

BUDGET SPEECH

BUDGET PAPER NO. 1



2022–23 Queensland Budget Papers

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Budget Speech

Budget Paper No. 1

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Appropriation Bill 2022
The Honourable Cameron Dick MP
Treasurer
Minister for Trade and Investment

Speaker,

The budget that I deliver today delivers good jobs.

It provides better services.

And it supports Queensland's great lifestyle.

It is a budget that marks our state's emergence from the sacrifice and resilience shown by Queenslanders during a pandemic that has shaken and disrupted us like nothing before.

A pandemic whose impacts have been felt in our homes, our businesses, our schools, and our hospitals.

Notwithstanding these challenges, the great resilience of Queenslanders won through, built on perseverance, discipline and hard work.

And that has allowed this Budget to build on our extraordinary economic standing.

An extraordinary economic standing that sees Queensland, on almost every indicator we have seen this year, outperforming the rest of Australia.

It is a budget that puts health care first.

It is a budget to propel us from times of tremendous disruption and turbulence towards a brighter horizon.

A new era is dawning for Queensland.

We are taking advantage of global shifts, like decarbonisation and digitalisation, to realise opportunities in our traditional and emerging industries and to help create more jobs.

We are building the infrastructure for tomorrow.

We are providing better services for all Queenslanders.

And we are doing all of this, without compromising our cherished lifestyle.

The starter's gun has sounded on the maroon, decade-long race towards the Brisbane 2032 Olympic and Paralympic Games.

And the decade beyond.

Our nation leading response to COVID-19 underpins the greatest ever investment in Queensland's future.

HEALTH

Despite the lockdowns and isolation, Queenslanders have rightly rallied behind our frontline workers.

Day after day, shift after shift, they continue to be at the forefront of our response to the COVID-19 pandemic.

They put themselves in harm's way, treating thousands afflicted with severe virus symptoms and comforting their families.

Doctors, nurses, paramedics, and health workers continue to give Queenslanders the very best care, because they care.

Under pop-up tents, in all kinds of weather conditions, they have administered millions of PCR tests.

In the middle of the night, they have transported patients struggling to find their breath, to receive world class health care.

For our health workers, their daily routine involves multiple changes of personal protective equipment, surgical masks, respirators, gloves, goggles, glasses, face shields, gowns, and aprons.

Their daily ordeal has saved countless lives.

To pay tribute to their service, we must make sure our health system has the infrastructure, technology and resources it needs to meet the future demands of a growing state.

These demands, and the pressures they create, are not confined to Queensland.

As in many parts of the world, healthcare is facing short and long-term challenges.

The short-term challenges range from rising emergency department presentations to forced postponement of non-urgent elective surgeries to accommodate COVID-19 related priority care.

The outbreak of influenza A has also made its presence felt, which is why Queensland became the first Australian state to provide free flu vaccines.

There is also an increasing prevalence of complex and chronic illness.

An estimated 4 out of 5 Australians aged 65 and over have at least one chronic illness.

Rising private health insurance premiums are also placing additional pressure on our public hospital network.

Across Queensland the level of private health insurance coverage is near the lowest level seen for the last 20 years.

There are now more Queenslanders without any form of private health insurance than at any other period, with 3.1 million Queenslanders uninsured.

Of those who do still have private insurance, less than 40 per cent have a policy which covers all hospital admissions.

That means, less than one in 4 Queenslanders have private cover for all hospital admissions.

Over the longer term there are also pressures associated with a growing and ageing population.

Queensland has the fastest population growth of all states and territories.

By 2036, our current population of 5.24 million is expected to increase by around 20 per cent, or over one million new Queenslanders.

And the number of Queenslanders aged over 65 is projected to grow from 865,000 to 1.3 million people in 2036, an increase of 50 per cent.

Demands on our health system can never be addressed by cuts to frontline services.

That is why the Palaszczuk Labor Government will always put health care first.

