

1 Approach and highlights

Features

- The Queensland Government is committed to delivering productivity-enhancing economic and social infrastructure. This will support the economic recovery and unlock the productive capacity that will drive sustainable economic growth, increased employment and higher quality of life.
- The 2021–22 capital program will deliver jobs in the short term and economic growth over the long term. The capital investment delivered by this Budget builds on the Palaszczuk Government’s infrastructure commitments outlined in Queensland’s *Economic Recovery Plan* to support the state’s recovery from the impacts of COVID-19.
- This Budget continues to deliver on the Government’s \$50 billion Infrastructure Guarantee, with total commitments of \$52.216 billion over 4 years. These investments will be critical to lowering business input costs, as well as improving regional connectivity and access to essential services, such as health care and education. Over the 10 years to 2024–25, the government will have supported over \$110 billion in infrastructure works.
- The capital program directly supports around 46,500 construction-related jobs in 2021–22, including 29,800 jobs outside of the Greater Brisbane region.
- In 2021–22, the government will invest \$14.688 billion in capital across the state, including \$6.902 billion in transformative transport infrastructure such as \$1.517 billion to continue construction work on Cross River Rail and substantial ongoing investment to fund major upgrades to the M1 Pacific Motorway, the Bruce Highway and inland freight routes.
- Capital expenditure to support the delivery of health services is \$1.352 billion in 2021–22. The government is providing \$265 million to build 7 satellite hospitals to enable our acute hospitals to safely manage patients via alternative models of care across South East Queensland. The satellite hospitals will also provide virtual health opportunities including a range of rapid access consultations, care co-ordination, remote monitoring and patient literacy services.
- The government is also investing \$283.7 million in 2021–22 as part of the \$979 million Building Better Hospitals commitment. This program is a key priority to help address growing demand by enhancing public hospital capacity and services in the South East Queensland growth corridor.
- The government will invest \$1.521 billion in 2021–22 to support students and teachers, and to ensure that Queensland’s state schools and training assets are world-class and continue to meet demand. Investment in new schools is being facilitated through the \$2.6 billion Building Future Schools Program, while the \$1 billion Great Schools, Great Future commitment is helping provide new classrooms and facilities at existing schools to meet growing enrolments.
- To help enhance the productive capacity of Queensland’s businesses, industries, communities and regions, the government will invest \$2.745 billion in 2021–22 to

maintain and upgrade energy and water assets to support the ongoing delivery of safe, secure, reliable and cost-effective energy and water across the state.

- Delivery of the Rookwood Weir will be co-funded with the Australian Government and will add up to 86,000 megalitres of extra water supply for the Central Queensland region. The project will grow agricultural production along the Fitzroy River and enhance the security of urban and industrial water supplies for Gladstone and Capricorn Coast centres.
- The government is committing \$1.813 billion, including \$502.6 million in 2021–22, to accelerate the supply of social housing and upgrade the existing social housing portfolio in line with the *Queensland Housing Strategy 2017–2027*, with 2,480 new homes either delivered or commenced and a further 6,365 to commence over the next 4 years.
- A key element of the government's capital program is providing grants to local governments and non-government organisations to support their work within communities across Queensland. In total, the government will provide \$2.082 billion in capital grants in 2021–22. This includes a new \$200 million commitment to the government's Works for Queensland program, which is supporting jobs and providing economic stimulus to local economies, and brings the total funding for this program to \$1 billion.

1.1 Introduction

Consistent with the Queensland Government's *Economic Recovery Plan*, the 2021–22 Capital Statement outlines the State's investment in critical infrastructure across Queensland that will drive the ongoing economic recovery, deliver jobs in the short term, and improve productivity and business competitiveness over the long term.

The Capital Statement presents an overview of the Queensland Government's proposed capital outlays for 2021–22 and articulates the State's infrastructure delivery program.

