

Advancing Queensland's Economy

Job-creating Innovation, Investment and Infrastructure



Advancing Queensland's Economy through job-creating innovation, investment and infrastructure

Dear Queenslanders,

Our State's economy continues to be one of the fastest growing in the country.

It's an economy in transition from a once-in-a-lifetime resources construction boom.

An economy where our traditional strengths in industries such as agribusiness, tourism and education are being boosted by new industries such as genomics and biofuels.

An economy which is once again enjoying jobs growth. Under the Palaszczuk Government, 52,500 new jobs have been created – returning much-needed business and consumer confidence.

Last year's Budget focussed on creating jobs now and jobs for the future.

This year's Budget builds on this success, advancing Queensland's economy through job-creating innovation, investment and infrastructure.

We'll continue to grow the State's innovation economy through increased investment in our successful Advance Queensland program.

We are funding an investment attraction package to bring businesses to Queensland from overseas and interstate – as well as giving existing Queensland businesses more incentives to grow.

We'll build the priority infrastructure the State needs – including down payments on the crucial Cross River Rail and Townsville Stadium projects.

This is a Back to Work Budget – where every major initiative is geared at getting Queenslanders back in jobs – or making their existing jobs better and safer.

And we are helping out with the cost of living - cutting public transport fares for South East Queensland and raising the Queensland First Home Owners' Grant to \$20,000.

We recognise that some areas of the State are doing better than others, which is why many major initiatives are aimed squarely at our regions.

Queensland is once again a State of opportunity and optimism.

Queensland is a great State, with endless potential to deliver more prosperity and improve our living standards.

This Budget helps all Queenslanders share in the growth our economy is generating.



Hon Curtis Pitt MP

Treasurer

Minister for Aboriginal
and Torres Strait
Islander Partnerships

Minister for Sport



Queensland Budget 2016-17

At a glance

CAPITAL PROGRAM

\$10.7B

HEALTH

\$15.3B

EDUCATION & TRAINING

\$12.9B

COMMUNITIES, CHILD SAFETY & DISABILITY SERVICES

\$3.2B

POLICE

\$2.1B

ADVANCE QUEENSLAND ACCELERATION

\$405M

REGIONAL 'BACK TO WORK'

\$100M

Advancing Queensland's Economy



Growing
Innovation

\$100 million 'Back to Work' Jobs Package for Regional Queensland including payments of up to \$15,000 to employers, supporting up to 8,000 regional jobs



Attracting
Investment



Creating
Jobs

\$10.7 billion infrastructure program, supporting 31,000 jobs



Building
Infrastructure

Restoring frontline services - 2015-16



1,940 extra nurses



651 extra doctors



479 extra health professionals



940 extra teachers and teacher aides



300 extra police



54 extra paramedics



44 extra firefighting staff



Growing Innovation



\$405 Million Advance Queensland

This Budget builds on the \$180 million investment in the 2015-16 Budget to grow Queensland's innovation sector - inspiring the next generation of Queenslanders and creating the jobs of the future. Advance Queensland is helping grow our regional economies, supporting local businesses to harness innovation in a rapidly changing global economy.

Unlocking the potential of business to innovate

\$22.7 m



Advancing Small Business Queensland Strategy

\$10 m



Platform Technology Program

Harnessing existing strengths and fostering emerging opportunities

\$3.9 m



New Agricultural Economy

\$40 m



Advance Queensland Industry Attraction Fund

\$9 m



Industry Accelerators

\$19.7 m



Queensland Biofutures 10-year Roadmap and Action Plan

Building future generations

\$3.3 m



Schools of the Future

\$7.1 m



Global schools

\$25 m



Clinical Genomics Service

\$35 m



Integrated Healthcare Fund

Growing our regions

\$6 m



Regional Innovation Hubs

\$10 m



Cairns Innovation Centre

\$33.5 m



Advance Queensland: Connecting with Asia Strategy

Advance Queensland Acceleration package

Industry Accelerators

\$9 million to support industry accelerators, encouraging the development of innovative products and services where Queensland excels.