Today, I am pleased to announce that this year's Budget will deliver a record commitment of \$23.6 billion for frontline health services and high-quality healthcare infrastructure.

Today, our government commits \$9.8 billion for a funding program to expand the capacity of Queensland's health system, the biggest hospital building program in the history of Queensland.

That commitment will deliver 2,200 additional overnight hospital beds.

There will be new hospitals in Bundaberg, Toowoomba and at Coomera.

There will be hospital expansions in Cairns, Townsville, Robina, Mackay, Redcliffe, Ipswich and Hervey Bay.

Metropolitan Hospitals like the Princess Alexandra Hospital, the QEII Hospital, the Prince Charles Hospital and Logan Hospital will all be expanded.

And in an Australian-first, a comprehensive Queensland Cancer Centre will be built at the Royal Brisbane and Women's Hospital.

In addition, our government will reallocate \$229.7 million of existing funding to increase bed capacity under the Accelerated Infrastructure Delivery Program over the next 2 years.

This program will deliver 289 beds across 7 projects in the Metro South, Gold Coast, West Moreton, and Cairns and Hinterland Hospital and Health Services.

In total, this budget provides for an additional 2,509 beds across the state.

New ambulance stations will be delivered at Caloundra South, Lawnton, Morayfield, Ormeau, and Ripley, along with redeveloped stations at Southport, Pimpama and Toowoomba.

From the election of our government until today:

- the number of nurses in Queensland has increased by 10,638, or 38.1 per cent;
- the number of doctors has increased by 3,106, or 39.2 per cent; and
- the number of ambulance officers has increased by 1,103, or 29.7 per cent.

We will deliver 9,475 jobs for frontline staff – including doctors and nurses, paramedics and allied health professionals – across this term of government.

This is a record budget for health.

Every year, the health budget grows.

But this year, the increase is much more than just the usual.

We have listened to stakeholders in the health system, who tell us that they need greater budget certainty to plan and deliver high quality health care.

They have told us that if we can give them that certainty, they will find smarter and better ways to deliver healthcare.

They have spoken.

And our government has listened.

This year, for the first time, we are providing a sustained, long-term uplift to Queensland Health funding across the forward estimates.

This means that total budget funding for Queensland Health will grow by \$8.5 billion over the forward estimates

This is the largest total uplift in budgeted health expenditure in the history of Queensland.

Not only are we substantially increasing the funding to Queensland Health, we are also improving how we fund Queensland Health.

Prevention of illness, early intervention, and new models of care that help patients stay out of hospital in the first place, are all activities that are front and centre when it comes to the work of our Hospital and Health Services.

That is why, in this budget, we are freeing up our hospitals to put even greater focus on outcomes, not just activity.

There will, of course, be accountability for funds spent.

There are no blank cheques.

Because every dollar matters.

But very importantly, Queensland Health will have much greater flexibility on how to invest state-provided funds on achieving outcomes.

MENTAL HEALTH

The pandemic has painted a stark picture of the importance of mental health care.

It is a picture that became even clearer with the release of the report by the parliamentary Mental Health Select Committee earlier this month.

I thank the members of that committee, particularly the Chair, the Member for Greenslopes Joe Kelly, and all those who made submissions to this important inquiry.

The issues caused by mental health seep insidiously into so many other areas of life, from substance abuse and domestic violence to homelessness and unemployment.

And it affects every part of our state.

There is no community that is spared its impact.

To all those who made submissions to the Committee, to all those dealing with the challenge of mental illness, to all those who have lost a loved one to mental illness, we hear you.

And now we will act.

Our government will not leave behind those Queenslanders and their families living with the challenge of mental illness.

Our record health budget will commit an additional \$1.6 billion for mental health services over 5 years, together with \$28.5 million in capital funding, to support plans that focus on addressing issues around mental health, addiction, substance abuse and suicide.

It will focus on rehabilitation care, additional community care units, adolescent day programs and Step-Up Step-Down services to help people transition from hospital or avoid hospital admission in the first instance.

