

1 Budget priorities and economic strategy

Features

- Queensland’s strong overall economic performance continues to be highlighted by stronger than national economic growth and nation-leading jobs growth.
- However, household budgets have come under significant pressure from escalating costs, especially for essentials such as housing and food. Queenslanders are also looking to the government to further enhance health services and improve community safety.
- A record and stronger than expected post-COVID-19 population increase has ramped up demand for housing and infrastructure, and government services such as health.
- A strong economy, positioned for the future, will provide the capacity to afford the improved services the community requires.
- The 2024–25 Queensland Budget is providing a record \$11.218 billion in concessions in 2024–25, an increase of 31.1 per cent compared with 2023–24. The Budget is delivering substantial cost-of-living relief, including a \$1,300 electricity bill rebate in 2024–25 for all Queensland households. This is part of the government’s commitment to \$3.739 billion in new and expanded cost-of-living measures in 2024–25 to support Queenslanders in tackling cost-of-living challenges.
- To address record demand for new housing from unprecedented levels of population growth, the government is implementing its housing plan, *Homes for Queenslanders*, backed by an investment of over \$3 billion, which represents a significant uplift on top of the already major investment in social and affordable housing. Total investment by the government for social and affordable housing infrastructure is \$1.125 billion in 2024–25.
- The Budget further highlights the government’s strong commitment to support healthy, strong and safe communities, including record health funding of \$26.710 billion in 2024–25, as well as over \$1 billion in initiatives over the next 5 years for the *Queensland Women and Girls’ Health Strategy 2032* to improve women’s health outcomes and experience of the healthcare system.
- The government’s evidence-based *Community Safety Plan for Queensland* commits an extra \$1.28 billion over 5 years for community safety measures across 5 key pillars: supporting victims; delivering for our frontline; detaining offenders; intervening when people offend; and preventing crime before it occurs.
- The Budget is investing in young Queenslanders and the state’s future workforce through significant investments in education and training, and prevention and early support initiatives. This includes total funding of \$22.801 billion in 2024–25 for education and training, and the \$502 million *Putting Queensland Kids First* early support package to support children from their earliest years of life and direct resources, services and supports to give every Queensland child and family the best possible opportunities for a great life.
- The 2024–25 Budget also maintains the government’s focus on investing in the key enablers of economic growth, as identified in its overarching economic strategy, to support

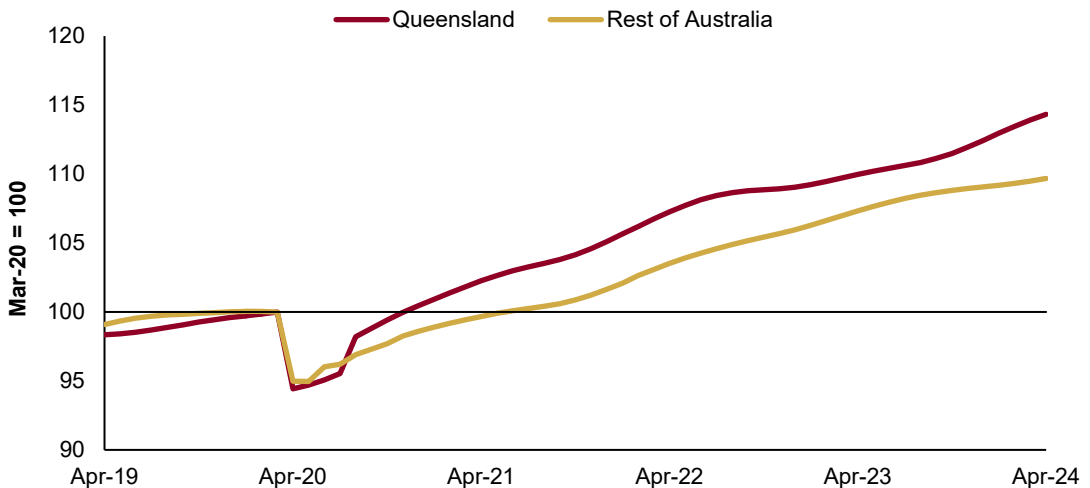
the state’s ongoing transformation to a more sustainable, diversified and low carbon economy that is resilient, productive, competitive and able to respond to future opportunities and challenges.

- The ongoing delivery of the government’s Big Build capital program, with investment of \$107.3 billion over the 4 years to 2027–28, will continue to support Queensland’s energy and economic transformation, enhance productivity and competitiveness, and improve the sustainability and liveability of communities across the state.
- In 2024–25, the government will invest \$27.1 billion in capital, directly supporting around 72,000 jobs. Of this capital program, \$18.568 billion will be invested outside of the Greater Brisbane region, supporting around 50,000 jobs.
- The government also continues to invest in targeted skills and training initiatives to support a flexible and productive workforce both now and in the future. This includes funding of more than \$1.5 billion in 2024–25, as well as the ongoing implementation of key actions under the *Good people. Good Jobs: Queensland Workforce Strategy 2022–2032*.

1.1 Our strong economy – laying a platform for growth and prosperity

Against a backdrop of risks in terms of global economic conditions, Queensland’s strong economic performance since the COVID-19 pandemic is continuing to drive growth and employment opportunities across the state.

Chart 1.1 – Employment growth, Queensland and Rest of Australia¹



Note:

1. Trend, monthly, index.

Source: ABS Labour Force.

This is reflected in Queensland's exceptionally strong labour market performance, which has resulted in employment growth in Queensland as of April 2024 of 14.3 per cent (or 366,900 persons) since March 2020, well above the growth in the rest of Australia (9.7 per cent) and the strongest of any state or territory over this period.

Queensland has also experienced historically low unemployment rates across the state, including in many areas of regional Queensland.

The state's overall unemployment rate averaged 3.7 per cent in 2022–23, the lowest year-average unemployment rate since ABS monthly records began in 1978.

Queensland's traditional export industries, including mining, agriculture and tourism, continue to be important contributors to the state's economy and its regions.

