

# BUDGET SPEECH

---

BUDGET PAPER NO. 1

# 2021–22 Queensland Budget Papers

## 1. Budget Speech

## 2. Budget Strategy and Outlook

## 3. Capital Statement

## Service Delivery Statements

## Appropriation Bills

## Budget Highlights

## Regional Action Plans

The budget papers are available online at [budget.qld.gov.au](http://budget.qld.gov.au)

© The State of Queensland (Queensland Treasury) 2021

### Copyright

This publication is protected by the Copyright Act 1968

### Licence

This document is licensed by the State of Queensland (Queensland Treasury) under a Creative Commons Attribution (CC BY 4.0) International licence.



In essence, you are free to copy, communicate and adapt this publication, as long as you attribute the work to the State of Queensland (Queensland Treasury). To view a copy of this licence, visit <http://creativecommons.org/licenses/by/4.0/>

### Attribution

Content from this publication should be attributed to:

© The State of Queensland (Queensland Treasury) - 2021–22 Queensland Budget



### Translating and interpreting assistance

The Queensland Government is committed to providing accessible services to Queenslanders from all cultural and linguistic backgrounds. If you have difficulty in understanding this publication, you can contact us on telephone (07) 3035 3503 and we will arrange an interpreter to effectively communicate the report to you.

### Budget Speech

#### Budget Paper No. 1

ISSN 1445-4890 (Print)

ISSN 1445-4904 (Online)

**Appropriation Bill 2021**  
**First Reading Speech, 15 June 2021**  
**The Honourable Cameron Dick MP**  
**Treasurer, Minister for Investment**

Speaker, the Budget that I present today demonstrates that Queensland's COVID-19 Economic Recovery Plan is working.

This Plan, endorsed by the people of Queensland just eight months ago, recognises the issues that are important to Queenslanders in a time of unprecedented global uncertainty.

It recognises the importance of better hospitals in giving Queenslanders the confidence that they will be cared for should they need it.

It recognises the importance of smarter schools in educating our children for the jobs of tomorrow.

It recognises the importance of safer roads in creating jobs and driving economic growth.

And it recognises the importance of social and community support that Queenslanders know our government will deliver and always protect.

Our Plan, and the Budget, have at their heart the fundamental lesson that COVID-19 has taught every one of us.

When you protect the health of your people, then jobs will grow.

That is what we see in Queensland today – an economy that is roaring back to life.

Not in spite of our disciplined focus on getting the health response right, but precisely because of it.

Fighting COVID-19 is not the binary choice that some would have us believe, with health on one side and the economy on the other.

Our economy is succeeding only because we have protected the health of Queenslanders.

The right health response enables our economy to recover and grow with confidence.

And this is a Budget that invests in growth.

Growth in jobs.

Growth in services, including health.

Growth in vital infrastructure.

Growth across Queensland.

Our health response stands as a testament to the tenacity, sacrifice and determination of Queenslanders.

And the result of that health response is our strong economic recovery.

To some, the fact Queensland was able to avoid a depression or prolonged recession would be an achievement in itself.

But today, Queensland's economy is bigger than it was before the pandemic.

On almost every indicator we have seen this year, Queensland is outperforming the rest of Australia.

Household spending – growing faster than the rest of Australia.

Dwelling approvals – growing faster than the rest of Australia.

Dwelling investment – growing faster than the rest of Australia.

Construction starts – growing faster than the rest of Australia.

And our domestic economy – growing faster than the rest of Australia.

We have created more jobs since the depths of the pandemic than anywhere else in Australia.

Speaker, these are not just numbers on a Budget Paper or a computer screen.

They represent workers getting paid.

Queenslanders putting food on the table.

Families getting a fair share of wealth and, through their spending, reinvesting in our economy.

Reinvesting in other Queenslanders.

And the best part is that our economic recovery is only just getting started.

At the heart of any Labor Budget lies our Party's enduring mission.

A mission 130 years young just last month.

And that mission is delivering better, higher paying jobs for Queensland workers.

Today I can announce that the 2021 Budget sets a trajectory towards more jobs and stronger economic growth.

This financial year, Queensland's economy will grow by 3¼ per cent – more than double the national growth rate.

