Migration
- Net Overseas Migration
- Total

Year

1990 2000 2010
Thank you. Any questions?

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