



# Media release

Treasurer

Minister for Trade and Investment

The Honourable Cameron Dick

7 December 2022

## 2022-23 Queensland Budget Update

Queensland's economy continues to lead the nation, according to the State's 2022-23 Budget Update released today.

Treasurer and Minister for Trade and Investment Cameron Dick said the 2022-23 Budget Update shows the fundamentals of Queensland's Budget and economy are strong, despite global challenges.

"Against a backdrop of international uncertainty, this Budget Update further reinforces Queensland's world-leading response to the COVID-19 pandemic," the Treasurer said.

"Despite several shocks in early 2022, including devastating floods, the Omicron outbreak and Russia's invasion of Ukraine, Queensland's economy grew 4.4 per cent in 2021-22.

"That is stronger than National GDP growth of 3.6 per cent.

"Exceptional jobs growth has continued, with employment in Queensland in October 2022 being 209,200 persons or 8.2 per cent higher than its pre-COVID level from March 2020.

"This is the strongest jobs growth of any jurisdiction, in both percentage and absolute terms, over that period."

The Treasurer said that despite global economic challenges, a record \$5.2 billion surplus is now forecast for 2022-23, largely driven by higher resources royalties on the back of a temporary surge in global coal and oil prices.

"Today's record surplus is a high-water mark that won't be sustained, so we're reinvesting responsibly, building stronger buffers in times of international uncertainty," the Treasurer said.

"The reward from today for Queenslanders is a \$3 billion long-term commitment to invest in future regional projects.

"We're choosing to back Queensland, reinvesting in good jobs, better services and protecting our great lifestyle now and into the future."

The Treasurer said the 2022-23 Budget Update also included a \$1 billion equity injection into Government Owned Corporations to support job creating regional infrastructure projects.

"We're also enlarging the Resources Community Infrastructure Fund by \$120 million with a special focus on coal-producing regions including Isaac, Central Highlands, Banana, Western Downs and the Whitsunday local government areas.

"In recognition of Isaac and Central Highlights delivering more than 80 per cent of Queensland's saleable coal produced, \$1.8 million will be allocated to support \$3.6 million in total State funding for the Phillips Street Bridge replacement project.

“The Isaac Resource Excellence Hub will also receive priority consideration under the Fund, subject to the project assessment process, delivering a resource knowledge centre for mining innovation and research, to transform jobs and skills.

“It’s important to re-invest back in the resources communities that deliver for all of Queensland through the royalties their mines generate.

“Projects forming part of the Queensland Energy and Jobs Plan will be funded including supporting workers in Queensland’s publicly owned coal-fired power stations (\$150 million) and Regional Economic Futures (\$200 million), which will have a special focus on coal-producing regions.

“To position Queensland to ride the wave of the next resources boom, \$100 million will be put aside for a new Queensland Critical Minerals Investment Fund and \$150 million will support critical minerals development via Common User Infrastructure projects.

“This will create more jobs as we harness north-west Queensland’s abundant critical mineral deposits to supply surging global demand for resources that are critical to manufacturing renewable energy technologies such as batteries, hydrogen electrolyzers, and electric vehicles.

“This investment supports the delivery of the \$62 billion [Queensland Energy and Jobs Plan](#) and the transformation of Queensland’s energy system to deliver clean, reliable and affordable energy to provide power for generations.

“Infrastructure investment will remain a major driver of economic growth and job creation, with our capital program reaching \$64 billion in the four years to 2025-26.”

2022-23 Budget Update highlights include:

- Queensland is forecast to record solid **economic growth** of 2½ per cent in 2022-23 and 2023-24, down slightly from 2.75 per cent forecast in June 2022.
- Year-average **employment growth** is forecast to remain strong at 2¾ per cent in 2022-23, before easing to 1.5 per cent in 2023-24.
- The **budget position** within the General Government Sector is a record surplus of \$5.18 billion in 2022-23
- **Net debt** is expected to be \$5.238 billion lower than was forecast in the 2022-23 Budget
- **Total Revenue** has been revised upwards by \$7.341 billion for 2022-23 and \$2.742 billion in 2023-24
- **Coal and Petroleum Royalty revenue** has been revised up by \$5.820 billion in 2022-23, driven by coal and oil prices, with a weaker Australian dollar.
- New **coal royalty tiers** are expected to raise revenue of \$2.954 billion for Queenslanders in 2022-23.

The Treasurer said the record surplus, continued positive employment numbers and rebounding economic outputs in the Budget Update are positioning Queensland well.

“Our traditional resources, agriculture and manufacturing sectors continue to perform strongly,” The Treasurer said.

“It is particularly pleasing the volume of agricultural exports rose by 15 per cent in 2021-22, driven by increases in crops including cotton.

“In this financial year cotton exports are expected to grow strongly again, with sugar exports returning to normal levels and beef production growing as well.

“Our investments in renewable hydrogen and energy generation are adding further diversity to the economy.

“Ongoing solid economic growth is expected in 2022-23 and 2023-24.

“However, with the domestic economy operating close to capacity and in the context of rising interest rates and a weaker global outlook, further strengthening in economic growth is likely to be limited in the short term.”

The Treasurer said that despite Queensland’s stellar economic performance, the state was not immune to the challenges that lie ahead.

“Extreme international volatility continues to pose a real threat to economic growth, with the ripples of conflict in Europe felt all across Queensland,” the Treasurer said.

“A tight labour market and the floods have limited domestic supply contributing to inflation forecasts for 2022-23 rising from 3.75 per cent in the June Budget to 5.75 per cent, with wages growth slightly stronger than at Budget.

“Thanks to a strong COVID 19 health response and sound fiscal management, Queensland is in the best position we can be to meet the challenges ahead.”

For further information, visit [www.budget.qld.gov.au](http://www.budget.qld.gov.au).

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