This is the biggest ever investment in mental health services in Queensland.

But in order to deliver this funding, we must have a sustainable funding model.

To that end, our government will introduce a 0.25 per cent mental health levy on businesses with annual taxable Australian wages of over \$10 million from 1 January 2023.

Businesses with annual wages over \$100 million will pay an additional 0.5 per cent levy.

Treasury modelling indicates this levy will only apply to around one per cent of all Queensland businesses.

By the end of the forward estimates, the mental health levy will generate \$425 million each year, a sustainable and ongoing source of funding to assist Queenslanders in need.

Our record health budget also aims to give First Nations people and others living in rural and remote parts of Queensland access to the best possible health care.

In this Budget our government commits almost \$1 billion over 7 years for a Building Rural and Remote Healthcare Program to replace ageing health infrastructure in rural and remote parts of the state.

This will ensure Queenslanders living in these areas can receive adequate and contemporary health care.

This investment builds on our government's proud legacy of delivering new or renewed hospitals and health clinics across our state, including major new hospitals at Roma and Kingaroy.

We will also make sure the Royal Flying Doctor Service, born in our state, is adequately resourced to provide aeromedical evacuations throughout our regions for the seriously injured or those requiring urgent medical attention.

Budget funding of \$334 million over 10 years will enable the RFDS to take care of those in need, no matter where they live.

We will also allocate an additional \$60.3 million towards Brisbane Airport Corporation's new aeromedical infrastructure upgrade that will feature new patient transfer facilities and state-of-the-art hangars for fixed and rotary wing aircraft.

GOOD JOBS

Since our health response to COVID-19 enabled Queensland to start accelerating away from the pandemic last year, there is one statistic where Queensland has consistently led the nation.

The creation of new jobs.

Since March 2020, our job creation has tracked in line with the combined number of jobs created in the 2 largest states, New South Wales and Victoria.

Last week's Labour Force data from the Australian Bureau of Statistics shows that figure is now 206,000 new Queensland jobs created since March 2020.

That May Labour Force data also showed something quite remarkable.

In the month of May, 46,600 new jobs were created in our state.

We are one in 5 Australians, but in the month of May, Queensland created 3 out of every 4 new Australian jobs.

That nation leading jobs growth is something our government will continue to pursue relentlessly.

As Queensland's economy continues to gather speed, our government is actively seeking to identify and support the industries that will deliver the well-paying, secure, highly skilled jobs of the future.

That means jobs in hydrogen and renewables, critical minerals, advanced manufacturing, resource recovery, biomedical technology, aerospace, defence, tourism and the innovation, creative and design industries.

We are determined to maintain Queensland's traditional role as Australia's energy powerhouse.

More than that, Queensland is rapidly becoming a global energy superpower through investment in our state's renewable energy future, helping us to deliver more jobs in more industries.

Later this year, our government will deliver our Energy Plan, setting out the next steps on our journey from national to global leadership.

Embracing decarbonisation does not need to come at the expense of the economy or jobs.

To the contrary, it presents the opportunity for us to be a home to more energy-intensive heavy industry, including traditional and advanced manufacturing.

Queensland can supply the world with new economy minerals and manufacture the equipment it needs to tackle climate change, while supporting our growing workforce to acquire new skills.

By investing in renewable generation now, Queensland can leverage our world class renewable resources to deliver a reliable and efficient energy system.

This will also give Queensland manufacturing a strong competitive advantage to attract investment in low emissions manufacturing and to help enhance the competitiveness of our exporters.

Since 2015, 50 large-scale renewable energy projects have been committed, commenced, or constructed in Queensland.

These projects will support almost 8,000 construction jobs, most of them in regional Queensland.

Importantly, they will produce 5,774 megawatts of clean energy.

That represents more than 13.8 million tonnes of avoided emissions each year.

And we are only just beginning.

