



**The Hon Jim Chalmers MP
Treasurer**

TRANSCRIPT OF REMARKS

**THE REGIONAL DEVELOPMENT AUSTRALIA
LOGAN & REDLANDS SUMMIT
TREASURER THE HON JIM CHALMERS
BRISBANE 29 SEPTEMBER 2022**

Thanks for that lovely introduction. Good morning everybody, can I begin by acknowledging the elders, customs and traditions of the traditional custodians in this part of the land. Thank you for the opportunity to be here, thanks to Lisa for running the show today. Thank you to Gary [*Hardgrave, Chair*] for the invitation, to Steve [*McDonald, Director*] as well. And to all of you who join us here at Sirromet. This is really, as we all know, one of the great local assets that we have, and it is appropriate I think, that we meet somewhere in between the big population centres of Logan and Redlands as well. There are a lot of familiar faces in the crowd today, and I won't be able to acknowledge everybody. But I did want to acknowledge colleagues from the state parliament, I see Don Brown, I see Kim Richards. Council colleagues, I see Jacob Heremaia from division eight, Logan City there. I see the Mayor of the Scenic Rim and the Mayor of Redlands, it's good to see you both. I see old friends, Steve Beckett and John Perry, a whole bunch of you who I've had the great fortune of working with for some time now. So I want to thank you for that, as well as for the opportunity to speak with you today.

One of the first things I did when I was elected the Member for Rankin - which is the northern end of Logan City and a couple of the southwestern suburbs of Brisbane - was go and see the then-head of the RDA, because I do really appreciate the role that you have played and that you are playing. One of those great roles is bringing people together like you are today for this really important discussion. Logan obviously does have a dear place in my heart, as Gary was kind enough to mention a moment ago. The way I see it when people are asking me about what Logan means to me, I say that I would like to be considered as a Logan person who happens to be the Treasurer, not the Treasurer who happens to be from Logan. My community does mean a lot to me, as it means to all of you as well, I think that's the most important thing that we have in common.

I'm conscious that you've got a lot of important discussions to have today, particularly about some of the local investment that we want to see in our community, and the benefits that will flow from that. I'm conscious that you've got this plan out to 2042 which I think is bang-on in terms of the right kind of horizon, when we think about the kind of investment that we need in our communities. But I wanted to say as well, lest you think that my focus is either purely national or purely Logan, that Redlands has a place in my heart too. When I was in my late teens in the late 1990s, and when I was in my early twenties, I used to run the basketball program at the Redlands YMCA. And doing that drive today from Springwood to here at Sirromet, brought back a lot of memories because that's the drive I used to do at six o'clock every Saturday morning to run the basketball program out here. I think I've spoken to Don about that before, he knows my history in this part of the world. Your report's really important, and the community is really important.

As we think about investment in this community, in Redlands, in Logan, but in all the growth corridors of southeast Queensland, and in the growth corridors of the nation, we do have this massive opportunity with the Olympics coming up. I want to make sure that we don't think about the Olympics with a big spike in interest when we win the bid, and then it sort of disappears for a while, and then a bit of interest near the end. I think the onus is on all of us to make sure that we're making sure all of the contributions that we can make to the Olympic effort are being made as we go. Ten years sounds like a long time until you think about the task ahead of us. And from our point of view in the Albanese Government, we've just set up a group – which is my terrific friend Anika Wells, the Sports Minister, Catherine King, the Infrastructure Minister, myself and other colleagues – and we are turning our mind to the best contribution that we can make. Working closely with the state government, but also making sure that the investment from a federal point of view is the most meaningful investment that we can make. And I want to make sure that this big opportunity presented to us by the Olympics isn't just something which is felt in the core of Brisbane City, as important as that is, but it's something which delivers a lasting benefit for the growth corridors – for Redlands, for Logan, for the coasts, for Ipswich. We want to make sure that at the end of this – after we deliver an amazing Olympic experience, even better than what Sydney was able to do in 2000 – I want to make sure that the lasting benefit from the Olympics is not just a sense of local pride and national pride, but also genuine legacies in the growth corridors, like the one that we're in today.

So my commitment to you, my assurance to you, I've spoken to Anika Wells this morning about this aspiration, we want to make sure that we get real benefits for this community and communities like it outside of the Brisbane CBD, out of the remarkable opportunity afforded to us by the Olympics. So we will work closely with the Premier, with the Treasurer, Cameron Dick, with Steven Miles, with Stirling Hinchliffe, to make sure that the contribution that we make is with an eye to ensuring that the benefits are spread right across Southeast Queensland – right

across Australia, but particularly in Southeast Queensland, and not just in the very middle of Brisbane City. I know that's an aspiration that they share, we share it too, I know that you do as well. And so let's work together to make sure that we get something meaningful and lasting out of this Olympics opportunity, which is before us.

When you think about it, the Budget that I'll be handing down in less than four weeks' time, is a bit like that as well. It's got a lot of global context. It's got the national consequences and the national economic environment. But I want to make sure that we're also taking a local perspective on the Budget that I hand down in a little under four weeks' time. And of course, that means specific investments, specific types of investments in local communities, and some of the sorts of proposals that get put to us from time to time, including some of those that Gary mentioned a moment ago.

