

## KEY ECONOMIC ANNOUNCEMENTS

### Economic and Fiscal Outlook

The 2022-23 Queensland Budget comprises of the following:

- The Queensland economy is forecast to grow by 3% in 2021–22 and then average 2.75% per annum growth over the rest of the forward estimates.
- Employment is forecast to grow by 4.75% in 2021-22, its strongest growth in 15 years, followed by further employment growth of 3% in 2022-23.
- The unemployment rate is forecast to remain low, between 4% and 4.25%. By 2036, the current population of 5.24 million is expected to increase by around 20%.
- Over the 5 years to 2025-26, revenue is expected to grow at 4.5% on average per annum compared to 4.1% for expenses.
- General government borrowings are expected to be \$3.618 billion lower by 2024-25.
- Net debt is forecast to be \$27.6 billion in 2023-24 and \$39.2 billion by 2025-26.
- The government will invest \$15.51 billion in capital, directly supporting around 48,000 jobs, with 31,100 of these jobs located outside of the Greater Brisbane region.

## FUTURE PIPELINE OF INVESTMENTS

### Infrastructure

Funding for the capital program will continue meeting the Queensland government's \$50 billion infrastructure guarantee to ensure a continual pipeline of key priority projects. The 4-year program from 2022-23 to 2025-26 amounts to \$59.126 billion.

### Transport

In 2022-23, over \$7.3 billion is allocated for the following:

- \$1.29 billion to continue construction work on Cross River Rail Project.
- \$270.2 million to commence Stage 3 of Gold Coast Light Rail.

Bruce Highway projects includes:

- \$1.065 billion to plan, preserve and construct the Rockhampton Ring Road.
- \$1 billion to construct Cooroy to Curra.
- \$662.5 million to upgrade the highway from 4 to 6 lanes between Caboolture-Bribie Island Road and Steve Irwin Way.
- \$500 million funding injection for the Bruce Highway, noting the Queensland Government's priority for upgrades between Mackay and Proserpine, and between Gladstone and Rockhampton.
- \$481 million to duplicate the highway from 2 to 4 lanes as part of the Cairns Southern Access Corridor (Stage 3), from Collinson Creek in Edmonton to the Wrights Creek area near Gordonvale.
- \$350 million for the Mackay Port Access upgrade, to improve access to the Port of Mackay while addressing urban congestion in North Mackay.
- \$336 million to increase the flood immunity, safety and efficiency of the Bruce Highway and future-proof the road to cater for growing traffic volumes at Tiaro.

Queensland Government and Australian Government commitment on 50:50 basis:

- M1 Pacific Motorway upgrades and Coomera Connector
  - \$2.163 billion to plan and construct Coomera Connector Stage 1 (Second M1) between Coomera and Nerang.
  - \$1 billion for upgrades between Daisy Hill and the Logan Motorway.
- \$1.219 billion for Gold Coast Light Rail (Stage 3).
- \$2.598 billion Logan and Gold Coast Faster Rail (Kuraby to Beenleigh) upgrade.

### Health

- \$9.785 billion for the Queensland Health Capacity Expansion Program to deliver around 2,200 additional overnight beds over 6 years (2022-23 to 2027-2028).
- \$1.6 billion for mental health over 5 years plus an additional \$28.5 million in capital funding to support the Better Care Together plan for mental health, alcohol and other drug services.
- \$943.5 million over 7 years from the Sustaining Capital Program to replace ageing rural and regional health facilities and staff accommodation as part of the next stage of the Queensland Health Building Rural and Remote Health Program.
- \$229.7 million over 2 years from the Sustaining Capital Program to immediately increase bed capacity across South-East Queensland under the Accelerated Infrastructure Delivery Program.
- \$270.3 million as part of the Building Better Hospitals program including:
  - \$161.3 million for the Logan Hospital Expansion.
  - \$82.9 million for the Caboolture Hospital Redevelopment.
  - \$21.4 million for the Ipswich Hospital Expansion Stage 1A.
  - \$4.7 million for the Logan Hospital Maternity Services Upgrade.
- \$281.6 million under the Sustaining Capital Program will be distributed across Hospital and Health Services and the Department of Health for a range of minor capital projects.
- \$139 million as part of the Satellite Hospitals Program to deliver satellite hospitals to manage demand and free up capacity.
- \$13.4 million for digital works for the Caboolture Hospital Redevelopment project.

### Education

- \$521.7 million for the Building Future Schools Program to deliver world class learning environments for students.
- \$263.8 million for critical infrastructure upgrades to replace and enhance facilities at existing schools.
- \$29.8 million is provided for racing infrastructure projects that contribute to the growth and sustainability of the Queensland racing industry.

### Housing

- \$150 million over 3 years to increase the Catalyst Infrastructure Fund (subject to a minimum co-investment by developers) to unlock development and increase the supply of housing in the state's Priority Development Areas.

- \$50 million over 3 years, \$35 million held centrally, for the Growth Acceleration Fund to support the delivery of priority trunk infrastructure in the Caboolture West growth area and other targeted growth areas in South-East Queensland.
- \$10 million over 2 years to support the Growth Areas Team to address land supply, population growth and property development challenges across South-East Queensland.

### **SUPPORT FOR SMALL AND MEDIUM-SIZED BUSINESS**

The Queensland government announced a range of measures to support Queensland small and medium businesses:

- \$50 million to the Made in Queensland and Manufacturing Hubs Grant programs to help small and medium sized manufacturers build advanced manufacturing capability.
- Payroll tax relief to more than 12,000 small and medium-sized Queensland businesses by increasing the payroll tax deductions to businesses with annual Australian taxable wages between \$1.3 million and \$10.4 million.
- \$39.1 million over 4 years and \$12.6 million ongoing to permanently fund Small Business Grants and the Mentoring for Growth program.
- Working with the Queensland Small Business Commissioner to identify regulatory reform priorities to support small business.