Large-scale pumped hydroelectric storage will be an essential part of this transformation.

The Budget commits \$48 million over 2 years to advance early works on the Borumba Pumped Hydro Energy Storage project and will also support further investigation into other prospective pumped hydro storage sites across Queensland.

Our reputation as a resource powerhouse is growing, with strong global demand for new economy materials like vanadium and cobalt as key inputs for the world's decarbonisation technologies.

At least \$10 million from the \$520 million Invested in Queensland program will support Queensland's first vanadium processing plant in Townsville.

We are committing \$15 million to support the National Battery Testing Centre in Brisbane, a facility that gives prospective battery manufacturers the opportunity to calibrate and certify their products.

Building on our strong economic recovery and outlook, we are focused on achieving even more export growth to generate additional jobs and greater economic benefits for Queensland.

Our dynamic, diversified, and growing economy, highly skilled workforce, pro-growth, pro-business environment and advanced infrastructure offer businesses the best climate to expand and prosper.

On the back of a global pandemic, as economies look to recoup and recover, the importance of trade and investment has never been stronger.

That is why our government will invest an extra \$150 million to deliver a new 10-year trade and investment strategy.

This strategy will ensure we continue to support our exporters as they reach for new markets, and boost sales where they are already currently trading.

Queensland's Workforce Summit held in March with business and community leaders highlighted that our emerging and traditional industries must be sustained by a skilled workforce.

Our government will have more to say on our Workforce Strategy later this year, but we will continue to invest in our workforce, and provide greater opportunities for disadvantaged jobseekers, through our Skilling Queenslanders for Work and Back to Work programs.

We will keep providing training opportunities to upskill workers for more secure, well-paid existing jobs and future jobs.

While the pandemic has significantly impacted tourism, hospitality and international education, other sectors like mining, agriculture and the construction sector continue to power our economy.

This budget aims to ensure ongoing success in those sectors performing well, and speed up recovery in others.

Our government keeps its promises.

We promised the people of Queensland we would not raise their taxes.

And the people of Queensland will not pay one dollar of the revenue measures I announce in this budget.

And we promised the coal companies, we would freeze their royalties until 30 June 2022.

We will keep that promise.

This will mean that, for a decade, multinational coal companies have benefited from royalty arrangements that have been frozen by successive Queensland Governments.

Few industries in the world have enjoyed such a long period without change.

But from 1 July, the 10-year freeze comes to an end.

It is time for new arrangements to be implemented.

Arrangements that reflect coal prices in excess of \$500 per tonne, not the \$150 per tonne for which the existing royalties were designed.

Three new progressive royalty tiers will be introduced.

20 per cent for prices above \$175 per tonne, 30 per cent for prices above \$225 per tonne and 40 per cent for prices above \$300 per tonne.

Each of these new tiers applies only on the margin, so at a coal price of \$302 per tonne, the 40 per cent rate would only apply to the last \$2.

We know the foreign shareholders of coal companies won't like these changes.

But they can rest easy.

We are not increasing the rates that apply at the existing tiers, as the former LNP Government did in 2012, during an industry downturn.

The new regime is forecast to deliver an additional \$1.2 billion in royalties over the forward estimates, 30 per cent less than was forecast through the changes made by the former LNP Government in 2012.

All of that \$1.2 billion, and more, will be going into regional Queensland.

We will build a new hospital for Moranbah.

We will expand Mackay Hospital, Townsville Hospital, and Cairns Hospital.

More beds in hospitals at Rockhampton, at Hervey Bay, and at Sarina.

And we will deliver 2 new major hospitals, in Bundaberg and Toowoomba.

And we will continue to back the future of the resources industry.

To support the future of our resources sector, \$68.5 million over 5 years will be invested through the Queensland Resources Industry Development Plan.

That includes a further \$17.5 million to encourage exploration and make new mineral discoveries.

Alongside resources, we will be working with other industries because we want advanced manufacturing to flourish, to grow and to create jobs.