The agriculture, forestry and fishing industry has performed strongly in recent years, with real output growing by an average of 17.0 per cent per annum over the past 3 years. In nominal terms, the industry contributed \$12.9 billion to Queensland's economy in 2022–23, while in the year ended March quarter 2024, there were 68,000 people employed in the industry, 14.4 per cent higher than the corresponding previous year.

Nominal agriculture exports rose by 7.3 per cent to \$14.8 billion in 2023, driven by increased beef and sorghum exports. This follows strong growth in the previous year, where the value of agriculture exports rose by 26.5 per cent, driven by higher prices and favourable weather conditions which aided increased exports of cotton and crops.

The state's tourism sector has also rebounded strongly from the impacts of the COVID-19 pandemic and related border closures. The latest data from Tourism Research Australia show direct tourism gross value added in Queensland was worth \$14.2 billion in 2022–23, a 62 per cent increase on 2021–22 and 13 per cent above the pre-COVID-19 level in 2018–19.

The Queensland resources sector is supporting strong labour market outcomes and driving ongoing economic growth, as it remains buoyed by elevated global commodity prices.

The elevated commodity prices seen in recent years, particularly for coal, have provided Queensland's resources industry with a substantial boost in revenues and profitability. ABS data show that across the period from July 2021 to March 2024, Queensland's coal industry benefitted from an additional \$88 billion in export revenues compared with the same period just three years earlier (i.e. July 2018 to March 2021).

Queensland's new progressive royalty tiers, announced in the 2022–23 Queensland Budget, are ensuring that Queenslanders are receiving a fair share of this windfall, reflecting an appropriate return on their valuable and non-renewable resources.

Coal prices are expected to continue to decline over the next 18 months. The premium hard coking coal spot price fell sharply in March 2024, from US\$314 per tonne at the end of February to US\$243 per tonne at the end of April. This reflected a decline in steel demand in China and India and improving supply conditions. Looking forward, as supply conditions continue to normalise, the hard coking coal spot price is expected to continue to moderate towards medium-term fundamentals.

Accordingly, the revenue raised from the new tiers — which only take effect during periods of high prices — will decline over time. However, their continuing operation will ensure Queenslanders share appropriately in the prosperity from any unforeseen spikes in coal prices into the future.

The 2024–25 Queensland Budget continues the government’s commitment to reinvest the additional revenue received from the high global prices for the state’s resources directly back into Queensland communities.

More specifically, the increased fiscal capacity provided by the new progressive royalty tiers has enabled the government to continue to address the immediate cost-of-living challenges facing Queenslanders and invest in the necessary foundations for long-term economic growth and prosperity, such as the *Queensland Energy and Jobs Plan (QEJP)*.

In particular, this year’s Budget includes a commitment to \$3.739 billion in new and expanded measures in 2024–25 to support Queenslanders in tackling cost-of-living challenges. This includes a \$1,300 Cost of Living Rebate on electricity bills for all Queensland households in 2024–25, consisting of a \$1,000 Cost of Living Rebate from the Queensland Government and a \$300 rebate from the Australian Government.

The 2024–25 Budget cost-of-living measures are responding to the pressures confronting Queensland households arising from a unique set of circumstances. These pressures will ease as inflation falls, real wages continue to grow, significant Australian Government income tax cuts are delivered from 1 July 2024, and interest rates in time begin to fall. Further details on the government’s cost-of-living measures are included in Box 1.1.

The government has also committed to substantial additional investments to enhance delivery of essential services such as health and education and to build stronger, safer communities across the state. This includes implementation of government policies such as the *Queensland Women and Girls’ Health Strategy 2032*, the *Community Safety Plan for Queensland*, the *Putting Queensland Kids First* early support package, and the Free Kindy program.

This substantial support and investment will help ensure all Queenslanders can participate in, and benefit from, Queensland’s growing economy and enjoy enhanced quality of life delivered through increased economic and employment opportunities.

Through the ongoing implementation of the government’s economic strategy, the Budget maintains the government’s focus on growing a more sustainable and diversified economy that is resilient, productive, competitive and able to readily respond to future opportunities and challenges, including the ongoing decarbonisation of the global economy.

As well as underpinning Queensland’s recent economic success, the government’s investments in key enablers of growth continue to support the broader transformation of the Queensland economy. These investments are positioning the state as a highly dynamic and competitive investment location and attracting new private sector investment opportunities across an increasingly diversified and decarbonised industrial base.

Of note, this includes the ongoing implementation of industry and workforce strategies, including the QEJP, *Queensland Resources Industry Development Plan*, *Queensland Critical Minerals Strategy*, *Queensland Trade and Investment Strategy 2022–2032*, and the *Queensland New-Industry Development Strategy*.

The government also continues to invest in innovation and skills development to support ongoing growth, including through the *Advance Queensland – Innovation for a Future Economy 2022–2032 Roadmap*, *Our Thriving Digital Future: Queensland’s Digital Economy Strategy*, and the *Good people. Good jobs: Queensland Workforce Strategy 2022–2032*.

In line with the government’s focus on fostering innovation and skills, the Queensland and Australian Governments are investing approximately \$465 million each to partner with PsiQuantum and make a major breakthrough in Australia’s quantum computing capabilities.

On the back of this investment, PsiQuantum will build the world’s first commercial-scale fault tolerant quantum computer, establish its Asia-Pacific headquarters and regional hub in Brisbane, and provide opportunities for advanced manufacturing, advanced technology supply chains and higher education to the Australian quantum ecosystem. With applications across health and pharmaceuticals, chemicals, energy, security, and food production, quantum computing will tackle some of the most urgent challenges faced by society.

The investment of \$89.7 million over 5 years to develop and deliver the *Quantum and Advanced Technologies Strategy*, released in October 2023, and the Queensland Quantum Academy, has the potential to leverage billions of dollars in direct investment by the company and will create up to 400 new highly skilled ongoing jobs.

By delivering these ongoing and new initiatives, the government is facilitating the development of emerging industries that are anticipated to play an increasingly important role in the state’s economy, while also supporting traditional industries such as mining, agriculture and tourism, which will still continue to drive significant levels of economic activity and growth into the future.

