

QUEENSLAND BUDGET **2018-19**

Budget Speech

Budget Paper No.1

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2018–19 Queensland Budget Papers

1. Budget Speech
2. Budget Strategy and Outlook
3. Capital Statement
4. Budget Measures
5. Service Delivery Statements

Appropriation Bills

Budget Highlights

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Budget Speech

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Appropriation Bill 2018

(First reading speech, 12 June 2018)

The Honourable Jackie Trad MP

Deputy Premier

Treasurer

Minister for Aboriginal and Torres Strait Islander Partnerships

Mr Speaker,

I move that the Bill be now read a first time.

I'm proud today to present the Palaszczuk Labor Government's fourth Budget.

This is a Budget for all of Queensland.

This is a Budget for all Queenslanders.

From baby Elizabeth Mackenzie – the 5 millionth Queenslander born last month - to the traditional owners on the land on which we stand, the Jagera, Yuggera and Turrbul People.

Whether you live in Brisbane or Blackall.

Labor is doing the things we said we'd do.

No surprises – no excuses.

Queenslanders are living through an era of growth and rapid change.

Our population is one of the fastest growing in the nation.

Technology continues to transform the way we live and work.

The Palaszczuk Labor Government will help our communities to navigate the challenges of change and set a course for the opportunities of growth.

We will equip our workers on the frontline of a fast-changing world with the skills and support to succeed.

We will encourage innovation and give businesses and industry the confidence to grow.

We will direct every effort to our number one priority – jobs for Queenslanders.

Here's how.

By delivering the infrastructure, skills and services that our strong, diversified economy needs.

By including everyone in the benefits regardless of who you are or where you live.

That is our strategy for this State.

That is the job for this Government.

That is the plan in the Budget I deliver today.

We begin with the largest capital works program since the 2011 flood recovery.

Building the infrastructure for a productive, strong and sustainable economy.

Supporting growth without compromising our quality of life.

Delivering jobs in construction today and supporting the jobs of the future.

Mr Speaker, this Queensland Government must do the heavy lifting in infrastructure investment because this Federal Government simply will not.

And this Labor Government must keep repairing the damage inflicted by the last LNP Government's savage cutbacks to frontline services.

More doctors, nurses, teachers, police and firefighters.

The people who work so hard delivering excellent essential services every day.

The professionals who educate our kids, keep Queenslanders healthy and protect our communities from harm.

More infrastructure, better services – this is what we said we would do.

Budget outcome

Mr Speaker, Queensland's economy has grown by 7.2 per cent in real terms since December quarter 2014.

Today, I can announce that we expect a surplus of \$1.512 billion in 2017-18 - more than three times the size of the Mid-Year Fiscal and Economic Review forecast.

The Budget also forecasts operating surpluses over the forward estimates, starting with \$148 million in 2018-19.

And economic growth is forecast to accelerate from 2.5 per cent in 2016-17 to 3 per cent by 2018-19.

Our responsible budget management is part of this success story, but it would be impossible without our job generating initiatives that build business confidence and open up opportunities for growth and investment.

This is a time of growth – and it is also a time of change.

The Queensland economy continues to successfully shift from the big economic gains of a never before seen resource boom that brought with it massive investment, big infrastructure and jobs and wages growth.

Business investment is rebounding following the construction of the liquefied natural gas infrastructure.

It's supported by a range of renewable energy projects that will be a key driver of economic growth.

We are rolling out a nation-leading renewable energy industry with an estimated \$4.2 billion pipeline of projects underway or financially committed across the State.

This Budget delivers surpluses, builds new infrastructure, grows the State's skills and expands our services – all to support a growing and changing State.

Creating jobs, delivering infrastructure

Queensland now has the second highest annual employment growth rate in the country.

Employment growth is forecast to strengthen to 2¾ per cent over the year to June quarter 2018, the strongest growth in more than a decade.

More than 150,000 jobs have been created since we came to Government. That's equivalent to almost 4000 new jobs in Queensland every month since January 2015.

These are big numbers – but behind these numbers are people.

Queenslanders who now have a place in our economy and hope for the future.

And in this Budget - through our \$45.8 billion infrastructure pipeline over the next four years – Queenslanders will continue to have a place in our economy.

It's an increase of more than \$3 billion on last year's Budget – directly supporting 38,000 jobs this year alone.

Our plan means tens of thousands of additional jobs each year, and our plan means building the essential infrastructure to meet the needs of our fast-growing State.