The 2021–22 capital program will deliver productive infrastructure investment across a range of asset classes, regions and sectors. This includes major investments in roads and transport infrastructure, clean energy, water security, ports, as well as upgrades to major arts, sporting and entertainment venues.

Key programs such as Works for Queensland and Building our Regions will provide additional benefits to regional Queensland through direct funding for infrastructure and maintenance programs that support jobs.

The \$14.688 billion of investment outlined in the 2021–22 Capital Statement is estimated to support around 46,500 jobs, with 29,800 of these jobs located outside of the Greater Brisbane region.

Importantly, maintaining a strong capital program will ensure Queensland's economic recovery continues to gather momentum by building Queensland's productive capacity to drive sustainable economic and employment growth, supporting a better quality of life for all Queenslanders.

1.2 Capital planning and optimisation

The Queensland Government's well-established and coordinated infrastructure planning frameworks underpin the development of major capital investment.

These frameworks guide the delivery of a capital program that reflects the most appropriate, cost-effective approach to address the service needs and infrastructure challenges facing Queensland. They contribute to infrastructure investment that supports our recovery from the impacts of COVID-19, builds economic resilience and future prosperity, and advances the long-term objectives of the Government and its *Economic Recovery Plan*.

Key planning and optimisation elements of Queensland's infrastructure framework include the *State Infrastructure Strategy*, the *Queensland Government Infrastructure Pipeline*, the *Project Assessment Framework* for evaluating investment proposals, the *Business Case Development Framework* which guides agencies through development of major infrastructure proposals, and the *Queensland Transport and Roads Investment Program* which forms a significant proportion of the capital program.

The Queensland Government Infrastructure Pipeline

The Queensland Government publishes a forward program of capital works, formerly known as the *State Infrastructure Plan: Part B*. This has evolved to become the *Queensland Government Infrastructure Pipeline*, which will detail the State's forward program of capital works.

This will provide greater visibility of a credible pipeline of future opportunities to the State's partners in the infrastructure industry.

State Infrastructure Strategy (SIS) and Regional Infrastructure Plans (RIPs)

The Queensland Government is committed to continually improving its approach to infrastructure planning to create prosperous communities, local jobs and more liveable, resilient regions and to attract private investment. With Queensland's infrastructure needs transforming due to population growth, changing demographics, emerging technology, the impacts of COVID-19 and other factors, it presents an opportunity to develop a new SIS supported by 7 RIPs.

The SIS and RIPs will provide a clear vision for infrastructure in Queensland, build on Queensland's *Economic Recovery Plan*, and respond to current and emerging challenges across Queensland. The RIPs will enable a more place-based approach that better reflects the unique strengths and opportunities of each region, provide confidence to industry to attract private sector investment and create local jobs.

Both the SIS and the RIPs are being developed through targeted engagement with key stakeholders who will help shape the future of Queensland. A draft SIS will be delivered in late 2021 with the RIPs to be delivered progressively from late 2021 into 2022.

Further details on the SIS and RIPs are available at <https://www.statedevelopment.qld.gov.au/industry/infrastructure/infrastructure-planning-and-policy/state-infrastructure-strategy>.

Project Assessment Framework (PAF)

The PAF is used across the Queensland Government to ensure a common and rigorous approach to assessing projects at critical stages in their development lifecycle.

Led and maintained by Queensland Treasury, the PAF is applied by government departments in the evaluation of infrastructure projects, public private partnerships and other proposals for the acquisition of services.

Further details on the PAF are available at <https://www.treasury.qld.gov.au/>.

Business Case Development Framework (BCDF)

The BCDF supports the implementation of the PAF by providing agencies with detailed guidance and tools to complete assessment and assurance of infrastructure proposals. The BCDF informs the progression of project proposals through the first 3 stages of the PAF: Stage 1 Strategic Assessment of Service Requirement, Stage 2 Preliminary Evaluation and Stage 3 Business Case Development. This ensures that major infrastructure proposals are thoroughly assessed to provide a firm basis for Government investment decisions. The BCDF reflects the guidance materials and templates established by the former Building Queensland and is maintained and supported by the Department of State Development, Infrastructure, Local Government and Planning.

