

PREMIER'S SPEECH CEDA STATE OF THE STATE ADDRESS

ACKNOWLEDGEMENTS

- Traditional Owners

- Ministers:
 - Cameron Dick
 - Kate Jones
 - Mark Bailey
 - Mick De Brenni
 - Mark Ryan
 - Di Farmer
 - Craig Crawford

- Kyl Murphy - State Director and Company Secretary, CEDA

- CEDA Board

- Mayors, Councillors, Directors-General

- Ladies and Gentlemen

INTRODUCTION

Thank you all for being here today.

The CEDA State of the State Address is a unique opportunity for me to tell you what we are doing to address the challenges our state faces as we grow into the Queensland of 2020.

LAST 12 MONTHS

Since last we met, Queensland's population has grown past five million.

Since my Government was elected, more than 164,500 jobs have been created.

The value of our exports in the 12 months to July

this year was \$75.3 billion, more than New South Wales and Victoria combined for the same period.

Queensland will be home to the Boxer Combat Vehicle, after our partner Rheinmetall won the \$2 billion contract, which is the largest project in the history of the Australian Army.

We've opened new schools on the Sunshine Coast, Gold Coast, Logan and Townsville.

We're spending nearly a billion dollars expanding and improving hospitals in:

- Rockhampton
- Logan
- Caboolture
- Ipswich
- Blackall

- Kingaroy
- And Maryborough
- plus we're building new facilities in Townsville, Mareeba, Cairns and Roma, and I can announce today \$14 million to upgrade health facilities on islands in the Torres Strait.

We've had the eyes of the world on the Gold Coast for the most successful and inclusive Commonwealth Games ever!

And - we won majority government in the election last year!

QUEENSLAND 2020

So, what is next?

What else do we have to do, to maintain and strengthen Queensland's place in the world?

Sometimes, looking back where you've come from is helpful when charting the course forward.

That's what the historian William Coote did in 1882 when he reflected on the growth of Queensland from the time the last convicts were sent to Moreton Bay in 1839.

He wrote *"At the time when the convict rule was supposed to be nigh its end, Brisbane existed almost only in name.*

There were no streets, and nothing that could by any stretch of the imagination, be tortured into a town.

Fronting the river, adjoining what is now called William Street, stood the modest wooden residence of the Colony's Commander.

In its rear was a long row of old rubble buildings.”

As much as some things have changed, there's one that hasn't - there's rubble along William Street today, as the Destination Brisbane Consortium digs the foundations of what will become the \$3.6 billion Queen's Wharf development.

In 1882, as Coote wrote, he marvelled at the changes Queensland had seen.

He talked about the challenge of harnessing the potential of a vast state where almost any crop could grow and so many minerals could be found.

He envisaged a brilliant future for Queensland.

So today, as we look towards the year 2020, what does our brilliant future look like?

I'd say Queensland will be undergoing our own Golden Age.

EXAMPLES

- The second parallel runway at Brisbane Airport will be operating by 2020.
- A new cruise ship terminal will be operating by 2020
- Queen's Wharf and Cross River Rail will be underway by 2020.

- New hotels - The W, The Carlyle, The Westin and The Dorsett on the Gold Coast are expected to be open or under construction by 2020

And in other parts of the state:

- There will be rolling upgrades to the Bruce Highway and M1
- Queensland has four international airports - Brisbane, Cairns, Gold Coast, Sunshine Coast - and Wellcamp near Toowoomba as an export hub
- 15 Export Ports
- We have 180,000 km of roads
- We are home to the Great Barrier Reef, stretching 2,300 kilometres along our coast.
- We are building 7,000 kilometres of wild dog fencing

We will see:

- The Gold Coast Health and Knowledge Precinct
- Townsville Stadium's first game
- Cairns Performing Arts Centre
- Submarine Broadband Cable on the Sunshine Coast (driven by Mayor Mark Jameson)
- Gladstone will be expanding its biofuels capacity
- The Mackay Ring Road will be nearing completion
- In Rockhampton we will open the rail line to expand the Beef Capital's export capacity

And that's just to name a few.

