



Queensland Budget 2020-2021

The Queensland Government's 2020-2021 Budget was handed down by Treasurer Cameron Dick on 1 December 2020, after being delayed from April due to the coronavirus pandemic.

The Budget outlines further funding for capital works and infrastructure projects, an increased health spend, investment in public transport, payroll tax relief for businesses and support for the tourism industry. The Queensland Government has ruled out introducing any new taxes or charges this financial year.

Budget overview

- Queensland's finances have been impacted by the pandemic, with the deficit expected to increase from \$5.7 billion in 2019-20 to \$8.6 billion in 2020-21, before then substantially improving over following years to reach \$1.4 billion in 2023-24
- The Treasurer said: "the Budget is in deficit because it is a pro-growth and pro-business budget. I make it clear today that the Budget will only return to balance when the economy returns to normal"
- Gross debt is expected to reach \$112.8 billion in 2020-21, then \$122.7 billion in 2021-22, and \$132.4 billion in 2023-24
- The pandemic has led to decreased revenue, with a projected fall of \$12.3 billion below what was predicted in the December fiscal economic update, at a total of \$56.2 billion for 2020-21. This includes falls of \$4.5 billion in forecast tax revenue, \$3.8 billion in GST revenue, and \$4 billion royalty revenue. Revenue is forecast to reach \$66.3 billion in 2023-24
- The pandemic, along with promises in the state election, has also increased costs, with expenses projected to reach \$64.9 billion in 2020-21. Expenses are projected to grow at an average annual rate of 1.6 per cent over four years, reaching \$67.7 billion in 2023-24
- Employee expenses are forecast to reach \$26.5 billion in 2020-21, increasing to \$29 billion in 2023-24
- Economic activity in Queensland fell by 5.9 per cent in the June quarter, but the success of Queensland's virus suppression efforts means growth is projected to be 0.25 per cent for 2020-21. It is then expected to increase to 3.5 per cent in 2021-22, and 2.75 per cent in following years
- Employment is forecast to grow by 1 per cent in 2020-21, then 2.25 per cent the following year
- The Budget includes \$56 billion in capital spending over four years
- The Government intends to find savings of \$3 billion over four years through its Savings and Debt Plan. For the 2020-21 year, 47 per cent of the target, or \$352 million, has already been



attained. Six work streams have been established to find savings: government advertising, accommodation, data and ICT, structural reform, and agency functional reviews. The following measures are included:

- Programs that are time-limited will be either integrated into core business or ceased
- Departments' staff levels to be maintained within approved caps, excluding frontline staff requirements
- No marketing other than public and road safety, tourism promotion, investment attraction or Queensland Economic Recovery Plan initiatives
- Limiting secondments of frontline workers to back-office roles and identifying opportunities for roles to be reallocated to frontline tasks
- Examine all uses of non-public servants in roles and move to end contracts
- Strengthen oversight of non-frontline recruitment, and a natural reduction of senior executive service roles
- Initiate a six month freeze on new ICT projects, except those related to critical safety or cybersecurity
- Greater utilisation of existing government buildings to encourage public servants to work closer to home

Infrastructure

Roads

- \$6.3 billion investment in transport infrastructure, including:
 - \$1.5 billion to continue construction work on Cross River Rail, and substantial ongoing investment to fund major upgrades to the M1 Pacific Motorway and the Bruce Highway
 - \$3.4 billion for the M1 program of works, jointly funded by the Australian and Queensland governments, including major projects such as the Varsity Lakes to Tugun upgrade, Eight Mile Plains to Daisy Hill upgrade, and the Yatala South Exit and Pimpama Exit
 - \$1.5 billion Coomera Connector project between Nerang and Coomera, to provide for a 'second M1'
- \$400 million Ipswich Motorway upgrade from Rocklea to Darra
- \$164 million Smithfield Bypass on the Captain Cook highway
- \$1.1 billion for the Rockhampton Ring Road
- \$1 billion to construct Cooroy to Curra Section D
- \$932.2 million for widening between Caloundra Road and Sunshine Motorway
- \$662.5 million for upgrades between Caboolture- Bribie Island Road and Steve Irwin Way
- \$514.3 million to construct bridges and approaches on the Houghton River Floodplain
- \$481 million for widening as part of the Cairns Southern Access Corridor

- \$230 million for the Townsville Ring Road
- \$158 million for widening as part of Rockhampton Northern Access
- \$100 million in state funding towards a \$500 million funding injection for the Bruce Highway

Rail

- \$709.9 million in joint funding for the Gold Coast Light Rail Stage 3A, to extend the line south to Burleigh Heads
- \$550.8 million for the North Coast Rail Line between Beerburrum and Nambour
- \$244 million for the Centenary Bridge upgrade