Further details on the BCDF are available at <https://www.statedevelopment.qld.gov.au/industry/infrastructure>.

Queensland Transport and Investment Program (QTRIP)

QTRIP is a 4-year program released annually outlining current and planned investments in transport infrastructure. QTRIP spans road, rail, bus, cycling and marine infrastructure on freight, commuter and recreational networks. QTRIP includes works for the Department of Transport and Main Roads, Queensland Rail and Gold Coast Waterways Authority.

The program of works detailed in QTRIP represents a \$27.5 billion¹ investment over the 4 financial years from 2021–22. QTRIP is developed in accordance with funding allocations identified by the Queensland Government and Australian Government in their annual budgets, which align to both governments' policy objectives and agendas.

The strategic intent of QTRIP is shaped by state infrastructure planning processes (formerly State Infrastructure Plan, now the State Infrastructure Strategy) and specific transport strategies and plans developed in accordance with state legislation.

Further details on QTRIP are available at <https://www.tmr.qld.gov.au/About-us/Corporate-information/Publications/Queensland-Transport-and-Roads-Investment-Program>.

¹ Total QTRIP investment is inclusive of both non-capital and capital components.

1.3 Key capital projects and programs

Cross River Rail

Cross River Rail, a \$6.888 billion project fully funded by the Queensland Government, is the largest transport project ever undertaken in Queensland. A new 10.2 kilometre rail line from Dutton Park to Bowen Hills, involving 5.9 kilometres of twin tunnels under the Brisbane River and CBD, 4 new high-capacity underground stations (at Boggo Road, Woolloongabba, Albert Street and Roma Street), 8 rebuilt above-ground stations (at Salisbury, Rocklea, Moorooka, Yeerongpilly, Yeronga, Fairfield, Dutton Park and Exhibition), and 3 new stations on the Gold Coast make up this transformative transport project.

The project will also introduce a new world-class signalling system, the European Train Control System (ETCS), which will allow trains to operate closer together, enabling trains to run more efficiently and with greater safety.

The Cross River Rail project is being delivered in partnership with the private sector through 3 major infrastructure packages of work: Tunnel, Stations and Development (TSD) with Pulse Consortium through a public private partnership; Rail, Integration and Systems (RIS) through an alliance model with Unity Alliance; and the ETCS package contracted to Hitachi Rail.

Each of Cross River Rail's high-capacity stations will generate unique opportunities for urban renewal, economic development, the revitalisation of inner-city precincts and new employment opportunities.

Cross River Rail is into the second year of major construction, with excavation of the twin tunnels by the project's 2 tunnel boring machines having commenced from the Woolloongabba worksite in February 2021.

Cross River Rail is estimated to support up to 7,700 full-time equivalent jobs and 450 new apprenticeship and traineeship opportunities during construction.

M1 Pacific Motorway upgrades

A safe, efficient and reliable M1 Pacific Motorway plays an important role in driving productivity and competitiveness across South East Queensland. The program of works, jointly funded by the Queensland and Australian Governments, is delivering major projects, such as the Varsity Lakes to Tugun upgrade, Eight Mile Plains to Daisy Hill upgrade, and the Yatala South (Exit 41) and Pimpama (Exit 49) interchange upgrades.

The 10 kilometre section of the M1 Pacific Motorway between Varsity Lakes and Tugun will be widened from 2 to a minimum of 3 lanes in both directions. Works will include improvements to entry and exit ramps at Burleigh, Tallebudgera and Palm Beach as well as widening of Tallebudgera Creek and Currumbin Creek bridges. The construction works commenced in May 2020 and are expected to be complete by the end of 2023. The indicative total estimated cost for the project is \$1 billion.