By the end of the forward estimates, our economy will still be growing faster than the national average.



That economic performance will drive employment growth, with 200,000 jobs predicted to be created over the next four years.

This will drive unemployment lower.

By the end of the forward estimates, unemployment is forecast to be 5 per cent, down from an estimated 6¼ per cent in the current quarter.

Speaker, we will deliver this improved jobs performance, while facing the challenge of the highest interstate migration in the country.

Our high interstate migration means that other states are exporting part of their unemployment to Queensland.

This reduces the participation rates of other states – and increases ours.

For our government, migration presents a challenge – and an opportunity.

We must still provide jobs for Queenslanders graduating from school or completing training.

But we must also provide jobs for tens of thousands of interstate migrants over the next four years.

This is a challenge we will meet head on.

And so we will continue to invest to ensure that these new Queenslanders can find jobs.

That they can enrol their children in a great local school.  
That they can get access to the hospitals that they need.

Queenslanders have surpassed every expectation of them during the pandemic.

In facing down COVID-19, everything that was asked of Queenslanders, they did.

Speaker, our Government aims to deliver to Queenslanders a Budget that rewards this achievement.

Queenslanders deserve a Budget with new investments in frontline services.

A Budget with more infrastructure spending.

And a Budget that delivers one of the strongest financial positions of any major government in Australia.

And that is exactly the Budget that I am delivering today.

## **INVESTING IN HEALTH**

Speaker, 2020 presented an unprecedented challenge to Queensland's health system.

The Palaszczuk Government responded with an unprecedented investment in health.

Our government knows that protecting the public health system protects Queenslanders.

Under our government, Queenslanders have confidence that if they become unwell, care is available.

As the vaccine rollout finally suppresses the threat posed by COVID-19, some would expect us to roll that record investment back.

Can I place on the record that, unlike previous Queensland governments, there will be no cuts to health.

In fact, I can announce that all of that COVID-19 boost will be retained within the system.

This year, we will once again increase health funding to deliver another record health budget.

This means that operating funding for health will increase by more than 13 per cent over two years.

I can also confirm that, in the coming financial year, operational funding will continue to be provided through the Queensland Health Funding Model, with no additional savings applied.

## **FRONTLINE HEALTH SERVICES**

Our operational investments will help to deliver the frontline services that our health system needs.

Since our government was first elected in 2015, we have overseen a 30 per cent increase in the strength of our nursing workforce.

That means an additional 8,400 nurses and midwives.

Queensland has 2,841 more doctors, 4,291 more health practitioners and 858 more ambulance personnel reinforcing our frontline health response.

## **MORE HOSPITALS**

An effective health system needs high quality infrastructure.

That's why I announce today that the Palaszczuk Government will establish a \$2 billion Hospital Building Fund to address growth pressures across the health system.

Initial investments will be made from the Fund for the Toowoomba Day Surgery – a two theatre day surgery to be built at the Baillie Henderson campus.

We are ensuring that healthcare infrastructure and equipment are delivered to the right place, at the right time, for the benefit of Queenslanders.

In South East Queensland, our record health investment means an additional 174 additional beds and a new emergency department at the Mater Public Hospital Springfield.

We are continuing the redevelopment and expansion of Caboolture, Ipswich and Logan Hospitals.

As part of our Satellite Hospitals Program, satellite hospitals will be delivered at Bribie Island, Caboolture, Brisbane South, Pine Rivers, Gold Coast, Ipswich and the Redlands.

But our government is equally committed to high-quality healthcare for regional Queenslanders. We are continuing our investment in new and upgraded regional hospitals at:

- Roma
- Atherton
- Cairns
- Thursday Island
- Hervey Bay
- Maryborough
- Rockhampton
- Sarina and
- Proserpine.

The Budget also provides \$70 million for the Building Rural and Remote Health Program to upgrade health infrastructure at:

- Camooweal
- St George
- Morven
- Charleville and
- Blackwater.

It provides \$12.5 million for the Woorabinda Multi-Purpose Health Service to increase its capacity from four residential aged care beds to 14.

And it provides \$12.4 million to replace the Windorah Primary Healthcare Centre.