Our \$350 million Industry Partnership Program is designed to unlock our advanced manufacturing potential in hydrogen, biofutures, biomedical, defence, aerospace, space, and resource recovery.

To help small and medium sized manufacturers build advanced manufacturing capability in our regions, the budget commits \$50 million to the Made in Queensland and Manufacturing Hubs Grant programs.

Our agricultural sector, with its heart in regional Queensland, is continuing to diversify with potential growth opportunities in high-value horticulture, seafood, and livestock.

Our Drought Assistance and Reform Package of up to \$79.6 million over the forward estimates will support regions affected by drought, while \$150 million over 3 years will be available to help farmers prepare, manage, and recover from the impacts of drought.

Few sectors have felt the impacts of the COVID-19 pandemic more than Queensland's tourism sector.

Yet there is growing optimism about tourism's future.

This sentiment was tangible when the first cruise ship returned to the Port of Brisbane just weeks ago, with 1,500 passengers who embarked on day trips around South East Queensland.

With both domestic and international borders open, visitors are returning but we are doubling efforts to accelerate the sector's recovery and growth.

This Budget commits up to \$66.4 million over 4 years for an action plan to help our tourism operators rebound even more strongly, particularly in regional communities.

Our tourism sector has endured challenge after challenge.

Before COVID, it was a series of natural disasters, including the fires that tore through so many parts of our state, including the Scenic Rim.

As the then Minister responsible for the Queensland Reconstruction Authority, I went into the Lamington National Park.

I saw first-hand the destruction of our iconic Binna Burra Lodge.

While I was there, Steve Noakes, the Chair of Binna Burra, dragged the iconic dinner bell from the wreckage, as a symbol of hope that Binna Burra could be rebuilt.

As a result of today's budget, we are taking the next step forward so that the bell of Binna Burra will ring again.

\$18 million will be donated to the Binna Burra foundation to help rebuild this iconic lodge.

In addition, we will also invest \$2 million for improvements at Lamington National Park, working closely with O'Reilly's.

Binna Burra and O'Reilly's are just 2 of countless Queensland small and medium businesses that have done it tough, year after year.

Through their hard work and sacrifice, they have been an integral part of our economic recovery, and for that they deserve to be supported.

Our approach has always been to keep business costs low through competitive tax arrangements, making Queensland an attractive place to invest.

Targeted regulatory reform has been a key part of our COVID-19 response, enabling businesses to grow.

Today, through this budget, we will provide payroll tax relief to more than 12,000 small and medium-sized Queensland businesses.

This will be achieved by increasing the payroll tax deductions to businesses with annual Australian taxable wages between \$1.3 million and \$10.4 million.

Currently, the deduction phases out above \$1.3 million at a rate of 25 cents per dollar of wages, or one dollar for every 4 dollars of wages.

We will reduce that phase out rate to 14.3 cents per dollar of wages, or one dollar for every 7 dollars of wages.

Put simply, we are increasing the number of businesses who will now be eligible for a deduction from payroll tax, and we will significantly increase the deduction available to businesses already getting it.

This means a business with \$6.5 million of taxable wages will see over \$26,000 extra each year in its bank account.

BETTER SERVICES

Speaker, the Queensland Government interacts with hundreds of thousands of people every day.

Often during some of the most difficult times in their lives.

As we grow and transform, we must remember that we live in a community, not just an economy.

That means we need to ensure all Queenslanders benefit fairly from our growth and prosperity regardless of where they live or who they are.

This is particularly true for our most valuable resource.

Our children.

That's why the Palaszczuk Government's record education and training budget of \$19.6 billion will set the next generation of Queenslanders up for a productive career in whatever field they choose.

No matter what background they are from.

This budget takes our total investment in our Building Future Schools commitment to \$3 billion.

We have already opened 21 schools since 2015, and today we are announcing another 5 for 2025 and 2026.