Regional Innovation Hubs

\$6 million for regional innovation hubs to encourage innovation in regional Queensland - connecting local efforts, leveraging regional strengths and lifting the capabilities of innovative local firms.

Platform Technologies

\$10 million for the Platform Technology Program to develop and employ platform technologies - groups of technologies which form a base to take the next technological leap - in areas where Queensland has deep scientific knowledge and emerging industry strength.



Premier Annastacia Palaszczuk at the Clem Jones Centre for Neurobiology and Stem Cell Research



For more information about Accelerating Advance Queensland, visit advance.qld.gov.au

\$19.7 Million Biofutures Roadmap

Under the Palaszczuk Government's plan, Queensland will have a \$1 billion industrial biotechnology and bioproducts sector by 2025, sustainable and exporting to global markets.

The Government will provide \$19.7 million over three years to develop a Roadmap and Action Plan for this exciting new industry.

It will seek significant overseas investment, creating high-value and knowledge-intensive jobs in Queensland's regions.

The funding includes \$14 million of additional funding over three years to help businesses access venture capital including \$5 million for a new Biofutures Industry Development Fund.

There is \$5.3 million of additional funding over three years to implement the Queensland Biofutures 10-Year Roadmap and Action Plan.



Includes
\$5 million
to establish the Biofutures
Industry Development Fund

Supporting Queensland's businesses

The Advancing Small Business Queensland Strategy will inject new funding of \$22.7 million to kickstart local small businesses - as part of a \$44.5 million commitment to establish an Office of Small Business and the delivery of the Business and Industry Portal.



Building Digital Capability Grants

Grants of up to \$10,000, matched by recipients, to help small businesses enter the digital economy or build their digital capability.

Grants can be used for website development, training, social media or adopting innovative new tools and technologies.

This direct funding will help give Queensland small businesses a competitive edge in a fast-moving economy.

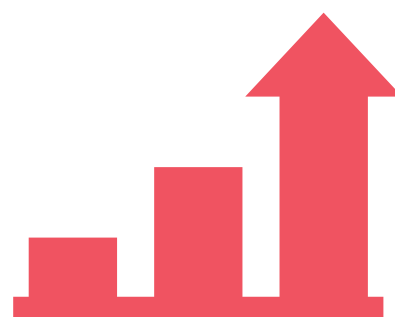


Entrepreneurs of Tomorrow Program

The highly successful Home-Based Business Program will be expanded to help more Queensland businesses get a better start.

It provides grants of up to \$5,000, matched by recipients, for new home-based start-ups.

More Queensland businesses will now be able to access the program, which was oversubscribed in its first year.



Queensland Small Business Champion

A new Queensland Small Business Champion will provide a voice for small business.

The Champion will work with all levels of Government to solve challenges and identify opportunities for small business.

The Champion will work closely with the Government's Queensland Small Business Advisory Council and the Red Tape Reduction Advisory Council.

Tax competitiveness

The Palaszczuk Government is providing an economic environment that supports businesses and jobs growth, without placing financial hardships on households through policy and taxation settings. Our commitment to Queenslanders includes:

- Retaining Queensland's competitive tax status, with per capita State tax estimated at \$2,697 in 2016-17, compared with an average of \$3,464 in other jurisdictions.
- Keeping transfer duty low, with duty payable on properties valued at \$450,000 almost \$10,000 lower than the average duty in other jurisdictions.
- The highest payroll tax threshold and the lowest rate of payroll tax of any mainland State.

Attracting Investment



\$40 Million Industry Attraction Fund

Queensland is open for business. The Advance Queensland Industry Attraction Fund will help to establish or expand new and existing businesses in Queensland.

This will include attracting business investment from interstate as well as supporting local businesses to reinvest. The Fund will target priority industries such as biofutures, advanced manufacturing, defence and aerospace, Mining Equipment, Technology and Services (METS), biomedical and lifesciences, alongside areas of traditional strength such as agribusiness.

A variety of potential assistance will be available under the Industry Attraction Fund, depending on the individual circumstances of the business. Investment attraction may include: facilitation and case management from the Department of State Development, payroll tax rebates, transfer duty concessions, or in some cases, cash grants.