Underpinning the ongoing transformation of the Queensland economy to a clean future are the *Clean Economy Jobs Act 2024* and *Energy (Renewable Transformation and Jobs) Act 2024* which enshrines the changes to Queensland’s energy grid into law.

The state’s legislated emissions reduction targets of 30 per cent below 2005 levels by 2030, 75 per cent below by 2035 and net zero by 2050 work in tandem with legislated renewable energy targets, 50 per cent renewable energy by 2030, 70 per cent by 2032 and 80 per cent by 2035. Together they drive direct action on climate change, support job creation and give local and international investors the confidence to invest in Queensland.

Queensland’s economy is more emissions-intensive than the rest of Australia due to its economic structure. Despite this, Queensland is successfully managing the decarbonisation of its key sectors and reducing emissions.

The latest 2022 Australian Government emission data show Queensland’s annual emissions have fallen by 67.8 million tonnes of carbon dioxide equivalent since 2005, more than any other state or territory. This translates to a 35 per cent reduction on 2005 levels and means that Queensland has not just met its 2030 emissions reduction target of 30 per cent 8 years early but has also overachieved by an additional 5 percentage points.

Between 2005 and 2022, while delivering the biggest reduction in emissions of any jurisdiction, Queensland’s economy grew by 63 per cent and employment grew by almost 42 per cent.

Consistent with the government’s economic strategy, the *Clean Economy Jobs Act 2024* sets out a pathway to decarbonisation that will support jobs in the state’s traditional industries, while

simultaneously unlocking investment in new industries including renewables manufacturing, critical minerals, hydrogen and sustainable aviation fuel.

The *Energy (Renewable Transformation and Jobs) Act 2024* targets that underpin the QEJP are already driving investment in green industries across the state and will enhance Queensland's competitiveness by delivering clean, reliable and affordable power. This significant transformation will support new investment, jobs and growth for generations.

Overall, the 2024–25 Queensland Budget is balancing both immediate and longer-term priorities. It is providing significant levels of additional but targeted temporary support to help ease the cost of living and address unprecedented growth in the population, while continuing to implement the necessary policies to drive the state's transition towards a more competitive and diversified low-carbon economy.

Consistent with the government's overarching objectives for the community, the 2024–25 Budget priorities and longer-term economic strategy are: directly supporting good, secure jobs across traditional and emerging industries; delivering even better services right across Queensland; and protecting and enhancing Queensland's great lifestyle as it grows.

Queensland's economic strategy

Opportunities



New energy



Critical minerals

Enablers



Trade



Skilled workforce



Innovation



Competitive investment environment



Digitalisation and technology



Environmental, social and governance credentials



Public and private infrastructure



Services sector



Strategic supply chains



Traditional industries and value add



Brisbane 2032 Olympic and Paralympic Games

1.2 Addressing cost-of-living challenges and delivering more homes for Queenslanders

Despite the strength of the Queensland economy and labour market, the state's households and businesses are continuing to deal with challenges associated with ongoing national and global cost-of-living pressures, and a record and unexpected increase in the population.

Between March 2021 and March 2024, consumer prices in Brisbane rose by 17.8 per cent. Housing, transport and food accounted for 10.5 percentage points of this increase while also comprising almost half of the consumption basket of an average Brisbane household.

Cost-of-living pressures are being felt across a wide range of Queensland households, including low-income households, renters and working households with a mortgage.

Higher interest rates continue to impact mortgagees, while tight rental market conditions are affecting affordability for households who rent.

The government remains committed to addressing these challenges by providing a record level of concessions to Queensland households and small businesses in 2024–25, including significant new and expanded cost-of-living relief for all Queensland households.

Box 1.1 Record cost-of-living relief for Queenslanders

The Queensland Government recognises the challenges that global and national cost-of-living pressures are causing for Queenslanders.

While the rate of inflation has started to moderate, elevated price levels for a range of goods and services are still putting pressure on household budgets across the country.

In 2024–25, the government is providing **a record \$11.218 billion in concessions** to Queensland families and businesses, **an increase of 31.1 per cent compared with 2023–24**.

The government is providing **\$3.739 billion in new and expanded measures in 2024–25** to support Queenslanders in tackling cost-of-living challenges.

This comprises electricity bill rebates, lower public transport fares and motor vehicle registration costs, additional support for first home buyers, an increase in the value of and access to FairPlay vouchers, school and community food relief program, and food, emergency, and financial relief measures for vulnerable cohorts.

Electricity rebates

The 2024–25 Budget delivers **\$2.965 billion for additional electricity bill support to households and small businesses**.

This is the most significant electricity bill support package announced by any state or territory.

As part of this package, all Queensland households will automatically receive \$1,300 off their electricity bills in 2024–25. This consists of an upfront \$1,000 Cost of Living Rebate from the Queensland Government and a \$300 rebate paid in quarterly instalments from the Australian Government.

Vulnerable households will continue to receive the \$372 Queensland Electricity Rebate, bringing total support for this cohort to \$1,672 in 2024–25.

Around 205,000 eligible Queensland small businesses will also receive \$650 off electricity bills in 2024–25, co-funded by the Queensland and Australian Governments.

Reducing transport costs through 50 cent public transport fares and a 20 per cent reduction in motor vehicle registration costs

Transport costs are a key component of household budgets, making up around 12 per cent of an average household's consumption expenditure.

To help address these costs, in the 2023–24 Budget Update the Queensland Government announced a freeze in the registration fee and traffic improvement fee (TIF) components of motor vehicle registration costs in 2024–25 and froze public transport fare increases in 2024.

In the 2024–25 Budget, the government is providing further substantial relief to Queenslanders through cost-of-living measures that reduce transport costs.

- \$150 million in 2024–25 from **lowering public transport fares to a flat fare of 50 cents per trip** across the state from 5 August 2024 for 6 months. In addition to this initiative, the government is also providing half-price tickets on Airtrain services.
- \$435 million from a **20 per cent reduction in motor vehicle registration costs** for all light vehicles for a 12-month period, which is scheduled to start appearing on renewal notices sent to customers from 5 August 2024. It is estimated that \$399 million of benefit from this measure will be realised in the 2024–25 financial year, and the remaining \$36 million in 2025–26.