But today, what I want to try and do is link up the global, the national and the local, to give you a sense about how we approach some of the challenges that are in the economy right now. And it's no use tiptoeing around the fact that the global economic environment right now is becoming a pretty dangerous place. What has been the possibility of some of our major trading partners going into a recession has ticked over into a probability. It seems more likely than not, in some of the big countries with which we compare ourselves, some of our big trading partners, that they will go into some kind of downturn, if they're not there already. And so the context for the Budget that I'll hand down includes a pretty significant deterioration in the global economy, with global economic pressures intensifying rather than easing. That is most obvious in the US, where interest rates are rising fast; in the UK, which is proving itself to be a bit of a cautionary tale about the impacts, costs and consequences of decisions taken in uncertain times; and in China, as well, where growth has come off quite substantially too with obvious implications for us.

So that will be a lot of the context for the Budget. We have a lot going for us, and I'll come back to that in a moment. But it would be foolish to think that we can be completely spared some of the difficult economic conditions that we're seeing around the world. I'll obviously account for that in the Budget as well.

And so that's the global piece. And when we get to the national backdrop for the Budget, and we all know this, many of you who operate businesses know about inflation in your input costs, energy obviously, building costs, we've got labour shortages, which we'll come back to in a moment as well. And so there is substantial pressure on our domestic economy. And our Budget is really geared towards dealing with those challenges. We've got a high and rising inflation, falling real wages, interest rates are obviously rising and will bite before long. And we've got labour and skills shortages. We've got all of the consequences that that brings for employers right around Australia as well. And so that's the kind of domestic piece, when it comes to our economic pressures that we're dealing with as we work towards the Budget.

Despite all of this I am still relatively optimistic and upbeat about the future of our economy and the future of our country. But I want people to understand that in order to get from the difficulty that we currently confront, to the stronger economy and better future that we all want to see for our communities and our country, we do have to tread a pretty perilous path to get there. And I don't want Australians to be under any illusions about that, we do have some difficult challenges to deal with. They feel it in their household budgets, small business owners feel it, trying to make ends meet as well, and trying to keep the doors of businesses open. Big employers feel it as well, we do understand those pressures, and there's no use pretending them away, we should be upfront with each other about that. Even as we recognise that if we get through this difficult patch, we have every reason still to be optimistic about the future of our economy and the future of our country.

We do have a lot going for us. We've got relatively good prices for what we sell the world. They've come off a little bit in recent times, but we're still getting reasonable prices. And that obviously has welcome consequences for the budget, the economy is still growing solidly. There are risks to that, of course, our economy is growing, but our challenges are growing, too. But we've had relatively solid growth in recent times. And I think most importantly of all, and Gary kind of touched on this as well, and I wanted to pick up on what he said about jobs in local communities – what we've got going for us is an unemployment rate, which is three and a half per cent, which is extraordinarily low by historical standards. And so if you combine all of that together, good prices for what we sell the world, even though they've come off a bit, relatively solid growth in our economy, and historically low unemployment, we've got a decent foundation from which to confront some of these challenges that are ahead of us in the global economy, and the domestic economy as well.

And where this merges with what Gary was talking about a moment ago, is when we brought together, Anthony Albanese and I brought together a bunch of people from around Australia to that Jobs and Skills Summit that we hosted earlier this month in Canberra, we wanted to do a few things. We wanted to make sure that we make our economy more productive. We wanted to make sure that when wages grow, they grow sustainably, we wanted to make sure that there is greater recognition of the gender challenges in our economy, whether it's equal pay or equal participation. But what we also wanted to do, is we wanted to make sure that we could translate a national unemployment rate of three and a half per cent into something meaningful for local communities as well.

I've been interested in the national economy for 20 years or so now, and what I've always tried to do is to recognise is that you want the numbers on the page to be

good, but you want them to actually be meaningful in communities. You want them to make a difference to real people in real communities like ours. And so a big point of the Jobs Summit was to try and say; we've got national unemployment at three and a half per cent, how can we make sure that people who have been traditionally excluded from the benefits of employment, including in pockets of the community that I grew up in and am proud to represent now, how do we make sure that we can hook people up with opportunities? We want to create opportunities in our economy, our economy is currently creating opportunities to work, but how do we combine that with people who have been traditionally excluded? How do we get people participating in work, and I know – and I think John and others around the room who basically dedicated their life to these tasks, and that's what the Government is very focused on as well.

So what I'll be doing today is releasing, out of the Jobs and Skills Summit, we want to do a White Paper on skills and employment. And I'll be releasing the terms of reference for that today, actually, so this is a good time to be here, as well. And I wanted to assure you that in addition to all of the things that you would expect to see in a white paper on skills and employment; how do we tackle these labour shortages, which are holding our businesses and our economy back; how do we make the place more productive; how do we train people for opportunities; how do we get child care right – a part of that I want to assure you is a very local emphasis on hooking people up to the opportunities in an economy that's got unemployment at three and a half per cent.

My personal belief is that the growth corridors of this country are the hope of the side when it comes to the future of our economy. I genuinely believe that, I've believed that for a long time, and not just because I knew that I'll be speaking with you this morning. That is really one of the things that motivates me, as the national Treasurer, is how do we make sure in the big growth corridors of southeast

Queensland, obviously, but around Australia, how do we recognise that the growth corridors of this country are the hope of the side when it comes to our national economy? How do we recognise that if we want the national economy to grow strongly into the future, that local economies like ours need to be a much bigger part of the story? That's what you're about. That's what I'm about. That's what the Budget will be about. That's what a lot of the considerations that we will confront together will be about, over the course of the next two and a half or three years. And so with that, I'm really pleased to be here with you today. I hope the discussions and your deliberations go well today, I look forward to staying in touch with you and working with you closely. And thanks again for the opportunity to say a few words at the start.

ENDS