Eligible businesses will be able to access the Industry Attraction Fund if they can demonstrate contestability – that they have a choice of where to set-up or expand their business. Additional criteria include: a commitment to generating new employment in Queensland, a commitment to regional development, a commitment to increased innovation/technology and a commitment to global value chains.



Advanced Biofuels Pilot Plant

The Government has successfully attracted a \$16 million Advanced Biofuels Pilot Plant in Gladstone, to launch Queensland's biofutures industry.

The Palaszczuk Government has set out a vision that by 2025, Queensland will have a \$1 billion sustainable and export-orientated industrial biotechnology sector attracting significant international investment and creating thousands of regional, high-value and knowledge-intensive jobs.

This vision got a boost in 2015-16 with the Government securing a \$16 million Advanced Biofuels Pilot Plant to be built at Southern Oil Refining's Yarwun plant at Gladstone.

If successful, it has the potential to be expanded to a \$150 million large commercial-scale refining facility capable of producing 200 million litres of advanced biofuel annually.

Southern Oil Refining is aiming to produce 1 million litres within the next three years, for use in field trials as part of the US Navy's Great Green Fleet Initiative.



USS Stockdale, the first US Navy ship to be converted to biofuels



Supporting 31,000 jobs through a **\$10.7 Billion Capital Program** in 2016-17

TRANSPORT

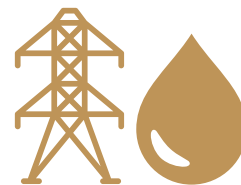
\$4.388 billion



Includes \$399.9 million for the Toowoomba Second Range Crossing and \$250 million for the Gateway Motorway North between Nudgee and Bracken Ridge.

ENERGY AND WATER

\$2.184 billion



Delivering cost-effective, safe, secure and reliable energy and water supply.

HEALTH

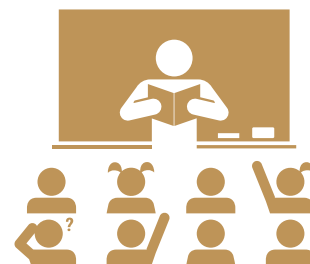
\$1.417 billion



to progress a range of health infrastructure priorities including hospitals, health technology, research and scientific services, mental health services and IT.

EDUCATION

\$645 million



Building and refurbishing schools, Early Childhood and Care services and training assets.

Capital expenditure in 2016-17 is estimated to be \$9.634 billion with direct capital purchases of \$8.264 billion and capital grants of \$1.370 billion. The Government will also recognise \$1.032 billion of finance leases in 2016-17, representing the State's capital purchases delivered through alternative arrangements such as public-private partnerships bringing the total capital program to \$10.666 billion. Capital expenditure in 2016-17 will support approximately 28,000 jobs. In addition, acquisitions of non-financial assets under finance leases in 2016-17 supported approximately 3,000 jobs during the construction period of these projects.