The 8 kilometre section of the M1 Pacific Motorway between Eight Mile Plains and Daisy Hill will be widened in both directions to increase traffic flow and reduce travel time. Works will also include an extension of the South East Busway from Eight Mile Plains to Springwood, a new bus station and park 'n' ride at Rochedale and completion of the V1 Cycleway. The total estimated cost of this project is \$750 million.

The Queensland and Australian Governments have also committed \$1 billion to upgrades between Daisy Hill and Logan Motorway.

The M1 program of works is complemented by the jointly funded \$1.531 billion Coomera Connector (Stage 1) project between Nerang and Coomera.

Bruce Highway upgrades

The Bruce Highway is Queensland's major north-south freight and commuter corridor, connecting coastal population centres from Brisbane to Cairns over a distance of almost 1,700 kilometres. The Queensland Government will continue to work with the Australian Government to deliver the Bruce Highway Upgrade Program, aimed at improving safety, flood resilience and capacity along its length.

The 2021–22 capital program includes investment in several key projects on the Bruce Highway, improving safety and access and supporting jobs across the regions, including:

- \$1.065 billion to plan, preserve and construct the Rockhampton Ring Road.
- \$1 billion to construct Cooroy to Curra (Section D).
- \$932.2 million to widen the highway from 4 to 6 lanes between Caloundra Road and Sunshine Motorway.
- \$662.5 million to upgrade the highway from 4 to 6 lanes between Caboolture-Bribie Island Road and Steve Irwin Way.
- \$514.3 million to construct bridges and approaches on the Houghton River Floodplain, south of Giru between Horseshoe Lagoon and Palm Creek.
- \$500 million funding injection for the Bruce Highway, noting the Queensland Government's priority for upgrades between Mackay and Proserpine, and between Gladstone and Rockhampton.
- \$481 million to duplicate the highway from 2 to 4 lanes as part of the Cairns Southern Access Corridor (Stage 3), from Collinson Creek in Edmonton to the Wrights Creek area near Gordonvale.
- \$301.3 million to upgrade the Bruce Highway at the Maroochydore Road and Mons Road interchanges.
- \$230 million for the Townsville Ring Road (Stage 5) to duplicate the highway from 2 to 4 lanes between Vickers Bridge over Ross River and the Shaw Road interchange.
- \$225 million for the Cairns Southern Access Corridor (Stage 5), Foster Road intersection upgrade.
- \$163.3 million to upgrade the Bruce Highway at the Deception Bay Road interchange.
- \$123.7 million to widen the highway from 4 to 6 lanes as part of the Cairns Southern Access Corridor (Stage 4), from Kate Street to Aumuller Street near the Port of Cairns and wharf precinct.

Smithfield Bypass

The \$164 million Smithfield Bypass project is a new bypass road to address congestion on the section of the Captain Cook Highway between McGregor Road and the intersection of Captain Cook Highway and the Cairns Western Arterial Road. A new bridge over Avondale Creek has

been completed. Major works are progressing to reconstruct the intersection of the Cairns Western Arterial Road and Captain Cook Highway to deliver a signalised T-intersection. Structural works for a new overpass bridge at McGregor Road roundabout have been completed, with remaining works continuing.

Rollingstock Expansion Program

To provide for expected increases in rail patronage over the next 10 years, the existing passenger fleet must expand to deliver extra services. The Department of Transport and Main Roads has commenced a Rollingstock Expansion Program with a \$600 million commitment to procure 20 new 6-car passenger trains, which will be manufactured in the Maryborough region to support local jobs and regional supply chains, including in Rockhampton.

New Public Transport Ticketing System

The Queensland Government has committed \$371.1 million for a new public transport ticketing system that will be delivered across public transport networks over a 4-year period. The system will add new customer facing functionality, including payment by contactless debit and credit cards, mobile phones and wearables, in addition to go card and paper tickets.

Building Better Hospitals

The Government's Building Better Hospitals commitment is a key priority for Queensland Health which will help address growing demand by enhancing public hospital capacity and services in the South East Queensland growth corridor.