## **MORE INFRASTRUCTURE**

Speaker, it won't just be new hospitals that this Budget is delivering.



Queensland is a growing state – growing more strongly than the rest of Australia.

And a growing state needs infrastructure.

Speaker, infrastructure investment is the foundation of any Labor Budget.

Infrastructure grows the economy, infrastructure connects communities and infrastructure creates valuable construction and maintenance jobs.

That's why the hallmark of the Palaszczuk Government has been a strong spend on infrastructure, across the board.

Since we were first elected, we have delivered – and will continue to run – an extensive infrastructure program.

But it has also been a sustainable infrastructure program.

Investment in infrastructure has been funded primarily through recurrent revenues.

However, when the pandemic struck and our revenues were crushed, we faced a choice.

We could have cut infrastructure spending to improve the state's financial position.

That was, in fact, the decision made in the 2012 Budget delivered by the previous government.

The Newman LNP Government announced that:

*“the capital program will be smaller than in previous years, reflecting the determination of the Government to restore the State's financial position.”*

Speaker, the Palaszczuk Government has made a different choice.

We have enshrined our \$50 billion Infrastructure Guarantee as a cornerstone of our COVID-19 Economic Recovery Plan.

We made the deliberate decision that a temporary reduction of revenue was no reason for a permanent reduction in infrastructure.

And that is a decision that we carry forward into the Budget today.

I am proud to announce that we are keeping our \$50 billion commitment to the people of Queensland.

Over the forward estimates, our capital program will deliver \$52.2 billion in infrastructure.

This investment will support around 46,500 jobs next financial year.

And over the 10 years to 2024–25, the Palaszczuk Labor Government will have supported over \$110 billion in infrastructure for Queenslanders.

When it comes to infrastructure, including schools, hospitals, roads, rail and renewables, we are keeping our pedal to the metal.

And it is reflected across the portfolios that deliver for Queenslanders.

## **EDUCATION AND NEW SCHOOLS**

In a resource-rich state, Queensland Labor Governments know that our most precious resource is the next generation of Queenslanders.

We know that a well-resourced, quality education system enriches us all.

Because we believe that, regardless of background, wealth, gender, ethnicity or upbringing, all of Queensland's children deserve a chance to achieve their dreams.

That's why this Budget will deliver \$16.8 billion for education.

Our government will ensure that Queensland's next generation can access the highest quality schools, skills and training, from preschool to graduation.

Speaker, the Palaszczuk Labor Government knows that the foundations of a strong education must start early.

That is why we are locking in four years of funding to provide ongoing, universal access to kindergarten for Queensland children – an investment of \$202.9 million.

Education will be the foundation of our state's long-term economic prosperity.

Our government has already opened 18 new schools since 2015.

The Budget includes more than \$900 million to build 10 new primary and secondary schools in high growth areas of our state.

And it commits another \$500 million for additional and renewed infrastructure across our existing state schools.

This includes \$309.2 million in the coming financial year to improve and upgrade schools in regional Queensland.

## **HOUSING INVESTMENT**

Speaker, all Queenslanders deserve a place to call home.

One of the flagship initiatives in this Budget is our timely investment in housing and homelessness services.

Today I am pleased to announce that our government will commit \$1.9 billion over four years to increase the supply of social housing, upgrade the existing stock of dwellings, and deliver critical housing services to vulnerable Queenslanders.

To support this investment, our government will establish a \$1 billion Housing Investment Fund, with its returns to be used to drive new housing supply to support housing needs across the state.

## **TRANSPORT INFRASTRUCTURE**

Speaker, our government recognises the need to continually strengthen our transport networks.

To build the road and rail corridors that get Queenslanders quickly to work and take them safely home.

That's why our government is redoubling our investment in roads, with \$27.5 billion over four years supporting 24,000 jobs for Queenslanders.

Our capital program includes a range of investments in Queensland's 1,700-kilometre backbone, the Bruce Highway.

We will improve the safety, the capacity and the resilience of the Bruce Highway, from Brisbane to Cairns.

We have locked in an \$883 million jointly funded boost for the Bruce, to build four lanes at Tiaro, north of Gympie, and upgrades between Gladstone and Proserpine and north of Townsville.