The Queensland Government understands that keeping a vehicle on the road is a major household cost. The reduction will apply to the registration fee and the TIF for all light vehicles, regardless of purpose of use and will include motorcycles and trailers.

The reduction will benefit owners of around 5.7 million vehicles across the state.

Case studies



12 month registration for a private use 4-cylinder vehicle **will be reduced by almost \$85**, bringing registration fees down to \$338.75 (excluding CTP).

For vehicles registered on a pensioner concession, the **reduction will be nearly \$50**, bringing registration fees down to \$194.50 (excluding CTP). This reduction is in addition to the existing 50 per cent concession that pensioners receive on the registration fee component of their fees.



Discounted public transport

A person catching a train from Goodna to their office in Brisbane CBD usually pays \$4.34 per trip. Based on 10 trips per week, **they will now save \$817.44 over 6 months.**

A Cairns-based student who catches a bus to James Cook University 4 times a week usually pays \$1.80 per trip (student concession card holder). **They will now save \$249.60 over 6 months.**

A Seniors Concession card holder living at Currimundi on the Sunshine Coast who catches the bus to Sunshine Plaza at Maroochydore 3 times a week usually pays \$1.74 per trip and **they will now save \$178.56 over 6 months.**

A person catching a train from Robina to Bowen Hills 4 days per week usually pays \$11.46 per trip. **They will now save \$2,104.32 over 6 months.**

Note: Savings based on 24 weeks of travel and compared against current fare and discount schedule.

Expanded FairPlay vouchers for Queensland families and children

Under *Activate! Queensland 2019–2029*, the Queensland Government delivers direct financial support via FairPlay vouchers to help Queensland children and young people aged 5 to 17 years to participate in sport and active recreation activities.

The FairPlay voucher provides relief to vulnerable households facing cost-of-living pressures and helps young Queenslanders to pursue a healthy lifestyle. This will deliver tangible economic and social dividends over many years to come.

Building on the success of these vouchers, the government has committed a further \$33.5 million in 2024–25, bringing the total funding to \$40 million in 2024–25. This will **increase the maximum value of the FairPlay voucher from \$150 to \$200 and increase the number of vouchers available from 50,000 to up to 200,000.**

Importantly, 50,000 vouchers will be guaranteed to the current target eligible cohort, with an additional 150,000 vouchers to be made available to all households.

Other cost-of-living support

The Budget also includes a range of other measures that will reduce costs and help provide essential support, including the supply of food, emergency relief and financial resilience services, for disadvantaged Queenslanders facing cost-of-living pressures.

- \$15 million in 2024–25 for the **School and Community Food Relief Program**. This initiative will assist children to access food relief from appropriate sources, ranging from subsidised lunches, breakfasts or tuckshop items. School food programs provide essential support to families as cost-of-living increases impact their ability to provide for their children.
- An additional \$3.3 million over two years from 2024–25 for **food relief services** delivered by OzHarvest and SecondBite. This significant additional investment recognises the vital role these organisations play in the food relief sector across Queensland.
- \$2.9 million over 4 years for **Foodbank Queensland** will allow increased warehousing space in Brisbane, as well as supporting increased food storage and supply through the establishment of a distribution point in North Queensland.
- An additional \$1.7 million in 2024–25 for **Emergency Relief** funding to allow for the continuation of increased provision of Emergency Relief in communities across Queensland, including through an additional 92 Neighbourhood Centres and into discrete First Nations communities.
- A **doubling of the funding to Queensland Meals on Wheels (QMoW)**, the peak body for Meals on Wheels services in Queensland, with the Queensland Government committing \$1.2 million over 4 years to extend and increase QMoW's funding to \$300,000 per annum. This funding will also now be ongoing to enable greater support, guidance and coordination to be provided to the network of Meals on Wheels services across Queensland.
- An additional \$1.1 million in 2024–25 for the **Queensland Financial Resilience Program**, which will see this critical program continue through until 30 June 2025, delivering vital support to people experiencing financial hardship to improve their capacity to manage their personal finances.

Additional support for first home buyers

The government will be providing substantial additional support to a wider range of Queenslanders purchasing their first home by increasing eligibility thresholds for 2 key transfer duty concessions:

- **First home concession** — eligibility will be extended to homes with a dutiable value up to \$800,000, up from \$550,000 currently
- **First home vacant land concession** — eligibility will be extended to vacant land with a dutiable value up to \$500,000, up from \$400,000 currently.

These changes will increase the maximum value of the first home concession by \$8,600 (to a total of \$17,350) and the maximum value of the first home vacant land concession by \$3,500 (to a total of \$10,675).

It is estimated these measures will deliver additional tax relief to Queensland first home buyers of \$90 million in 2024–25 and \$360 million over the 4 years to 2027–28, with around 10,000 first home buyers across the state benefitting from the increased concessions each year.

An increase in the rate of additional foreign acquirer duty and land tax surcharge for foreign companies, trustees of foreign trusts, and absentees, will offset the cost of extending the first home buyer concessions.

Details of the funding being provided in the 2024–25 Queensland Budget for the new and expanded cost-of-living measures are outlined below in Table 1.1.

Table 1.1 – Additional cost-of-living relief provided to Queenslanders in 2024–25

Measure	Description	(\$ million)
Electricity bill support¹	Cost of Living rebates for Queensland households and small businesses	2,965
Lower vehicle registration costs²	A 20 per cent reduction in registration costs for all light vehicles	399
	Rego freeze announced in 2023–24 Budget Update	66.7
Discounted public transport³	Reduction in all public transport fares to a flat fare of 50 cents per trip for a 6-month period	150
	Freeze in public transport fares announced in 2023–24 Budget Update	14.6
Additional support for first home buyers	Increase in eligibility thresholds for first home concession and first home vacant land concession	90
FairPlay vouchers	Additional funding to increase the value of FairPlay vouchers and the number of vouchers available (excluding SwimStart) for a 12-month period	33.5
School and Community Food Relief Program	Supporting food programs in schools and the community in 2024–25	15
Emergency relief providers	Continuation of funding arrangements for emergency relief providers to 30 June 2025	1.7
Queensland Financial Resilience Program	To ensure continuation of this important program to 30 June 2025	1.1
OzHarvest and SecondBite	Helping with the continuation of critical food recovery and distribution services across Queensland	1.1
Foodbank Queensland	To assist with warehousing and other operating costs	0.8

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Queensland Meals on Wheels	Enabling greater support, guidance and coordination to be provided to the network of Meals on Wheels services across Queensland	0.3
Total*		\$3,739

*Total is subjected to rounding.