The program includes projects at 3 major South East Queensland hospitals with a combined value of \$979 million:

- Redevelopment of the Caboolture Hospital to support an additional 130 beds and refurbishment of critical clinical support services.
- Expansion of the Logan Hospital to deliver an additional 206 beds and treatment spaces, as well as expansion and refurbishment of the Logan Hospital Maternity Ward to provide additional inpatient beds, delivery rooms and special care nursery cots.
- Staged expansion of the Ipswich Hospital including new mental health facilities for adults and older persons, a 26-bed ward refurbishment, a Magnetic Resonance Imaging suite (delivered) to grow clinical capacity, and purchase of land and buildings from the Ipswich City Council to facilitate subsequent stages of the Ipswich Hospital Expansion program.

Satellite Hospitals: Better Care, Closer to Home

The Government is providing \$265 million in funding to deliver satellite hospitals to Bribie Island, Caboolture, Brisbane South, Pine Rivers, Gold Coast, Ipswich, and Redlands.

The Satellite Hospitals Program will enable our acute hospitals in South East Queensland to manage demand and free up capacity while continuing to safely manage patients via alternative models of care. The satellite hospitals will also provide virtual health opportunities including a range of rapid access consultations, care co-ordination, remote monitoring, and patient literacy services.

The final location and health services provided will be determined by the local Hospital and Health Services in consultation with the community. Planning for delivery of these hospitals is underway.

Building Future Schools

Through the \$2.6 billion Building Future Schools Program, the Government is delivering new state schools in high-growth areas across Queensland, including 8 new schools which opened in 2020 and 5 new schools which opened in 2021. Three new schools are due to open in 2022 – primary schools in Caloundra South and North Maclean (Greenbank) and a special school in Coomera. This Budget includes \$913.7 million for a further 10 new schools – 4 schools to open in 2023 (primary schools in Yarrabilba, Ripley and the Augustine Heights/Redbank Plains area, and a secondary school in Palmview) and 6 schools to open in 2024 (primary schools in Redland Bay, Bellbird Park and the Logan Reserve/Crestmead/Park Ridge area, and secondary schools in Springfield and the Collingwood Park/Redbank Plains and Logan Reserve/Park Ridge areas). A new primary school in Brisbane’s inner west is also due to open in 2024.

The Government’s \$1 billion Great Schools, Great Future infrastructure commitment will provide existing Queensland schools with new classrooms and facilities to accommodate growing enrolments, new or upgraded school halls and performing arts centres, and renewal and refurbishment of school infrastructure, including fencing upgrades, outside school hours care upgrades, playgrounds and covered outdoor sports areas.

Housing and Homelessness Action Plan

The government is committing \$1.908 billion over 4 years to support the *Housing and Homelessness Action Plan 2021–25* which will be delivered as part of the *Queensland Housing Strategy 2017–2027*. A total of 2,480 new homes have been delivered or commenced under the strategy, with a further 6,365 new homes to commence over the next 4 years.

This includes \$1.813 billion in capital funding and housing supply initiatives over 4 years to increase the supply of social housing and upgrade the existing social housing property portfolio. To support this, the Queensland Government has established a \$1 billion Housing Investment Fund, a long-term fund that will deliver annual returns to support the ongoing delivery of social housing across the state. The Housing Investment Fund will provide the means to flexibly deliver projects and enable a mix of public housing, community housing, subsidised housing, homelessness accommodation, and mixed-use developments to be developed to support local need and site-specific opportunities.

Further details of this overall package can be found in the Budget Highlights section of the Department of Communities, Housing and Digital Economy Service Delivery Statement.

Building our Regions

Building our Regions supports local government infrastructure projects in regional Queensland communities that create flow-on economic development opportunities and jobs. These projects span Queensland from Torres Strait Island in the far north to Goondiwindi near the southern border, and from Boulia in the north west to Fraser Coast in the east. This includes a wide range of infrastructure project types which deliver enduring economic benefits and improved liveability in regional communities.