More schools are currently under construction, and this budget commits a further \$390 million to build 5 new schools where they are needed most.

Primary schools in Caboolture West, Caloundra South, Ripley Valley, Greater Flagstone and Bahrs Scrub.

It also includes another \$742 million for additional and renewed infrastructure in our existing state schools, and \$20 million to upgrade school playgrounds and tuckshops.

Our government has rightfully acknowledged the extraordinary dedication and service of our health workers.

However, teachers, principals and school staff are among the unsung heroes of this ongoing pandemic.

They have exemplified Queensland's fighting spirit with their response to COVID-19, followed by the SEQ floods earlier this year.

They have adapted and embraced technology to encourage home learning under extraordinary circumstances.

They have restructured activities and classrooms and school timetables to keep students as safe as possible.

They are deserving of our heartfelt thanks.

Teachers are the engine room of our education system which is why we have created an additional 7,165 teacher and teacher aide positions since 2015.

The budget provides for 675 more teachers and nearly 200 more teacher aides in 2022–23.

We will continue to invest in students with a disability to make sure they get ease of access to the best education services possible.

Funding of \$80.6 million over 3 years will support the transition of a new resourcing model for students with a disability.

Providing even better and fairer services is also about making sure we continue to protect our most vulnerable Queenslanders.

Particularly children and young people who have been harmed or who may be at risk of harm.

This Budget supports child protection services with \$2.2 billion in funding over 5 years.

We recognise vulnerable young people in care face many challenges as they transition to adulthood.

We want to see them succeed, to get a qualification and to find work.

That is why we are committing to providing additional support to young people leaving care.

From 2023–24, we will be extending availability of the foster care allowance for carers of young people who remain living with them, up to the age of 21.

Those aged 18 to 21 years leaving non-family-based care will also be mentored and supported financially by non-government organisations to live independently.

Our government recognises that the pandemic, along with required periods of isolation, has impacted on mental health, including exacerbating loneliness.

The Budget commits \$126 million over 4 years and \$19 million ongoing to help address social isolation and support our invaluable Neighbourhood and Community Centres throughout Queensland.

This follows from the work of another important parliamentary inquiry led by the Member for Mansfield, Corinne McMillan.

In a state where the Premier, Governor, Chief Justice and Police Commissioner are all women, it is no surprise that the Palaszczuk Government is committed to ensuring women and girls have equal rights and access to opportunities.

Women and girls should feel safe and valued.

We want women to have opportunities to succeed in economic, social, and cultural endeavours.

The Queensland Women's Strategy will underpin this important work.

We are focused on securing better outcomes for women who have been victims of domestic violence.

This Budget commits \$363 million over 5 years and \$61.3 million ongoing for an historic overhaul of laws and practices to better protect Queensland women from domestic and family violence.

And hold perpetrators to account through legislation to criminalise coercive control.

A further \$19.2 million over 4 years will go towards specialist women in custody and domestic and sexual violence support services, and programs for women in custody.

Queensland has the best police service in Australia.

The men and women of the Queensland Police Service work tirelessly around the clock, sometimes placing themselves in dangerous situations to keep us safe.

Population shifts, the way we live and work, and the demands of a growing state all require careful consideration in how we plan for police resourcing needs.

That's why we are delivering more police with more resources through budget spending of \$2.9 billion.

The biggest increase in police resourcing in 30 years will continue as we deliver on our commitment to see an additional 2,025 police personnel engaged by 2025.

We will make sure they have the facilities, stations, vehicles, and equipment they need through a \$174.6 million capital program to support the frontline against crime.

I know many families and individuals outside of this building, all over Queensland, are working hard to cope with cost-of-living pressures.

This is often a week-to-week proposition compounded by a feeling of uncertainty.

We understand the impact the rising cost of fuel and groceries is having on Queenslanders, especially on those with low incomes.

That is why we continue to provide a wide range of concessions to help with transport, housing, healthcare, education, water, and energy costs.