From the Cairns Convention Centre to Cross River Rail, the M1 and Bruce Highway upgrades to Rookwood Weir and Townsville Stadium we are delivering the right projects, in the right place, at the right time.

Building the economy of the future

Rapid change all around us means Queensland must become a more diverse and productive economy.

Securing our modern industries and creating jobs that will be there for years to come.

To do that, this Budget invests in innovation and anticipates areas of emerging opportunity.

Let's take the example of the waste disposal levy announced earlier this year.

We will not allow Queensland to be a dumping ground for interstate waste – we all saw this when the LNP's short-sightedness in removing the levy led to a procession of dump trucks across our border.

But this measure is also an opportunity to invest in new and emerging industries and technology.

And today I am announcing a \$100 million down payment over the next three years into a new Resource Recovery Industry Development Program.

This initiative will support innovation and investment in recycling and help new industries that manufacture products using recycled waste and create future jobs.

There's also the Palaszczuk Government's flagship Advance Queensland strategy.

Advance Queensland keeps turning good ideas into commercial reality.

We are backing business and industry to help give them an edge in a highly competitive world.

So, in this Budget, we are investing a further \$123 million in backing our entrepreneurs, funding industry research fellowships and helping small to medium businesses innovate, grow and create jobs.

And, Mr Speaker, there's the Industry Attraction Fund.

As well as supporting our home-grown businesses in the path to success we want to attract new businesses and knowledge industries from interstate and overseas.

I want these businesses, their ideas and above all their jobs to call Queensland home.

That's why this Budget extends the Fund with \$40 million over two years towards bringing interstate and international businesses here and helping locally-based businesses expand.

The Business Development Fund, which turns ideas into commercial reality, will also be extended with \$40 million over the next two years.

And a further \$20 million for the Jobs and Regional Growth Fund brings new funding to \$100 million.

We want the new jobs in these new industries and businesses hiring skilled Queensland workers.

So, in this Budget, we are investing \$175.5 million to help people return to the workforce through the Back to Work program.

And we will deliver a further \$180 million in the Skilling Queenslanders for Work program to deliver more training opportunities and workforce participation.

Supporting small business

Like others in this Parliament, I grew up in a family that ran a small business.

My family felt the pressures, the strains, the setbacks, but also reaped the rewards.

I'm proud to be in a Government that backs small business.

We need to give employers the confidence to invest in the workforce they need to succeed.

That's why today I am announcing that the 50 per cent payroll tax rebate scheme will be extended to June 2019 supporting up to 26,000 apprentices and trainees.

Our Buy Queensland approach also ensures local businesses, jobs and better social outcomes are all front and centre when taxpayer dollars are spent.

The ecoBiz program for small to medium businesses provides increased funding of \$3.9 million over four years to help them identify and achieve savings and eco-efficiencies across energy, water and waste.

The challenge of moderate wage growth

Our economic plan – more infrastructure, better skills – will create jobs, lift demand for labour, and help support wages growth in the medium and longer term.

Mr Speaker, I was pleased to see the Fair Work Commission recently decided to increase the national minimum wage by 3.5 per cent.

But while we are more productive than we were just 10 years ago modest wage growth is putting households under strain.

Hard working Queensland families who battle through each day are not keeping up – something we simply can't ignore.

This has a broader economic impact too.

Modest wage growth constrains growth in household income, one of the key drivers of household consumption.

As a result, employment and businesses suffer.

We need to see stronger private sector wage growth.

This Budget will make a difference.

Supporting growth throughout Queensland

It doesn't matter where you are you must have the right transport and road infrastructure.

The alternative is more Queenslanders sitting in traffic away from their job or away from their kids – we either allow congestion to build or we build the infrastructure we need.

In a fast-growing state, investing in key infrastructure supports job creation, it boosts business confidence and it delivers the services Queenslanders need to maintain our way of life.

Our delivery of the \$5.4 billion Cross River Rail project recognises this.

Sadly, the Federal Government and those opposite don't.

During the five-year construction period, Cross River Rail will support an average of 1,500 jobs each year, and up to 3,000 jobs in the most intensive year of construction.

I am pleased to say that today's Budget also includes an investment of \$21.7 billion over the next four years in the Queensland Transport and Roads Investment Program (QTRIP).

This is the third year in a row the Palaszczuk Government has made a record investment in road and transport infrastructure and is an increase of around \$700 million on last year's commitment.

Supporting regional Queensland

We know that Queensland is the most decentralised state in Australia with some of the country's largest cities and important economic zones outside the South East corner.