The Department of State Development, Local Government, Infrastructure and Planning is responsible for delivering Rounds 1-5 of the Building our Regions program, with approvals to date of \$348.3 million in funding towards 264 infrastructure projects and 7 planning projects across 67 local governments in regional Queensland, supporting approximately 2,770 construction jobs.

This has leveraged further financial co-contributions of almost \$539.3 million from local governments, the Australian Government and others, to create a total capital expenditure value of \$887.6 million.

From 2021–22, a further \$70 million in new funding will be provided to the Department of Regional Development, Manufacturing and Water to deliver Building Our Regions Round 6, bringing total funding for the program to \$418.3 million.

Works for Queensland

The Works for Queensland program will be boosted with an additional \$200 million to deliver on the Government's election commitment over 6 years from 2021–22, bringing the total program funding to \$1 billion. The program will support local governments outside South East Queensland by funding job-creating maintenance and minor infrastructure projects relating to assets owned or controlled by local governments.

In 2021–22, \$148 million will be delivered towards Works for Queensland projects. As at 31 March 2021, councils have estimated more than 21,000 jobs being supported by the first 3 rounds of the program.

Disaster Resilience Program

As the most disaster impacted state in Australia, it is imperative to help local Queensland communities better prepare for future natural disasters. Increasing the resilience of infrastructure and investing in innovative programs to lessen the impacts of natural disasters means that communities can recover more quickly after a natural disaster strikes.

The Queensland Resilience and Risk Reduction Fund, as part of the National Partnership Agreement, jointly funded with the Australian Government will allocate \$65.5 million over 5 years to improve safety and disaster resilience across the state. With \$14.4 million to be delivered in 2021–22 to support disaster mitigation projects and build resilience to natural disasters. The fund will be administered by the Queensland Reconstruction Authority.

The Queensland Reconstruction Authority will also continue to administer a suite of targeted measures aimed at promoting disaster recovery and resilience from recent significant disaster events, including the \$100 million Betterment Fund to improve the resilience of infrastructure damaged by the monsoon flooding event of early 2019 under the joint Australian Government-State Disaster Recovery Funding Arrangements. The programs are being delivered over 3 years to 2021–22.

Southern Queensland Correctional Precinct - Stage 2

\$320 million of the \$654 million total for the expansion of Southern Queensland Correctional Precinct is budgeted for 2021–22, with construction having commenced in early 2021. A number of major benefits will be achieved through the construction of a new 1,000 bed correctional centre, including the delivery of over 400 jobs in the region. During peak periods of construction it will support up to 900 jobs.

This new facility, with a therapeutic health-centred operating model, will help address substance addiction and mental health issues. Further, it will enable Queensland Corrective Services and Queensland Health to provide rehabilitation and treatment in a world-class correctional facility.

The new facility will ease overcrowding across Queensland's correctional services system and deliver a safer environment for staff and the prison population.

Cairns Convention Centre

The Queensland Government is investing a total of \$176 million in the refurbishment and expansion of the Cairns Convention Centre, including \$172.2 million of capital expenditure. This investment ensures the existing centre remains a world-class venue that is ideal for business and community events.

The 10,000 square metre expansion includes a large undercover, tropically planted forecourt, expanded main entry lobby, new event spaces enabling the centre to host concurrent events and a multi-function space with external decks and spectacular views over Trinity Inlet.

The expanded centre will form a key infrastructure asset assisting with the post-COVID-19 recovery of the tourism industry in Cairns and far-north Queensland. The expansion is targeted for completion in the second half of 2022.

New Performing Arts Venue at the Queensland Performing Arts Centre (QPAC)

The Queensland Government has committed to deliver a new \$175 million state-of-the-art theatre for Brisbane, investing \$150 million over four years from 2018–19. This investment in a new theatre follows the recommendations of the detailed business case for a 1,500 seat theatre collocated with QPAC on the Playhouse Green site. The Queensland Performing Arts Trust will also contribute \$25 million towards the new venue.