Notes:

1. The \$2.965 billion benefit to households and small business in 2024–25 includes: \$2.267 billion contribution from the Queensland Government for the \$1,000 Cost of Living Rebate to all households (\$2.2 billion) and \$325 rebate for small businesses (\$67 million); and \$698.1 million from the Australian Government for an additional \$300 electricity rebate to all households and \$325 rebate for small business. Vulnerable households will continue to receive the existing \$372 Queensland Electricity Rebate, which is estimated to cost an additional \$248.5 million in 2024–25.
2. The motor vehicle registration fee reduction applies to most types of motor vehicles, excluding nationally-regulated heavy vehicles, plate fees, miscellaneous fees, and other vehicle types (for example boats). The estimated benefits to these vehicle owners in 2024–25 includes: \$399 million from a 20 per cent reduction in registration fees (with another \$36 million in 2025–26); and \$281.8 million over 4 years (including \$66.7 million in 2024–25) due to a freeze in the registration fee and TIF components of motor vehicle registration costs announced in the 2023–24 Budget Update to be effective in 2024–25.
3. Benefits to public transport users in 2024–25 include: \$150 million in revenue foregone due to a flat 50 cent fare for 6 months commencing from 5 August 2024; and \$14.6 million in revenue foregone due to a freeze in public transport fares in 2024 announced in the 2023–24 Budget Update.

A range of other existing government concessions have also been increased or expanded to help further address cost-of-living pressures for Queenslanders. Refer to Appendix A *Concessions Statement* for further details on the Queensland Government’s record \$11.218 billion in concessions being provided in 2024–25.

The 2024–25 Budget is responding to the cost-of-living pressures confronting Queensland households arising from a unique set of circumstances.

These pressures will ease as inflation falls, real wages continue to grow, significant Australian Government income tax cuts are delivered from 1 July 2024, and interest rates in time begin to fall. Accordingly, these elevated levels of assistance are helping households meet these immediate pressures and are not ongoing.

The government is also prioritising housing supply and affordability across the state, including through the range of initiatives outlined in *Homes for Queenslanders*, aimed at ensuring that every Queenslanders has a safe, secure and affordable place to call home.

As well as improving standards of living for individuals and families, access to affordable housing can support enhanced employment outcomes including greater labour mobility, while also helping to attract a skilled workforce and new investment opportunities.

Box 1.2 A fair and sustainable housing system for current and future generations of Queenslanders

Queensland’s housing system, like many others in Australia and around the world, continues to face significant pressure.

Record low interest rates, substantial government stimulus and a decrease in the average household size during the pandemic, followed by a strong rebound in population growth — particularly migration from interstate and overseas — has driven a surge in demand for housing in Queensland in recent years.

Supply of housing has not kept pace with increasing demand, with ongoing constraints on construction activity stemming from pandemic-related material and labour shortages, poor weather and flooding, and construction company insolvencies. This ongoing shortage of housing supply relative to demand has driven strong dwelling and rent price growth, and low vacancy rates across the state.

These market issues reflect fundamental supply constraints, particularly in skilled labour and construction capacity, rather than a shortage of investor appetite or land.

In response to these challenges, the Queensland Government is implementing the *Homes for Queenslanders* (HFQ) plan. Backed by an investment of over \$3 billion, it sets out a target of delivering one million new homes by 2046, including 53,500 new social homes.

HFQ is a whole-of-system housing plan designed to help enhance housing supply, address homelessness and improve planning and development outcomes. This includes a substantial uplift in funding for social housing capital delivery, homelessness responses and the release of a Disability Housing Action Plan to support the most vulnerable people in Queensland.

The government has also announced a temporary doubling of the Queensland First Home Owner Grant from \$15,000 to \$30,000, effective until 30 June 2025, to support Queenslanders who wish to purchase their own new home.

The government has strengthened renters’ rights through the introduction of the *Residential Tenancies and Rooming Accommodation and Other Legislation Amendment Act 2024*, which includes applying the annual rent increase frequency limit to a rental property rather than tenancy, to give a fairer go to Queenslanders who rent.

All of these policies represent a significant uplift on top of the already major investment into social and affordable housing that the government has previously announced. The 2024–25 Queensland Budget provides funding of \$1.125 billion for social and affordable housing infrastructure across Queensland.

In the 2024–25 Budget, the government is providing further substantial support to address housing affordability challenges, in particular for first home buyers.

To help a wider range of Queenslanders purchase their first home, the government is increasing eligibility thresholds for two key transfer duty concessions — the first home concession and the first home vacant land concession.

- **First home concession** — Eligibility will be extended to properties valued up to \$800,000 up from \$550,000 currently. The changes mean that a first home buyer will pay no duty on homes valued up to \$700,000 (up from \$500,000 currently) and will receive a partial concession for properties valued between \$700,000 and \$800,000.
- **First home vacant land concession** — Eligibility will be extended to land valued up to \$500,000, up from \$400,000 currently. The changes mean that a first home buyer will pay no duty on land on which they build their home valued up to \$350,000 (up from \$250,000 currently) and will receive a partial concession for land valued between \$350,000 and \$500,000.

These changes represent a substantial increase in the support available to Queensland's first home buyers and could save a first home buyer as much as \$17,350 if purchasing a home or \$10,675 if purchasing vacant land on which to build their home. In total, the changes are estimated to help around 10,000 Queenslanders per year get into their first home sooner. Further information on this important measure is provided in Box 4.2 in Chapter 4.