Ports

- \$52.2 million for the \$232 million channel capacity upgrade at the Port of Townsville

Justice

- \$178 million on additional youth justice infrastructure
- \$110.2 million for the expansion of the Southern Queensland Correctional Precinct near Gatton

Social Housing

- \$526.2 million for capital purchases and grants to construct new social housing dwellings, upgrade existing properties and provide housing services, including in Indigenous communities

Local Government

- \$2.2 billion in capital grants in 2020–21, including:
 - \$180 million to all local governments through the COVID Works for Queensland program

Recreation and the Arts

- \$175 million for the construction of the performing arts venue at Brisbane South Bank
- \$10 million for Harrup Park in Mackay to create a hub for marquee cricket and AFL events
- \$25 million to expand Browne Park in Rockhampton
- \$15 million for a major redevelopment of the Ballymore Precinct
- \$20 million for the upgrade of the Sunshine Coast Stadium
- \$43 million for local community sporting infrastructure
- \$35 million to upgrade the Gabba Stadium in Brisbane

Education

- \$1.7 billion for the Building Future Schools Fund, including:
 - \$346.2 million for four new schools opening in 2022 and 2023, completion of the Lee Street Special School at Caboolture and land acquisitions for future new schools
 - \$1 billion over four years for school upgrades through the Great Schools, Great Future commitment, including:
 - \$394.2 million for new classrooms and administration buildings



- \$235 million for new or upgraded multi-purpose school halls and performing arts centres
- \$100 million for infrastructure renewal
- \$180 million for capital projects at Catholic and Independent schools
- \$45 million for shovel-ready school projects
- \$20 million for planning new schools

Health

- \$1.6 billion for health infrastructure projects, including:
 - \$979 million to enhance capacity and services at three major public hospitals in South East Queensland, which includes:
 - Redevelopment of the Caboolture Hospital to increase its capacity by 130 beds
 - Expanding the Logan Hospital to deliver an additional 206 beds and refurbish the maternity ward
 - Redevelopment of the Ipswich Hospital including new mental health facilities
 - \$86.2 million for a Nambour Hospital redevelopment
 - \$50.5 million for a Redland Hospital parking upgrade
 - \$45.5 million towards a Princess Alexandra Hospital cladding project
 - \$36.8 million for a Redcliffe Hospital parking upgrade
 - \$70 million for a Cairns Hospital mental health unit
 - \$46 million for a Thursday Island health facility upgrade
 - \$116.6 million to continue capital works projects at Roma Hospital
 - \$20.1 million to continue capital works projects at Blackall Hospital
 - \$16.9 million to continue capital works projects at Torres Strait Primary Health Care Centre
 - \$14.9 million to continue capital works projects at Cairns South Health Precinct
- \$265 million to build 7 satellite hospitals across South East Queensland

Regional Queensland

- \$200 million for the Works for Queensland program to support local governments outside South East Queensland
- \$180 million in 2020–21 has been fast-tracked funding to support job retention across the State during COVID-19
- \$10.5 million will be delivered in 2020–21 as part of the five-year, jointly funded \$65 million Queensland Resilience and Risk Reduction Fund
- \$30 million to support the upgrade to infrastructure at the Ports North-owned Cairns Marine Precinct





- \$6.8 million for a new film production studio in far north Queensland
- \$176 million to refurbish and expand Cairns Convention Centre
- \$40 million for the proposed \$175 million Wellcamp entertainment precinct near Toowoomba
- \$7.5 million to complete the Highfields to Toowoomba bikeway
- \$21 million to revitalise Queensland's coastal shipping industry and create maritime jobs

Energy

- \$250 million for the publicly owned CleanCo to build own and operate the Karara Wind Farm

Health

- \$100 million to employ 464 additional wellbeing professionals in Queensland state schools, and allow for the trial placement of general practitioners in 20 schools across QLD
- \$171 million to expand outpatient services

COVID-19

- \$360.5 million for Queensland Health, Police, Fire and Emergency Services to respond to COVID-19
- \$3 million allocated to continue psychosocial telephone support to those in mandatory quarantine

Mental Health

- \$61.9 million to deliver the Shifting Minds Flagship suicide prevention initiatives
- \$5 million to deliver allied health and wellbeing facilities at the Clem Jones Centre in Brisbane

Frontline Services

- \$7.2 million to construct a new fire station at Mount Cotton
- \$36 million for Surf Life Saving Queensland
- \$500,000 for a feasibility study on the suitability of transforming Townsville sports stadium into an emergency services HQ in North Queensland
- Continue to fund the \$15 million commitment to the Government Wireless Network Program
- \$55.8 million for paramedical infrastructure, including:
 - Completing new ambulance stations at Urraween, Yarrabilba and Munruben
 - A new ambulance station and Local Ambulance Service Network office at Drayton
 - Replacement stations at Kirwan and Mareeba
 - Beginning planning for new or replacement stations at Ormeau, Ripley and Caloundra South
 - Refurbishing of the Rockhampton ambulance station and operations centre