And we'll take trucks off the Bruce, rolling out a jointly funded \$500 million upgrade to the Inland Freight Route between Charters Towers and New South Wales.



Our program of works on the Gold Coast is delivering major upgrades, including our signature \$1.5 billion Coomera Connector, to provide a second M1.

This year we will deliver \$188.9 million for Gold Coast Light Rail Stage 3, as part of this \$1 billion project.

Cross River Rail is full steam ahead, with \$1.5 billion next financial year to help deliver four new CBD stations and support 7,700 full-time equivalent jobs.

## **REGIONAL INFRASTRUCTURE**

In Queensland, more of our people live outside the capital city than do in any other mainland state or territory.

We must support this population, as well as the new residents and visitors our regions attract.

That is why 61 per cent of our \$14.7 billion capital program next financial year will be spent in the regions.

Our infrastructure investment will support nearly 30,000 regional jobs.

The Budget allocates \$350 million to meet our government's election commitment to continue the Works for Queensland program and the SEQ Community Stimulus Package.

These are programs that fast-track investment, creating jobs and delivering more stimulus.

We will provide an additional \$70 million for local government infrastructure projects through the Building our Regions program, taking our total funding to \$418.3 million.

## **SKILLS, TRAINING AND JOBS**

Speaker, across Queensland, many businesses are facing labour shortages.

This is a challenge that would have been inconceivable at the start of the pandemic, but one that reflects the growing strength of our economy.

And our government is meeting this challenge.

The Labor Party believes that one of the best things a government can do is to provide its people with the skills, the training and the confidence to get a job.

That is why the Skilling Queenslanders for Work program will be given secure, long term funding.

This Budget commits \$320 million over four years – and \$80 million each year ongoing – to continue this vital program.

To date, Skilling Queenslanders for Work has seen three out of every four participants go on to secure employment or further training.

Our Back to Work program, which has already helped more than 25,000 Queenslanders find a job, will receive \$140 million over four years.

## **INVESTING IN QUEENSLAND**

Speaker, our traditional industries helped create the wealth of Queensland.

And those industries, like agriculture and mining, have been key to our economic recovery from COVID-19, keeping Queenslanders working and our economy moving through the depths of the pandemic.

Their resilience and tenacity meant that Queensland fared better than other states and economies more heavily reliant on service industries.

The wealth of Queensland was not created by standing still.

Our economy will grow faster and create more jobs as we further diversify our industrial base.

Earlier this month, the Premier, Deputy Premier and I announced the Queensland Jobs Fund, now worth \$3.34 billion, including \$350 million in new funding for industry partnerships.

The Queensland Jobs Fund will build on the suite of programs introduced by our Government to bring new industries and jobs to Queensland.

Part of our \$3.34 billion commitment is \$2 billion towards the Queensland Renewable Energy and Hydrogen Jobs Fund.

## **RELIABLE, AFFORDABLE, RENEWABLE ENERGY**

Speaker, when the Palaszczuk Government was elected, there were no large-scale wind or solar projects underway in Queensland.

With all of the incredible renewable resources available to our state, the cupboard was bare.

Since our election in 2015, 44 large-scale projects have been committed, commenced or constructed in Queensland.

This represents more than 5,000 megawatts of large-scale renewable generating capacity and almost \$10 billion in investment.

These renewable projects have created almost 7,000 new construction jobs, largely in regional Queensland.

Our 50 per cent renewable energy target sent industry the clear policy signal that we are open for renewable business.

We established CleanCo to deliver affordable, low emissions power across the state.

We provided CleanCo with \$250 million to build, own and operate the Karara Wind Farm on behalf of the people of Queensland.

Through our government-owned energy corporations, we have developed partnerships with private companies seeking to power their businesses from renewables.

These partnerships give our renewables sector the certainty of demand it needs to grow even faster.

And we're not done yet.

Our \$2 billion investment in commercial renewable energy and hydrogen projects will build on our commitment to providing cheaper, cleaner energy to Queenslanders.

## **SUPPORTING THE ARTS**

Speaker, the appeal of Queensland is based on our natural beauty, our diverse landscapes, our resilient health and quality education systems and our unmatched lifestyle.