The transfer duty revenue foregone due to these revenue reforms will be offset by increases in surcharges applying to foreign buyers and owners of property in Queensland.

Further to this, substantial investment is being made to unlock land supply. The government has already invested more than \$359 million since 2015 in infrastructure to support Queensland's growing areas through the Catalyst Infrastructure Fund, and the Building Acceleration and Growth Acceleration Funds. This has unlocked more than 25,000 new lots across South East Queensland.

Additionally, the government is progressing a range of key changes to planning regulation to help facilitate increased housing supply, including updating targets in regional plans, while also using priority development areas to deliver additional and affordable housing.

The *Housing Availability and Affordability (Planning and other Amendment) Act 2024* further aims to reduce barriers to supply, enabling the Planning Minister to acquire land for essential infrastructure required to increase affordable housing supply. The Bill also introduces a new state facilitated and streamlined application process for affordable housing development that is an identified priority for the state, subject to meeting statutory criteria.

Queensland is also working with the Australian Government to support housing supply, including through the Social Housing Accelerator Payment, the Housing Australia Future Fund and being the first state to introduce referral legislation to Parliament to support the Australian Government's *Help to Buy* shared equity program.

On 31 May 2024, Queensland signed a new 5-year National Agreement on Social Housing and Homelessness commencing 1 July 2024. The agreement will provide funding to contribute to the effective operation of Australia's social housing and homelessness services and help those people who are at risk or are experiencing homelessness.

1.3 Delivering better services and supporting stronger, safer communities

The Queensland Government's significant ongoing investment in the delivery of essential services aims to address unprecedented demand from unexpected levels of population growth, while underpinning improved social and economic outcomes across the state over both the short and long term.

The 2024–25 Budget supports the government's commitment to meet growing demand, including through substantial investments and additional funding in key areas such as health, education and community safety.

The range of commitments outlined in the Budget to enhance delivery of these critical services will directly support improved living standards, facilitate greater participation in the economy, strengthen the resilience and liveability of communities across the state, and ultimately enhance the prosperity and wellbeing of all Queenslanders both now and into the future.

1.3.1 Investing in essential health services

The state's world-class health system is continuing to support a healthy, active and productive Queensland, despite significant challenges to its capacity from unprecedented levels of population growth and an ageing and increasingly diverse population base.

Improving health outcomes through the provision of reliable and accessible quality health services delivers significant social and economic benefits for individuals and the community. It facilitates enhanced economic outcomes through improvements in workforce participation and productivity.

As Queensland's strong economic recovery from the COVID-19 pandemic demonstrated, the state's economic performance is directly linked with the health and wellbeing of Queenslanders.

The Budget includes a record Queensland Health total operating budget of \$26.710 billion in 2024–25, including a \$4.393 billion uplift to health funding across the forward estimates to meet demand and cost pressures in the health and hospital sector.

Reflecting the importance of health to economic, social and cultural participation, the government is also providing an additional \$247.9 million over 5 years to address gender-based health inequity, rectifying disinvestment and underinvestment in women and girls' health.

With this new funding, and combined with funding for existing services, the Queensland Government will spend more than \$1 billion over the next 5 years to target and provide activities and services that focus on women's health and wellbeing through the *Queensland Women and Girls' Health Strategy 2032* and Investment Plan.

The Strategy seeks to improve women's access to and experience of the healthcare system. Initiatives aim to address existing health inequities, provide enhanced gender and trauma informed care, and empower women to overcome obstacles hindering their health potential.

1.3.2 Keeping communities safe

The government is focused on keeping Queensland communities safe and is prioritising targeted actions to prevent crime, support victims and reduce the economic and social costs associated with crime. This includes strengthening laws, deploying extra frontline workers, and taking a harder stance to prevent crime and hold offenders to account.

To address community safety concerns, the government has announced the *Community Safety Plan for Queensland*, which includes an extra \$1.28 billion over 5 years for community safety measures across 5 key pillars: supporting victims; delivering for our frontline; detaining offenders; intervening when people offend; and preventing crime before it occurs.

The government will deliver on these pillars through the introduction of new legislative reforms and major investment in programs and systems that will help build safer communities.

Placing an increased focus on domestic, family and sexual violence, and safety for women and young offenders, the plan takes a whole-of-government approach that brings together education, health, sport, housing, community services, domestic violence and child protection services.

The plan directly builds on the government's existing investment of \$446.4 million over 5 years, announced in last year's Budget, to reduce youth crime and break the cycle of offending by young people.

In addition to the *Community Safety Plan for Queensland*, the government is investing in initiatives to meet the demand pressures facing the state's correctional facilities, with \$726 million over 5 years from 2023–24 (\$78.726 million ongoing) for increased prisoner population costs, critical infrastructure upgrades and short-term to medium-term prison capacity relief.

Further, the government is investing \$73.1 million over 5 years from 2023–24 (\$20.1 million ongoing) to meet demand pressures, including additional decision maker resources and critical mediation services in minor civil disputes for the Queensland Civil and Administration Tribunal.

The government is continuing to increase funding and alleviate pressure on state funded domestic, family and sexual violence service providers, with an additional \$118.4 million over 4 years from 2024–25 (\$38.4 million ongoing) to meet increased demand on these services, taking total funding for the 20 per cent uplift to \$154.4 million over 4 years.

1.4 Foundations for future success

The Queensland Government is committed to strengthening the critical foundations that support the wellbeing and positive life outcomes of young Queenslanders.

The government is achieving this through the delivery of high-quality universal services across a range of areas including health, education, and family services, as well as through additional support for vulnerable Queenslanders.

Investments in early childhood development and education significantly drive improved economic and social outcomes for individuals, families and society by providing the necessary tools for individuals to succeed.

By supporting the education, development and growth of young Queenslanders, the government's investments will help drive sustained economic participation, productivity and income growth, and increased standards of living over time.

1.4.1 Providing a strong start through quality education

Education is a cornerstone of economic growth and integral to ensuring every Queenslander can fulfill their potential. A quality education improves opportunities for future learning, employment and higher wages and supports a more productive workforce.