QPAC, which schedules over 1,300 performances annually, with a record 1.5 million people attending in 2017–18, was nearing full capacity, prior to COVID-19. This new venue will make QPAC the largest performing arts centre in Australia, with five venues and the potential to welcome an extra 300,000 visitors per year. This transformational infrastructure project will bolster Queensland's cultural vibrancy, support the local arts sector and drive cultural tourism.

Construction of the new theatre is scheduled for completion at the end of 2022.

Stadiums and sport facilities

The government will continue the delivery of 3 stadiums across the state.

Harrup Park in Mackay will become a hub for marquee cricket and AFL events with Stage One of the development progressing. In South East Queensland, the Ballymore Precinct will undergo a major redevelopment transforming it into a home for the National Rugby Training Centre, women's rugby, the Pacific Pathways Program, Queensland Reds and Queensland Rugby Union and a mid-tier venue for other local sporting teams. \$20 million has been allocated to these projects in 2021–22.

On the Sunshine Coast \$20 million has been allocated to the redevelopment of the Sunshine Coast Stadium at Bokarina. This funding is subject to federal government funding.

\$48 million is allocated in 2021–22 to support local sport and recreation and community organisations to improve facilities to increase participation, in alignment with the *Activate! Queensland 2019–2029* strategy. Capital improvement works at Queensland Government venues will also continue with \$17 million to finalise works at the 3 Queensland Active Precincts as identified under this strategy.

CleanCo's Karara Wind Farm

In 2020, Queensland's publicly-owned clean energy generator, CleanCo, announced it will build, own, and operate the \$250 million 102.6MW Karara Wind Farm in the Darling Downs. Karara is

part of the 1,026MW MacIntyre Wind Farm Precinct being developed by Acciona Australia, with a project value of around \$2 billion. In addition to owning and operating the Karara Wind Farm, CleanCo will purchase 400 megawatts of renewable energy capacity from the MacIntyre Wind Farm, delivering the Government's Renewables 400 program.

Construction of the precinct is expected to commence in 2021–22 and be fully operational by 2024. The precinct is set to provide up to 400 local jobs during construction, with an additional 240 jobs for construction of the 64km transmission line, and 14 full-time jobs once in operation. Together with CleanCo's involvement, the local spend during construction is expected to exceed \$500 million, delivering significant economic benefits for the Darling Downs region.

CleanCo's announcement is an historic achievement for Queensland and demonstrates the government's ongoing commitment to renewable generation in Queensland.

Port of Townsville Channel Capacity Upgrade

The Townsville Channel Capacity Upgrade (TCCU), which commenced in 2019–20, has continued with the completion of 2.2 kilometres of protective rock wall where dredged material from the channel widening will be placed. This forms the boundary of a new reclamation area, providing an additional 62 hectares of land for port operations. The TCCU, the largest infrastructure project in the port's history, will widen the shipping channel to allow access for larger vessels and facilitate future trade growth in the region.

The TCCU project is jointly funded by the Queensland and Australian Governments and the Port of Townsville Limited (POTL), and forms part of the Townsville City Deal signed in December 2016. The total project cost of the TCCU project is \$232 million with the Queensland Government contributing \$105 million, the Australian Government committing \$75 million and POTL funding the remainder.

The TCCU project remains on track for completion by 2024 and will continue to support the local economy and jobs, with the detailed business case estimating 120 jobs would be supported during construction and 245 jobs after construction.

Cairns Marine Precinct investment

The government has committed \$30 million for capital works to upgrade facilities at the Ports North-owned Cairns Marine Precinct and fund a business case for the future development of the precinct. The investment, which is forecast to deliver up to 150 new jobs during construction, will help diversify the Cairns economy and take advantage of emerging defence-related opportunities for the precinct as an Australian Navy Regional Maintenance Centre. This will ensure that the Port of Cairns continues to be the leading maintenance, repair and overhaul facility in Northern Australia.