This will amount to \$6.8 billion over the next financial year.

That is a rise of 10 per cent on last year, benefiting millions of Queensland households.

Because Queenslanders own the state's power assets, earlier this year we announced Queensland households would receive \$50 off their power bills

As part of the budget, that is being increased to \$175, at a cost of \$385 million.

It takes the total value of asset ownership dividends Queenslanders have received over the past 4 years to \$575 per household, a program costing \$1.2 billion.

The Palaszczuk Queensland Government is also taking substantial action to support Queenslanders facing the challenge of accessing housing.

The 2021-22 Budget included \$1.9 billion for the *Queensland Housing and Homelessness Action Plan 2021–2025*, a plan also supported by returns from the \$1 billion Housing Investment Fund.

Under the plan, the government will deliver 7,400 new dwelling commencements.

We are working on strategies to unlock development and increase the supply of housing in Priority Development Areas with \$150 million in budget funding over the next 3 years.

A further \$50 million will be allocated to the Growth Acceleration Fund, so we can speed up economic recovery, increase construction activity and support jobs.

This budget builds on our housing investment, with \$29.8 million over 4 years and \$10 million per year ongoing to support initiatives to address youth homelessness.

Speaker, housing affordability affects all parts of the country.

It is pleasing to see the new Federal Labor Government has a dedicated Minister for Housing as part of the Prime Minister's Cabinet.

We look forward to working with them, and other states, to support delivery of quality, affordable housing for all Queenslanders.

GREAT LIFESTYLE

Speaker, Queensland has always been one of the best places in Australia to live, work and raise a family.

And our government intends to keep it that way.

We are the destination of choice for so many, given our stunning beaches, theme parks, hinterland, reefs, rainforests, and outback.

Net interstate migration to Queensland was the highest of all Australian states and territories in 2020-21 reaching a record quarterly increase of more than 16,600 in the September quarter 2021.

While there are clear economic benefits to interstate migration, this Budget invests in measures to protect and enhance our lifestyle through this period of growth.

That includes investment in roads, rail, bus, cycleways, and marine infrastructure to improve the way people travel.

Front and centre is a \$59 billion capital investment across Queensland over 4 years.

Of the \$15.5 billion capital program for 2022-23, \$9.8 billion, or 63.3 per cent, will be spent outside Greater Brisbane.

This vital capital works investment will better connect communities and businesses while driving economic activity.

Our capital program will support 48,000 jobs in 2022–23.

Protecting our lifestyle and protecting our environment are not mutually exclusive.

Our diverse natural environment is not only the envy of other Australian states, but the world.

As such, it is forever linked to our economic fortune.

We must look after it and this Budget does just that.

The Palaszczuk Government commits \$262.5 million over the forward estimates to our 10-year strategy to better manage our protected areas, including our magnificent national parks and Great Barrier Reef.

We are investing almost \$40 million to help protect our threatened species, including one of Queensland's most loved native animals, the koala.

This funding will continue the work of our strategy to boost their numbers in South East Queensland and restore key habitats.

Our single biggest economic opportunity – hosting the 2032 Olympic and Paralympic Games – gives us a once-in-a-lifetime opportunity to put Queensland on the world map.

The 10-year runway of investment and infrastructure, built in time for the Games, will deliver benefits for generations to come.

But it's about more than concrete and construction.

It is a chance to unite Queenslanders behind an aspirational plan for our future.

We have already seen tremendous interest in the Youfor2032 campaign to set potential young Olympians on a path to glory.

And community interest is high around taking up volunteering opportunities for the games.

We are investing \$59.3 million over the forward estimates to support the Brisbane 2032 Taskforce as it leads 2032 Olympic and Paralympic Games activities across government.

This will support preparation of the 2032 Games Legacy Program and inform design of Games infrastructure, including venues and athlete's villages.

Our best Queensland athletes will be supported through a \$31.4 million contribution over 2 years to extend the 2032 High Performance Strategy.