The government is continuing to invest in inclusive and high-quality education and training to support the learning and development of young Queenslanders and equip them with the skills and knowledge to successfully participate in the economy of the future. In 2024–25, this includes total funding of \$22.801 billion for education and training.

Commencing in January 2024, the government's \$645.4 million investment in Free Kindy for 4-year-olds is providing Queensland children with a strong start to their education. As well as strengthening the foundations for children's learning, development and wellbeing, this initiative is alleviating cost-of-living pressures for Queensland families and supporting labour market participation.

As part of this year's Budget, other key initiatives to drive enhanced education outcomes for Queenslanders include \$500 million for critical capacity growth projects to meet enrolment needs, including upgrades to ensure the availability of safe and accessible school facilities for all students and teachers.

The 2024–25 Budget is also investing over \$1 billion in additional funding over 5 years from 2023–24 to support delivery of a high-performing state education system.

This funding will deliver more teachers and teacher aides to support delivery of the government's education strategy for state schools – *Equity and Excellence: realising the potential of every student*. Funding will also help to improve outcomes for priority cohorts, including delivering reasonable adjustments for students with a disability.

1.4.2 Investing in prevention and early support

Investing in children and young people can transform life trajectories with lifelong and multigenerational health, social and economic benefits.

Targeted and effective investments in prevention and early supports can mitigate detrimental impacts of adversity and vulnerability experienced by children and young people.

Enhancing health and wellbeing outcomes and improving educational attainment and employment outcomes reduces the risks of contact with the child protection and criminal justice systems.

The 2024–25 Queensland Budget is building on existing investments in prevention and early support services to better address the complex challenges facing some Queenslanders and achieve better outcomes for vulnerable children, young people and families.

In particular, the government's \$502 million *Putting Queensland Kids First* early support package will support children from their earliest years of life and directs resources, services and supports to give every Queensland child and family the best possible opportunities for a great life.

These investments complement existing Queensland Government initiatives, including the \$288.2 million package to support educational engagement for a range of students, including by expanding the successful Queensland Pathways State College and FlexiSpaces in schools for students unable to be in the classroom.

1.5 Delivering Queensland's Big Build program

Unprecedented levels of population growth require significant investments in critical social and economic infrastructure across the state.

Through its flagship Big Build Program, the government is delivering on its commitment to provide the necessary infrastructure for a growing Queensland. Building on the announcement made in last year's Budget, this \$107.3 billion investment being delivered over the 4 years to 2027–28 is directly supporting the state's ongoing economic and energy transformation, while also simultaneously improving the overall sustainability and liveability of Queensland communities and regions.

The Big Build, which includes \$27.1 billion in 2024–25 — the state's largest single year infrastructure investment on record — is supporting the growth of Queensland's traditional and emerging industries and creating more jobs. The capital program is supporting around 72,000 direct jobs in 2024–25, with 50,000 of these jobs located outside of the Greater Brisbane region.

Importantly, many more additional employment opportunities will be supported by supply chain activity and broader connectivity generated through these infrastructure investments, particularly throughout the state's regional economies, which are at the forefront of Queensland's ongoing economic transformation and diversification.

Infrastructure initiatives being delivered through the QEJP will ensure that clean, reliable and affordable power can be accessed by future generations of Queenslanders, while simultaneously driving the economy's overall level of resilience and competitiveness over the longer term.

The 2024–25 Budget includes a landmark capital investment of around \$26 billion over the 4 years to 2027–28 to deliver on the QEJP. The government's publicly-owned energy businesses are leading Queensland's energy transformation by investing in new wind, solar, storage and transmission.

Government entities are progressing an investment pipeline of renewables, batteries, gas, pumped hydro energy storage and the transmission SuperGrid, including CopperString 2032 connecting the North West Minerals Province to the electricity grid.

To effectively facilitate the continued provision of world-class health facilities and services for all Queenslanders, the government has committed to a health capital program of \$2.167 billion in 2024–25.

Additional funding for key capital projects in the 2024–25 Budget includes \$200 million over 7 years from 2024–25 for the construction of the Cooktown Multipurpose Health Service facility and \$60 million over 2 years from 2024–25 to commence delivery of the Cairns Health and Innovation Centre Stage 1.

Further, the government will invest over \$1.274 billion in 2024–25 to ensure that facilities in Queensland’s state schools are world class and continue to meet demand and support contemporary learning requirements. Investment in new schools is being facilitated through the Building Future Schools Program.

As part of keeping Queenslanders connected through strong transport networks that support communities and industries across the state, the government is investing \$9.494 billion in 2024–25 to deliver transport infrastructure that is integrated, efficient and safe.

This includes \$786 million towards the Queensland Train Manufacturing Program, \$650 million towards construction on Coomera Connector (Stage 1), \$513.6 million to continue construction work on Cross River Rail, \$500 million towards the Logan and Gold Coast Faster Rail project and \$308.2 million to continue Gold Coast Light Rail (Stage 3). There is also substantial ongoing investment to fund major upgrades to the Bruce Highway and the M1 Pacific Motorway.

The government is also looking ahead to identify solutions to address road congestion in Brisbane’s north driven by population growth, investing an additional \$318 million on pre-construction works for a new Gympie Road Bypass Tunnel between Kedron and Carseldine, and \$17 million on a detailed business case to improve active and public transport outcomes along this corridor.

Through state-owned water businesses, the government is delivering increased water security, fortifying the flood resilience of water infrastructure and ensuring the ongoing safety and reliability of dams. Major investments in 2024–25 include \$311.1 million for the Fitzroy to Gladstone Pipeline, \$26.1 million for the Mount Crosby Flood Resilience Program, \$56 million to deliver the Toowoomba to Warwick Pipeline, and \$303.4 million towards the dam improvement programs of Sunwater, Seqwater and the Gladstone Area Water Board.

Box 1.3 Delivering a low carbon economy

The Queensland Government is powering ahead with reducing emissions across the economy and supporting new investment, jobs, and growth.