We also know that we don't have a strong Queensland without Strong Regions.

That's why 65 per cent of our infrastructure spend this year is outside the Greater Brisbane area.

We will build key infrastructure like Rookwood Weir, Cairns Convention Centre and Townsville Stadium.

Through QTRIP we're investing more than \$800 million for works in our State's West.

The Works for Queensland program supports job creating maintenance and minor works across our regions in partnership with local Councils.

This Budget provides more than \$200 million over three years to extend the fund.

We also commit up to \$34.6 million to continue drought relief this year. And more than \$19 million over three years for rural and regional programs that support jobs and drive economic development.

Give all our children a great start

This Budget delivers for the economy and jobs, industry and regions.

It is a Budget of the head – but it is also a Budget of the heart.

And at the heart of any Labor Budget is education.

Education is fundamental to every public good that progressive politics values.

Equality of opportunity, fairness, skills for the economy today, rewarding work in the future, human progress and knowledge itself.

None of this is possible without leadership, imagination, investment and reform in schools.

This Budget makes a record education and training investment of more than \$14 billion this year.

Since March 2015, we have employed more than 4,700 extra teachers and teacher aides.

We said we would employ 3,700 additional teachers over four years.

In this Budget we do it.

We will upgrade and improve schools across the State with a further \$308 million to the Building Future Schools fund – bringing the total investment to \$808 million.

There will be new high schools at Coomera, Yarrabilba, Ripley and Mango Hill, a new primary school at Ripley and a new special school at Caboolture.

We will also refurbish, upgrade or improve more than 48 state primary and high schools.

We will redevelop TAFE facilities in Townsville, Cairns, Mount Gravatt, Toowoomba, the Gold Coast and the Redlands with an investment of up to \$85 million over three years.

Mr Speaker, even before their first day in the classroom, Queensland kids benefit from developing a love of reading from an early age.

As a parent, I know and understand that one of the greatest gifts you can give your child even before they enter the Prep classroom is a love of reading – it sets a child up for life.

But I also know that not every parent has the skills or resources to pass on this gift.

That's why the First 5 Forever program – which links parents of kids under five to resources at public libraries across the State – matters so much.

So, in this Budget, we invest \$20 million over four years to continue the First 5 Forever program's vital work.

Keeping Queenslanders healthy

This is a Budget for all Queensland, and a Budget for all Queenslanders.

Our people, whatever their age, wherever they live, should be able to get the healthcare they need.

This Budget provides a record \$17.3 billion operating Budget for Queensland Health, and \$985 million in capital investments to deliver first-class health services and facilities for Queenslanders.

Since March 2015, this Government has been rebuilding frontline health services savaged under the LNP.

We have employed more than 4,800 extra nurses, 1,600 doctors and 370 ambulance officers.

But it's not just enough to repair the LNP's damage, we must create excellent and responsive services for Queenslanders when they need it most – when they need hospital care.

We are building better hospitals, health facilities and emergency departments.

... including in Hervey Bay and Gladstone, Roma, Blackall, Kingaroy and Maryborough;

... with planned redevelopments at Logan, Caboolture and Ipswich Hospitals;

... and a new adolescent mental health facility at the Prince Charles Hospital in Brisbane.

These investments are working.

Services are improving.

We are making the positive changes to help patients make the most of a modern healthcare system.

We said we would employ an additional 400 nurse navigators to help Queenslanders navigate the often complex system of tertiary health care.

This Budget does just that.

We said we would employ an extra 100 midwives to help birthing mothers with the life changing event of bringing a baby into this world.

This Budget does just that.

Keeping our communities safe

Mr Speaker, our frontline heroes work to keep our communities safe every day and every night.

This Budget gives Queensland more police, domestic violence officers and firefighters.

We said we would add 400 officers to areas of need across Queensland over the next four years.

This Budget does that.

In a world where keeping us safe requires cutting edge support, we are investing in a Police Security and Counter-Terrorism Command, training for 85 new counter terrorism officers and specialists, and building the Counter Terrorism and Community Safety Training Centre at Wacol.

In times of natural disaster, Queenslanders know they can count on our world-renowned emergency service workers.

So, in this Budget, I announce more than \$103million to deliver on our election commitment of 100 additional firefighters over the next four years, and new firefighting equipment and upgraded emergency services facilities; this is to ensure that in our disaster-affected State our fire and emergency responses remain second to none.

Protecting the Great Barrier Reef

This Government knows we need to take action now to protect our environment for the future.