We will continue to invest in the industries that make the Queensland way of life the envy of the world.

We will invest \$71 million to support the Queensland screen industry, which has kept caterers, carpenters and countless other tradespeople employed through the pandemic, as so much production has ground to a halt elsewhere in the world.

In the thriving heart of Brisbane's arts precinct, we will commit \$36.1 million to renew critical infrastructure.



Across the state, we will deliver priority investments in arts and cultural venues owned by Queenslanders through a \$13.1 million Arts Infrastructure Investment Fund.

And for the music industry, which continues to face challenges in a COVID-safe world, we will deliver \$7 million in support for live venues next financial year.

## **PROTECTING OUR ENVIRONMENT**

Speaker, our state's Land Restoration Fund is supporting farmers and Traditional Owners to develop new income streams while reducing their carbon footprint, building healthier waterways and increasing habitat for threatened species.

To ensure the ongoing viability of this Fund, this Budget establishes a \$500 million Carbon Reduction Investment Fund.

The proceeds of the Carbon Fund will provide certainty for land restoration projects now and into the future.

When our government reintroduced the waste levy, we successfully stopped the tide of interstate trucks looking to use Queensland as their dumping ground.

Resource recovery is creating new industries and new jobs by diverting waste away from landfill and into new uses across our economy.

We will continue to implement the Queensland Waste Management and Resource Recovery Strategy through a commitment of \$93.6 million over four years and \$24.2 million each year ongoing.

This Budget also commits \$160 million to ensure the success of the waste levy does not increase costs for household domestic waste.

And as custodians of the Great Barrier Reef, we will invest \$270.1 million over five years to maintain the Queensland Reef Water Quality program at current levels.

## **SUPPORTING OUR COMMUNITIES**

Queensland is home to two of the world's oldest continuing living cultures, in Aboriginal and Torres Strait Islander peoples.

As we continue along the Path to Treaty with our state's First Nations People, it is vital that we provide funding security to support our shared journey.

To that end, through this Budget I am proud to announce today that the government will establish a \$300 million Path to Treaty Fund.

The proceeds of this Fund will provide funding certainty for the Path to Treaty into the future.

The Path to Treaty actions will be informed by the government's consideration of the report of the Treaty Advancement Committee, which is expected to be received later this year.

The Budget also commits \$27.6 million to continue the work of managing Native Title Compensation claims in Queensland.

As we have learned through the harrowing stories of the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability, it is essential to ensure that Queenslanders living with a disability know that their voices will be heard.

We are investing \$22.7 million to continue to support peak and representative bodies and advocacy services for Queenslanders with a disability and the Queensland Disability Advisory Council.

The Budget will also provide \$7.3 million to ensure continuity of support for former Disability Services clients, who have been determined ineligible for the NDIS.

Speaker, our government knows the financial pressure that COVID-19 has placed on many Queenslanders.

It is also why, earlier this year, our government announced the lowest indexation rate in a decade.

Fees and charges now grow at less than half the rate they escalated under the previous government.

And it is why our government is delivering \$6.1 billion in discounts, rebates, subsidies and other concessions this financial year.

Most Queenslanders benefit from at least one concession, be it a public transport discount, rental assistance, drought relief assistance, or an electricity bill rebate.

Our near-record \$6.1 billion of concessions in this Budget will continue to help Queenslanders manage their own household budgets.

## **TITLES REGISTRY**

Speaker, when I announced our intention to transfer the Titles Registry to the Queensland Future Fund, our preliminary valuation estimate was at least \$4 billion.

This valuation is an important number for Queensland.

Because every dollar of value in the Titles Registry reduces our net debt.

Lower net debt means we are better able to respond to future shocks, such as natural disasters, with additional spending.

Lower net debt means we have greater capacity to invest in the infrastructure we need.

Lower net debt means a healthier budget position for Queenslanders.

Today I can announce more good news for Queensland. I can confirm that the independently assessed valuation of the Queensland Titles Registry has been revised – upwards – to \$7.8 billion.

Speaker, this valuation is the result of detailed due diligence undertaken by the Queensland Investment Corporation and Queensland Treasury.

QIC obtained advice from four independent firms.