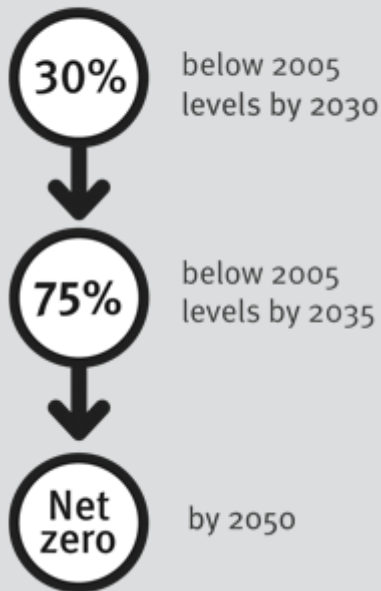
Building on the momentum of the last Budget, the 2024–25 Budget includes a landmark capital investment of around \$26 billion over the 4 years to 2027–28 to support the *Queensland Energy and Jobs Plan*. This includes new publicly-owned investments across wind, solar, storage and transmission.

In addition, the Queensland Government has established a suite of investment programs to partner with industry on significant projects. The \$520 million Low Emissions Investment Partnerships program will fast-track emissions reductions from the state’s highest emitting facilities, with an initial focus on the metallurgical coal sector.

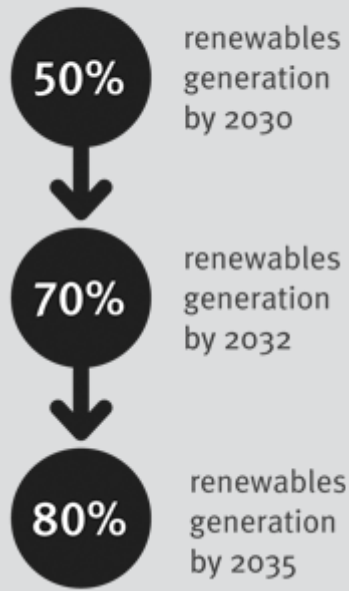
The government is also stimulating investment across the renewable energy supply chain through a range of measures including the \$170 million Critical Minerals and Battery Technology Fund and \$570 million Battery Industry Strategy. Leveraging our natural and competitive advantages, this funding will drive innovation, build supply chains, and attract new investment to Queensland.

Underpinning our state’s ongoing transition to a low carbon economy are the *Clean Economy Jobs Act 2024* and *Energy (Renewable Transformation and Jobs) Act 2024*. The targets contained in this legislation work in tandem to ensure direct action on climate change, encourage renewable energy investment, maintain public ownership of energy assets, and provide further certainty for industry, investors and the community. These targets are outlined below.

Queensland’s emissions reduction targets



Queensland’s renewable energy targets



Queensland is achieving strong progress towards these targets while fostering new investment, creating jobs and delivering clean, reliable and affordable power.



27.7% of electricity from renewable energy in 2024
with Queensland 2 years ahead of the 50 per cent renewable energy target by 2030



55 large-scale renewable energy projects since 2015
\$12 billion of investment, 9,000 construction jobs, and 6.6 GW of clean energy



22 GW of new renewables by 2035

with energy businesses supporting around 7 GW by 2027–28



Achieved 2030 emissions reduction target of 30 per cent

leading the nation with a 35 per cent reduction in 2022 below 2005 levels



1,500 construction jobs and \$7 billion capital investment

leveraged from the \$4.5 billion Queensland Renewable Energy and Hydrogen Jobs Fund



1.3 GW of large-scale and network batteries

to be owned and operated by energy government owned corporations by 2027–28



New industries calling Central Queensland home

including Alpha HPA and Fortescue

1.6 Investing in skills and training

A resilient, dynamic and skilled workforce is critical to ensure Queensland can respond to unprecedented levels of population growth, as well as the economic opportunities of the future.

The current labour market in Queensland remains very strong, characterised by strong jobs growth, low unemployment, an elevated job vacancy rate and skill shortages.

The job vacancy rate, a key indicator of labour demand, is the number of vacancies as a proportion of the total labour force. The job vacancy rate in Queensland remained elevated in March quarter 2024, at 2.3 per cent, down from its record high of 3.0 per cent in September quarter 2022 but well above the pre-COVID-19 rate of 1.4 per cent.

Queensland's labour market is forecast to remain strong in the coming years, with the unemployment rate expected to remain low by historical standards.

The Queensland Government, through the *Good people. Good Jobs: Queensland Workforce Strategy 2022–2032*, recognises that investments in skills and training initiatives can help directly alleviate the current capacity and supply constraints within the state's labour market, while also supporting longer-term growth in labour productivity and incomes.

Actions under this Strategy will drive enhanced labour market outcomes well into the future. For example, Queensland's *Clean Energy Workforce Roadmap*, released in October 2023, sets out a \$30 million roadmap to create a skilled, job-ready workforce to deliver Queensland's clean energy transformation.

Further, the government's recently released *Good Jobs, Great Training: Queensland Skills Strategy 2024–2028* will ensure the state's training system is skilling workers across the state to meet the requirements of industry now and into the future.

Across 5 focus areas and 5 years, the Strategy sets out to maximise productivity and participation, unlocking billions in annual skills investment. The Strategy is backed by a \$370 million investment in training and skills.

The Strategy also extends the government's Free TAFE program, which has seen more than 88,000 commencements in Queensland in around 200 courses. The Australian and Queensland governments have provided a further 30,000 Free TAFE places in 2024 through to 2026. This will offer cost-of-living support while giving more Queenslanders the opportunity to skill-up for future jobs in areas where the economy needs them most. This partnership builds on the government's workforce strategy that aims to position it as a world-class economy out to 2032.

Further, the government's Trade to Teach program offers paid teaching internships and a guaranteed permanent teaching position to support qualified and experienced tradies to transition to a teaching career. The program attracts experienced tradespeople to classrooms to share their industry experience and inspire students to take up a trade.

The government's significant ongoing investments in skills and training initiatives — including more than \$1.5 billion in 2024–25 — is helping to future-proof the state's workforce.

Together, this will help accelerate the Queensland economy's trajectory towards being more resilient, competitive and diversified, thereby supporting ongoing improvements in the standard of living for all Queenslanders.