RESOURCES

Last month I travelled both to the Torres Strait and to Weipa.

It was in Weipa that Ray Ahmat stood with me at Rio Tinto's \$2.6 billion Amrun bauxite mine and told me his son had just started at the same mine where he worked.

That project has brought generational jobs to the Western Cape - but its done more than that.

The aluminium that's made in Gladstone from Weipa's bauxite goes into mobile phones around the world.

As I told parliament last week, we're all carrying a little bit of Queensland around in our pockets.

It's a great example of turning our traditional strengths into our future competitive advantage.

For as long as the world needs steel, it will look to the Bowen Basin as its pre-eminent supplier of metallurgical coal.

Around the world we are also recognised as the best provider of the skills and technology that supports mining services.

We produce traditional minerals like zinc, nickel and copper.

We also have minerals like cobalt and vanadium that are used in wind turbines and batteries that are intrinsic to the renewable energy boom.

The North West Minerals Province near Mount Isa may contain rare earth minerals that are key elements in developing technologies.

With nations like Germany and China committing to building massive fleets of electric vehicles, demand for these minerals is set to boom.

TOURISM

As Asia's middle class grows, we are looking to expand the range of tourism opportunities that Queensland can deliver.

We are the closest western country to Asia, which is home to two-thirds of the world's population.

Since we came to office, we have seen international carriers put on an additional 2 million seats into airports from Cairns to the Gold Coast.

Qantas has so much faith in Queensland as a

destination it has based four of its Dreamliners here, to fly to the United States.

SCREEN

Another sector that is close to my heart, delivering long-term secure jobs is the screen industry - truly bringing Hollywood to the Gold Coast.

Everything from Thor to Dora the Explorer to ABC's Harrow and Netflix Tidelands.

And our screen industry now provides a constant stream of work for thousands of people, generating billions of dollars.

We've enhanced this by a recent \$12 million investment in new studios in Brisbane.

These facilities are ideally suited for screen AND stream.

AGRICULTURE

However, we know parts of Queensland are doing it tough, facing their sixth year of drought.

On that subject can I urge you to buy a ticket to our Queensland Parliament Drought Appeal reception next Thursday.

But innovation in agriculture opens up a world of opportunities.

Robotics and automation are making farms more efficient.

We are engineering new variants of crop that are resistant to Queensland's climate.

And we're assisting farmers to adapt their practices to deal with the reality of climate change.

Cementing Queensland's place as an outward-facing, export-oriented state has been one of my Government's key focuses.

With Brexit and the possibility of a US China trade war, we face an uncertain world.

That's why we must continue to diversify the markets we sell to.

ENERGY

Queensland's position as Australia's energy powerhouse remains unchallenged.

We have the country's youngest and most efficient fleet of coal-fired generators.

We have a pipeline of renewable projects that will generate over 20% of our energy needs by next year,

We're also the only state in the National Energy Market opening up gas reserves for domestic energy production.

With 90 percent of the proven gas reserves on the East Coast, we are helping to keep the lights on in

Sydney and Melbourne.

Unlike the Federal Government, we have a clearly defined energy plan in Queensland.

It is bringing certainty for investors.

It is lowering prices for prices for Queensland homes families and businesses.

We have \$5 billion in committed renewable investment (\$1.1B is already constructed and operating), and \$20 billion in the pipeline.

Last month I was able to officially open one of the largest solar farms in Queensland, constructed by Sun Metals zinc.

That \$200 million facility is made up of 1.3 million panels and will meet up to one third of their energy needs.

And we're progressing our biofuel industry towards reality by securing the big customers necessary to make it commercially viable.

Yesterday I joined executives from Virgin to announce that biofuel will be blended into their fuel stock at Brisbane Airport for domestic flights.

And in Townsville, my Government has provided more than \$3 million for a feasibility study into a possible \$2 billion battery factory.