Financial advisory services from Bank of America.

Macroeconomic forecasting from BIS Oxford Economics.

Financial, tax, accounting and information technology due diligence from Deloitte.

And legal advice from Allens Linklaters.

The valuation was approved by QIC's independent investment committee and was then subject to a further independent peer assessment by two global accounting firms – PwC on behalf of QIC and EY on behalf of the state.

Speaker, we always knew that Queensland was the best, and this valuation is no exception.

The Queensland Titles Registry is the most valuable Titles Registry in the nation.

And there is good reason for this.

Our Titles Registry has been the best run in the nation.

And it should remain in public hands.

The hard-earned wealth of Queensland should remain in Queensland, to work for Queenslanders.



Consistent with the announcements I made last year about the Queensland Future Fund, the majority of the Titles Registry value – \$6 billion in total – will be contributed to the Debt Retirement Fund.

By restructuring the Titles Registry, as we have done, and by recognising the full financial value of this asset, Queenslanders will reap the benefit of the state's net debt being reduced by nearly \$8 billion.

## **FISCAL OUTLOOK**

Before I became Treasurer, every Budget that our government handed down delivered a net operating surplus.

The last budget deficit delivered in Queensland before that was delivered by the Newman LNP Government.

So as you might expect, Speaker, those of us on this side of the House are not comfortable with a budget deficit.

While none of us likes budget deficits, Labor will always back jobs.

Jobs must come first.

And our Premier has backed that choice every day.

Our government made the deliberate decision that we would put our Budget into deficit.

We made it clear during the election campaign that our Budget would stay in deficit until our economy had recovered.

There would be no reckless rush to surplus within the forward estimates, or within three years, or within some other arbitrary time frame.

And when I delivered last year's Budget, we did not back down from this.

Our message is clear – health and jobs come first.

Today's Budget demonstrates that our choice has paid off.

Our deficits are narrowing because jobs are coming back.

Our debt is falling because jobs are coming back.

And our Budget will return to surplus because jobs are coming back.

Speaker, the four largest governments in Australia – the Commonwealth Government, the New South Wales Government, the Victorian Government, and the Queensland Government – all went into deficit to respond to COVID-19.

Today, only one of those four governments is returning to surplus – the Palaszczuk Labor Government.

Queensland was the first to announce a stimulus to respond to COVID-19.

Queensland was the first to return all of the jobs lost due to COVID-19.

And now Queensland is the first of these jurisdictions to return to surplus.

We had forecast that this year and last year we would see the biggest deficits in Queensland's history.

While last year's deficit remains the largest, this year's deficit will now be smaller than that in the Newman LNP Government's first Budget.

Speaker, those smaller deficits have, axiomatically, had an impact on Queensland's debt.

As our economy has improved, the need for increased debt reduces.

Today I can announce that, in this financial year, our net debt will be reduced by \$9.7 billion compared to the forecast in December last year.

Speaker, that is the single biggest reduction in net debt ever recorded by the Queensland Government.

Reducing debt, reducing deficits, returning to surplus – these are things that I know many of our side of the House are pleased to hear.

But the part they want to hear the most is that we've done all of this without cutting services, without sacking public servants and without selling public assets.

Others may talk about debt reduction or reducing budget deficits.

But only our government has delivered, and we have done it the right way, by growing jobs and growing the economy.

And while we are proud of this achievement, on this side of the House we do not engage in debt reduction for its own sake.

We will reduce debt because doing so creates the future capacity to invest in the services and infrastructure that our state needs.

In this Budget, we are reducing debt because our economy is growing strongly, because jobs are coming back and because it makes sense to rebuild our borrowing capacity.

In future, debt may well rise again, to respond to another crisis, to deal with a disaster, or to build the infrastructure of our state.

Just as we did in the pandemic, we will make no apologies for using debt to defend the health, the jobs and the livelihoods of Queenslanders.

And as we see the Commonwealth Government engaging in a borrowing spree that dwarfs anything the state might do, it is my hope that those opposite, and those in the media, finally come to grips with the fact that debt is not a dirty word.

Queensland does not have a debt problem.