The Great Barrier Reef is a natural wonder of staggering beauty.

It is also an invaluable asset when it comes to our future economic prosperity.

The Reef must survive.

We must clean up the water running into the Reef and continually invest in the science and research that will help better protect the ocean.

That's why this Budget makes a record investment of \$330 million over five years to protect the Reef.

No greater asset needs our protection than our Great Barrier Reef.

That's why the Palaszczuk Labor Government banned dumping of dredge spoil in the Caley Valley Wetlands and at sea within the World Heritage Area.

That's why we've created the net-free free fishing zones – in Cairns, Rockhampton and Mackay – to protect sensitive eco-systems and prohibited port development within the Fitzroy River Delta.

That's why we reinstated our nation-leading laws to stop tree clearing in Great Barrier Reef catchments and right across our State.

And that's why we established the Great Barrier Reef Water Science Taskforce.

Future funding decisions to save the Great Barrier Reef will be steered by science – not poisoned by politics.

Growing tourism

The preservation of our State's natural beauty is directly linked to the success of one of our economic powerhouses – tourism.

People from all over the world travel great distances to come here to enjoy our unique experiences and natural encounters that we, Queenslanders, have in our own backyard.

This Budget invests an additional \$94.6 million over five years under the Growing Tourism, Growing Tourism Jobs initiative.

This includes more than \$48 million for the Attracting Tourism Fund - which provides incentives to attract new international airline routes and cruise ships.

It includes \$46 million for the Regional Tourism Infrastructure and Experience Development program and Outback Tourism Infrastructure Fund to help communities grow tourism.

A further \$2.2 million over two years will expand and refurbish the Australian Workers Heritage Centre at Barcaldine.

There is no doubt that investment in tourism and events is vital for our future economic success and delivers long term benefits.

Our Commonwealth Games in April this year was so much more than 11 days of sport before a global audience.

It created the impetus for additional Government and private sector investments of more than \$2.6 billion.

It will also leave a positive legacy of better transport, and better sports and community facilities that will last for decades.

In Brisbane, right now, we have game-changing developments that will not only generate jobs and support economic growth but fundamentally reshape our capital and position it as a modern, global destination of choice.

Queens Wharf, the proposed Eagle Street Pier, Howard Smith Wharves and Brisbane Live projects can build a city that is a beacon of sustainable progress in a modern economy.

We will work with the private sector every step of the way to see these projects to success.

Brisbane's cultural precinct, already one of the best in the country, will be enhanced even further with \$125 million towards a new theatre at the Queensland Performing Arts Centre.

It is the largest arts infrastructure investment since GOMA.

A responsive Government

Mr Speaker, Labor Governments help out those doing it tough.

We understand Queenslanders in need are feeling cost of living pressures.

Government has a responsibility to help and we will do just that.

As part of our commitment to reduce cost of living impacts on households and small business the Budget provides \$5.6 billion in concessions – an increase of \$200 million on last year.

And Labor Governments right past wrongs.

We will join the National Redress Scheme – a key recommendation of the Royal Commission into Institutional Responses to Child Sexual Abuse.

While no amount of money can ever return a lost childhood, our commitment of more than \$500 million will support healing and recovery.

And Mr Speaker, we know we must continue the job of Reconciliation with Australia's First Nations People and increase our efforts to close the gap in health, education and life outcomes between Indigenous and non-Indigenous Queenslanders.

Fundamental to closing the gap is a roof over your head.

Without that you can't address poor health or literacy outcomes.

That's why it was particularly heartless that the Federal Government decided to walk away from a 50-year tradition of funding housing in remote Indigenous communities in Queensland.

We will work hard to close the gap, supporting our Aboriginal and Torres Strait Islander communities.

And that's why I announce that this Budget will invest \$239 million to improve housing options for Aboriginal and Torres Strait Islander Queenslanders.

Conclusion

Mr Speaker, whether you are in Biloela or Brisbane, Caloundra or Cunnamulla, Lockhart River or Logan – this Budget delivers for all of Queensland.

We said we would build more infrastructure and deliver better services.

We said we would grow jobs and steer the economy through change.

We said we would deliver for the whole of Queensland and every Queenslanders.

We said we had plans for education and health, community safety and communities in need, for the Great Barrier Reef and tourism.

This is a Budget for prosperity.

Today, we deliver for our economy's future.

This is a Labor Budget.

Today, we deliver fairness.

This is a Queensland Budget.

Today, we deliver for Queenslanders.

I commend the Bill to the House.



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