HYDROGEN - AN NEW INDUSTRY

Another new industry is Hydrogen.

Hydrogen has long been seen as a potential energy source, but one that so far has proved difficult to produce and transport commercially.

Now, concerted effort is underway to overcome these challenges.

Japan, our second largest trading partners, is looking to Queensland for its future energy needs.

Japan has launched an ambitious program to be able to demonstrate hydrogen powered vessels at the 2020 Tokyo Olympics.

As part of this plan, QUT is working with Japan's Sumitomo Corporation and the University of Tokyo to develop specialised solar panels on a site in the Redlands.

Pilot sites for production have been identified in Gladstone.

We are talking about the potential to capture Queensland sunshine, then store it, and transport it to Japan as a source of renewable energy.

Today I am releasing a hydrogen discussion paper to receive your input on how we can advance this new and emerging industry in Queensland.

We need to ensure the skilled jobs are created here.

ADVANCED MANUFACTURING

When Holden and Toyota pulled out of Melbourne and Adelaide last year, many people saw that as the end of the automotive industry in Australia.

Queensland is now the largest vehicle manufacturer in Australia.

As manufacturing jobs decline in other states, they are growing in Queensland.

Last month I opened Volvo's new \$30 million national headquarters at Wacol.

The new facility can produce 67 tailor-made heavy duty trucks every week.

Both Volvo and Rheinmetall are in the corridor that stretches from Ipswich to Brisbane.

The reward it provides is a long-term industry that needs the support of many specialised small and medium businesses as suppliers - and a highly skilled workforce.

Queensland's reputation in the defence industries grows every day.

More than 100 companies are looking to become part of that defence industry supply chain.

We are also backing Rheinmetall in the \$15 billion Phase Three of Land 400.

If Enoggera is the army end of that corridor of

defence industries, Amberley is the Air Force end.

Through Advance Queensland, we have secured a deal with Boeing to become home to the company's largest autonomous systems program outside the US.

Drones have the potential to conduct search and rescue missions after natural disasters.

Once again, Boeing will be working with a number of local partners as their suppliers, providing a constant demand for engineers and technicians.

EDUCATION

How do we capitalise on these new opportunities?

Drone applications are now taught in Queensland schools.

Many of these new industries will build upon our traditional strengths.

But all of them will require new skills - for our existing workforce, and for children who are only just entering school.

The skills needed for almost any job are different today from what they were 40 years ago.

That is the constant ability to learn and relearn.

We must provide those training opportunities for Queenslanders throughout their working lives.

From Prep onwards, education should prepare us for life - and the opportunities it presents.

That's why I firmly believe STEM skills, and particularly coding and robotics are so important.

To be able to go to a school in Queensland, whether it's:

- Tieri State School in Central Queensland
- Tagai State College on Thursday Island or
- Baringa State School on the Sunshine Coast

it's amazing to see children from Prep onwards learning coding.

I first had the chance to see robotics up close at Softbank in Japan.

Softbank is now in discussions with Japan's Education Department about how to follow our lead.

It's estimated 90% of future jobs will require higher education at either university or TAFE.

That's why last week we announced that every student finishing high school in Queensland this year and next will be able to enrol in TAFE for free.

If we don't have the skills that industries need for these jobs - they will look overseas.

Business has called for this and we have listened.

That is why later this year I will convene a skills summit of some of the biggest companies in Queensland's traditional and emerging industries.

This is to ensure we are able to provide the necessary skills for the workforce of the future.

(CHRIS - STORY)

It's essential that future jobs are linked to what is happening in our education system - schools, TAFEs and universities.

This is something where industry, government, universities, the skills training sector and unions must all work together.

HEALTH CARE

Just as we are envisaging a classroom of the future - what does a future hospital ward look like?

That question is being addressed right now in Queensland, by people like QUT's Professor Mia Woodruff at the new Herston precinct.

The Institute is working out how to take tailored health care solutions to a place they have never been before.