- Planning for the redevelopment of the Southport ambulance station and Gold Coast operations centre and the Cairns ambulance station and operations centre
- Commissioning 135 new and replacement ambulance vehicles and continue the rollout of power assisted stretchers
- Investing in software development projects to enhance patient care and integrated service delivery

Education and skills

- \$477 million for the Cooler Cleaner Schools Program to air-condition state schools and expand the Advancing Clean Energy in Schools program
- \$8 million for the establishment of new Homework Hubs in 120 Queensland state schools where children will be supervised by teacher aides to alleviate pressure on parents
- \$83.4 million for future skilling programs, including:
 - \$32.4 million for the TAFE Priority Skills Fund
 - \$25 million for pre-apprenticeship support and funding for the development of a digital professional workforce plan

TAFE

- \$100 million to upgrade TAFE campuses
- \$21 million to extend Free TAFE and Free apprenticeships to Queenslanders aged under 25

Economic support

Grants and SME Loans

- \$1 billion in concessional jobs support loans, interest free for 12 months
- \$196 million in Small Business Adaption Grants of up to \$10,000
- \$100 million in electricity bill relief for small businesses
- \$140 million to help small businesses to boost their competitiveness and resilience. This includes:
 - \$100 million Business Investment Fund for small and medium sized businesses that have significant growth potential
 - \$30 million including grants and small business support and funding for the Queensland Small Business Commissioner to provide information and advocacy for the state's small business operators
- 25 per cent of all government spending to go to SMEs across Queensland
- \$81.6 million has been allocated to reduce irrigation water charges for the state's farmers and fruit and vegetable growing businesses
- \$500 million for the Backing Queensland Business Investment Fund, which will target investments in Queensland businesses

Tourism





- \$5 million in grants to support local tourism operators reliant on the Great Barrier Reef
- \$25 million for the Growing Tourism Icons program
- \$15 million to support the local aviation industry
- \$7 million to grow indigenous tourist programs
- \$20 million for a Tourism Activation Fund
- \$15 million to establish a regional tourism organisation
- \$20 million to assist with event advertising and attraction

Manufacturing

- \$170 million to support Rheinmetall Defence Australia and its Redbank facility
- \$40.5 million to support the Making it in Queensland scheme
 - \$15.5 million for the Made in Queensland grants program
 - \$16.5 million for advanced manufacturing and assist in establishing two new regional manufacturing hubs on the Gold Coast and in Mackay
 - \$10 million to continue the development of the hydrogen industry
- \$1 billion investment pipeline to construct trains in Queensland
 - \$600 million for 20 new Queensland trains
 - \$1 million for a business case to replace old carriages
 - \$300 million to continue a 10-year pipeline of manufacturing work
 - \$85 million invested into Maryborough workers

Social assistance

- \$400 million in utility bill relief
- \$24.7 million in housing and homelessness support
- \$100 million provided to households to reduce their electricity bills
- \$166.6 million to implement the Supporting Families Changing Futures reforms
- \$10 million to support military veterans
- \$2.6 billion to provide services to those with a disability
- \$100 million for the Works for Tradies program
- \$3.5 million for the establishment of a Holocaust Museum
- \$6 million to support the prevention of domestic violence
- \$5 million to raise awareness and combat elder abuse
- \$6.3 billion in targeted discounts and concessions

Indigenous Communities

- \$241 million allocated to improve housing for Aboriginal and Torres Strait Islanders, including:
 - \$18 million to support community members to access home ownership opportunities





- \$21.8 million to progress new housing across 17 local councils
- \$9.3 million to support implementation of the new National Agreement on Closing the Gap and improve outcomes for Indigenous Queenslanders
- \$9.9 million for a four-year program to improve the operation and management of drinking water supplies in Indigenous communities
- \$5.7 million for the On Country program to give young Indigenous people a range of life skills

Environment

- \$81.6 million to reduce irrigation water charges for the state's farmers and fruit and vegetable growing businesses
- \$150 million for dam improvement projects in 2020–21
- \$42.5 million for the proposed \$80 million Bundaberg flood levee
- \$195 million to the Townville City Council toward Stage 2 of the Haughton Pipeline
- \$40 million in support for the Great barrier Reef
 - \$10 million for a Reef Assist Program
 - \$6 million for the GBR Island Arks project
 - \$27.1 million to support the water quality of the reef