By any measure, in absolute and proportional terms, Queensland's debt is lower and more affordable than the debt owed by New South Wales, by Victoria and by the Commonwealth Government.

If you think Queensland owes too much, with net debt at \$25 billion, then take it up with the New South Wales Government, which owes \$68 billion.

If you think Queensland won't be able to service our borrowings, which represent 102 per cent of revenue, then take it up with the New South Wales Government, which has a debt to revenue ratio of 130 per cent.

Speaker, today the debt double standard stops.

## **CHARTER OF FISCAL RESPONSIBILITY**

Speaker, the Financial Accountability Act 2009 provides that, from time to time, the Treasurer must prepare and table in the Legislative Assembly a Charter of Fiscal Responsibility giving details of the government's fiscal principles.

The government's new Charter includes renewed fiscal principles that support our strategy to drive recovery, address fiscal repair and restore the state's fiscal buffers.

The renewed fiscal principles provide objective measures that support the government's post-COVID-19 fiscal repair strategy, including a return to operating surplus.

The principles will ensure that debt remains sustainable, expenses do not grow faster than revenues and capital is prudently funded by surplus operating cash.



Queensland will maintain its highly competitive tax environment.

Our government's longstanding commitment to fully funding its liabilities, such as superannuation, will continue.

To maintain consistency between Budget documentation and the official Charter, I table the revised Charter of Fiscal Responsibility.

## **ECONOMIC UPDATE**

As nations around the world have learned, the heart of any economic recovery from COVID-19 must be a strong and effective health response.

And so it has been for Queensland.

Our state has recovered earlier and stronger than we anticipated in the Budget delivered barely six months ago.

## **ECONOMIC GROWTH**

Growth for this financial year is now forecast to be 3¼ per cent – 13 times faster than the ¼ per cent estimated in last year's Budget.

This significant economic growth is driven by strong household consumption and dwelling investment.

It is this economic growth that underpins our ability to deliver essential services, create jobs and protect those who need help the most.

Our measured economic growth will continue, with the 3¼ per cent growth in this financial year to be followed by 2¾ per cent growth in each subsequent year of the forward estimates.

Our growth is more measured than the Commonwealth because our recovery started earlier than states like Victoria.

By June 2025, our economy is forecast to be 15 per cent larger than it is today.

## **UNEMPLOYMENT**

Consistent with the recovery delivered by our health response, unemployment is forecast to peak lower and fall further than was estimated in last year's Budget.

It is forecast to fall from 7 per cent this financial year to 5 per cent by the end of the forward estimates.

In each year, that is an unemployment rate at least 1 per cent lower than that forecast in December.

And while unemployment will be challenged by net interstate migration, it is a challenge we welcome.

## **CONCLUSION**

Speaker, this Budget comes a little over a year after the Premier appointed me as Treasurer.

Along with my colleagues, I have had the privilege of witnessing something extraordinary and powerful – the people of Queensland rising to the challenge of COVID-19 so brilliantly.

And because of their hard work, the people of Queensland will continue to receive the dividend of their strong health response to COVID-19 for many years to come.

More jobs, more economic growth, lower debt, more infrastructure and better government services.

Speaker, Queensland has long been called the Sunshine State.

I like to think of it as the Sunrise State.

Because Queenslanders take each day as it comes – and we back ourselves every step of the way.

Every Queensland family photo album tells the story of generations who saw a brighter future and built it.

And now we are backing ourselves to host the greatest event in the world – the 2032 Olympic and Paralympic Games.

This one event will fire the starter's gun on the biggest infrastructure building program our state has ever seen.

New roads and railway lines.

Bus lanes.

Housing and sporting facilities.

All of it creating a \$17 billion economic uplift and almost 123,000 full time jobs.

The Games will get projects off drawing boards faster, with the benefits and opportunities right there for the taking, right across Queensland.

We will move early to chase new dawns, to capture the opportunities of every day.

This is a Budget that prepares us for those new days and new opportunities ahead.

And it sets Queensland up to make the most of our state's bright future.

I commend the Bill to the House.





**Queensland**  
Government

Queensland Budget 2021–22

**Budget Speech Budget Paper No.1**

[budget.qld.gov.au](http://budget.qld.gov.au)