The business case and port master planning work, expected to be completed in the second half of 2021, are vital steps in determining long-term infrastructure requirements. Total capital infrastructure expenditure of up to \$150 million may be required and future contributions from the Australian Government will be sought.

Haughton Pipeline – Stage 2

The Queensland Government will contribute \$195 million to the Townsville City Council for Stage 2 of the Haughton Pipeline, which will connect to earlier stages of the project and ultimately improve water security for the region.

This project will also provide much needed economic stimulus by supporting hundreds of full-time equivalent jobs for the region.

Rookwood Weir

Sunwater and its construction partners have identified an opportunity to raise the crest height of the Rookwood Weir, adding up to 86,000 megalitres of supply to Central Queensland. Supported and co-funded by the Queensland and Australian Governments, the project will provide for significant agricultural growth along the Fitzroy River near Rockhampton and enhance the security of urban and industrial water supplies for Gladstone and Capricorn Coast communities.

Early works for construction of the weir commenced in November 2020 and in-river works commenced in April 2021. The weir is due to be completed by mid-2023, weather permitting. In parallel, road upgrades to Thirsty Creek Road and the Capricorn Highway at the Gogango Intersection were completed last year, and the new Riverslea Bridge was completed this year and has recently been handed over to the Rockhampton Regional Council.

The market response to the first stage of the water sale tender process (completed by Sunwater in December 2020) was strong and resulted in contracts for 30,000 megalitres of water for agricultural use. Additional tender processes will be held in 2022 for the remaining agricultural water.

The project has created over 100 regional jobs to date, including through essential road and bridge upgrades that support the project. The construction of the weir itself is expected to provide a further 200 jobs, with 140 of those jobs sourced locally and apprentices and trainees are expected to make up 15 per cent of construction hours.

The Queensland Government's funding commitment toward this critical piece of water infrastructure for Central Queensland is \$183.6 million. This commitment has been matched by the Australian Government which is co-funding the project under the National Water Infrastructure Development Fund.

Dam Improvement Program

Dams play a vital role in Queensland's water supply. Both Sunwater and Seqwater are delivering Dam Improvement Programs (DIP) to ensure their dams continue to operate safely during extreme weather events.

Sunwater and Seqwater have budgeted over \$30 million for DIP projects in 2021–22, including for construction activities and early project planning work. These projects will ensure Queensland dams meet required safety standards, deliver significant investment into the Queensland economy and support jobs.

DIP projects scheduled to be completed in 2021–22 include the Ewen Maddock Dam Upgrade Stage 2A and Paradise Dam Essential Works.

In 2021–22, Sunwater and Seqwater will continue to progress detailed business cases, investigating upgrade options for Somerset Dam, Paradise Dam and Burdekin Falls Dam. The Burdekin Falls Dam business case will also investigate the feasibility and demand for raising the dam to support economic growth in the region.

South West Pipeline

The \$95.2 million South West Pipeline is a 27-kilometre pipeline that will connect Beaudesert to the South East Queensland Water Grid and further improve long term water security for the Scenic Rim.

The South West Pipeline is the second stage of the Beaudesert Water Supply Upgrade, building on the improvements to the Beaudesert Water Treatment Plant which were completed in 2020.

Construction of the South West Pipeline is expected to be completed in late 2022. It will be the biggest addition to the SEQ Water Grid since completion of the Northern Pipeline Interconnector in 2012.

Southern Downs Drought Resilience Package

The Queensland Government is funding critical infrastructure to address the water security of the Southern Downs region, which continues to experience prolonged drought conditions.

As part of a total commitment of \$19.3 million towards critical works to extend Warwick's water supply over the next 2 years, the 2021–22 Budget outlines capital expenditure of \$8.1 million for Seqwater to undertake preparatory work for the Toowoomba to Warwick Pipeline, and \$7.6 million to construct new groundwater bores, upgrade critical infrastructure and unlock new water sources to extend the existing supply.