Scanning, modelling and printing replacement body parts - not just bones and joints, but patient-specific skin and cartilage.

In the United States, there already factories generating thousands of these personalised 3D implants.

Some of that work will be done by robotics, but the opportunities that will combine disciplines of

engineering and health care may well need a degree that may well not exist today.

But the foundations for those skills lie in one of Queensland's existing strengths - the medical devices industry.

Some people in their early 20s form rock bands in their parents' garage.

In his parents' garage, Daniel Timms came up with the idea for an artificial heart.

Daniel was one of the original recipients of Smart State funding in the Smart State program.

Today, the company Daniel founded, BiVaCor, is at the leading edge of a global technological evolution,

building hearts that can grow within their host.

(Every time I meet Daniel he shows me the latest video from BiVaCor)

BiVaCor was also an early recipient of funding through one of our Advance Queensland initiatives.

Advance Queensland is a suite of programs in which we are now investing over \$650 million, to identify and nurture the industries that will provide those future jobs.

Advance Queensland is also supporting work being done by the TRI at Woollongabba.

Working with Siemens Healthcare and the Draper Labs in Boston, they are developing new

applications for magnetic resonance that can be used to detect conditions ranging from PTSD to breast cancer.

If we are going to capitalise on a medical devices industry here in Queensland, we must support a Centre of Excellence for medical devices, just as we've supported a Centre of Excellence for Rheinmetall.

Connecting those ideas with the capital that can turn them into reality is one of the underpinning philosophies of our deliberate decision to attract more start-ups to Queensland.

And it is working - we have overtaken Victoria to be second only to New South Wales among start-ups in Australia.

One of the focuses of The Precinct start-up hub in Fortitude Valley is artificial intelligence.

At the National Governors' Association conference I attended in the US earlier this year, a senior executive from a major multinational company made a remark that has stuck with me.

In the future, there will be two key areas that governments and industry need to focus on - artificial intelligence (AI) and blockchain technology.

AI has turned a significant corner in its development, with the recent expansion of cloud computing.

As algorithms improve and processing speeds increase, whole new worlds of possibility are opening up.

In Queensland, artificial intelligence is starting to be used at the QIMR to analyse the genes of cancer patients to help doctors to develop more effective targeted treatments.

Boeing is also working in Queensland in partnership with local companies on technology to remotely pilot drones with sensors which could be used to quickly and safely transport goods.

BLOCKCHAIN

Queensland is also leading the way when it comes to utilisation of blockchain technology.

Blockchain provides a new type of database that stores contracts and transactions across different computers with an encryption that has yet to be broken.

In December last year the Commonwealth Bank and QTC developed the first proof of concept for a blockchain bond to improve transparency and transaction speeds.

The opportunities from blockchain go far beyond cryptocurrencies and financial markets.

Leanne Kemp started a global start up from Brisbane and is now based in London.

Her company Everledger now securely tracks the location of more than 1 million diamonds globally.

Leanne has just won the international 2018 Advance Award for Technology Innovation.

Batteries are her next target for a blockchain tracing system to look at how the minerals such as cobalt and lithium can be recycled and reused.

And the Port of Brisbane is working in partnership with PwC on a National Trade Community system to improve efficiency and service innovations with a potential value of \$1 billion.

Other blockchain opportunities under development in Queensland include improvements to efficiencies in the supply chain in the beef industry by allowing

for smart contracts to be executed instantly, from the paddock to the plate.

CONCLUSION

During last year's election campaign I asked Queenslanders to re-elect us so we could continue to deliver strong stable government.

I understand how important certainty and stability is for business.

So is a sense of future direction - a clear plan for delivering on what we say we will do.

I hope I've given you a sense of where my Government sees the opportunities in Queensland - where we are investing, and where I would

encourage you to invest as well.

Here, on Asia's doorstep, with the best resources and ideas not just in Australia but around the world, I can truly say our best days are ahead of us.

(ends)