And to create further pathways to Brisbane 2032, and encourage sports participation, \$100 million will establish a schools program to deliver new and upgraded sports infrastructure across Queensland.

ECONOMIC UPDATE

Speaker, the Palaszczuk Government has never relied on hope or wishful thinking to get through tough times and secure better outcomes for all Queenslanders, whether they live in Weipa or Woodridge.

Our response to the COVID-19 crisis has been no accident.

It has been a response informed by sound, responsible economic and fiscal management geared towards recovery and growth.

While the pandemic is not over, Queensland's economic recovery is well advanced.

By the March quarter 2022, Queensland's domestic economy was 7.8 per cent larger than it was pre-COVID, much stronger than the 6.9 per cent growth in the rest of Australia.

206,000 extra Queenslanders have found jobs since the start of the pandemic, as many as New South Wales and Victoria combined.

Our unemployment rate of 4.0 per cent in May, is well below its pre-COVID rate of 5.8 per cent.

Our focus on regional jobs is also delivering great outcomes for Queenslanders.

Mackay has the lowest unemployment rate in Queensland at 2.4 per cent.

The Australian Bureau of Statistics tells us Queensland created 1,500 new jobs each and every day for the month of May.

The value of Queensland's overseas merchandise exports totalled \$99 billion in the 12 months to April 2022.

This is 72.3 per cent higher than the corresponding period a year ago, and the State's highest 12-month total on record.

Our strong economic recovery stood the state in good stead when faced with a range of economic challenges earlier this year.

The Omicron outbreak, major flooding in South East Queensland, and the global impact of the Russian invasion of Ukraine.

These shocks have all impacted the supply side of the economy and have exacerbated inflationary pressures.

In spite of this, the Queensland economy is forecast to grow by 3 per cent in 2021–22, and then average ongoing growth of 2¾ per cent per annum over the rest of the forward estimates.

This growth means even more jobs for Queenslanders.

Year-average employment is forecast to grow by an exceptional 4¾ per cent in 2021–22, the strongest rate of jobs growth in 15 years.

Employment is then expected to grow by a further 3 per cent in 2022–23.

Reflecting this strong jobs' growth, the state's unemployment rate is expected to remain around its current low level for the duration of the forward estimates.

Responsible management of our finances, growing jobs and growing the economy, is recognised by rating agencies.

Queensland retains the equal highest credit rating among all states with S&P Global.

FISCAL OUTLOOK

Our nation's 4 largest governments – the Australian Government, the New South Wales Government, the Victorian Government and the Queensland Government – all went into deficit to respond to COVID-19.

At last budget, we were the first of those governments to announce a return to surplus.

Today I am pleased to announce that Queensland will be the first of those governments to deliver a surplus.

Today, I can announce that we will achieve a surplus of \$1.9 billion for the 2021-22 Financial Year.

That compares to a projected deficit of \$1.4 billion at the Budget Update in December, and a projected deficit of \$3.4 billion at the time of last year's budget.

I am also pleased to announce that this financial year our net debt will be reduced by \$6.146 billion compared to the forecast in December last year.

CONCLUSION

Speaker, much has changed from when I stood here to deliver last year's budget.

We are back in black.

We have a new Federal Government.

Queensland can proudly call itself a future Olympic and Paralympic Games Host.

And we are one-up in this year's State of Origin series.

But the challenges facing the world have changed as well.

From rising tensions in our region to the war in Ukraine, the rising spectre of global inflation, and labour and supply chain constraints, Queensland is not immune to these external disruptions.

But one thing remains constant.

And that is the commitment of the Palaszczuk Labor Government to deliver for the people of Queensland.

To deliver good jobs.

To deliver better services.

And to preserve and protect the great lifestyle of the place we all call home, the most wonderful place on earth:

Queensland.

I commend the Bill to the House.



Queensland Budget 2022–23
Budget Speech Budget Paper No.1
budget.qld.gov.au