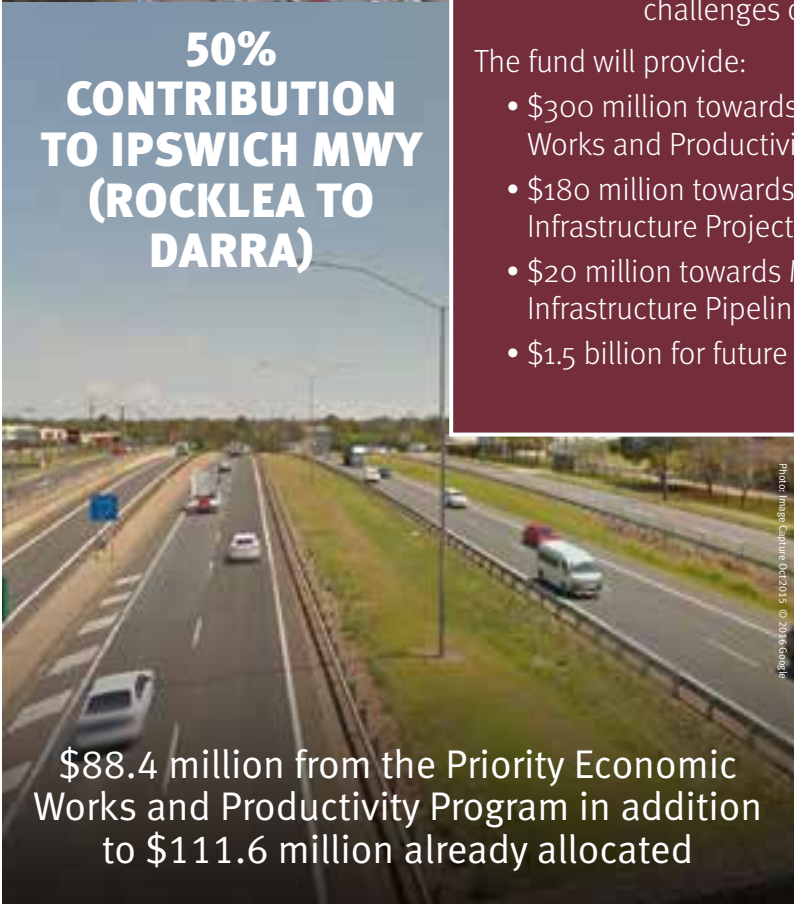
More than \$40 Billion in Infrastructure over 4 years

NEW PAEDIATRICS WING AT TOWNSVILLE HOSPITAL



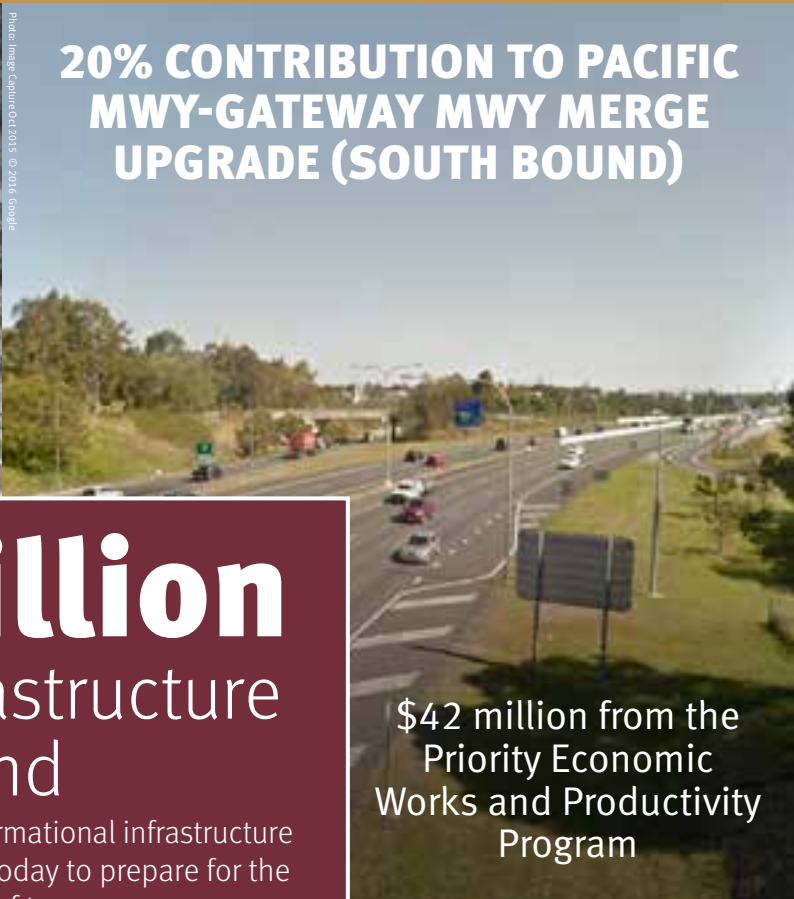
\$6.6 million from the Significant Regional Infrastructure Projects Program

50% CONTRIBUTION TO IPSWICH MWY (ROCKLEA TO DARRA)



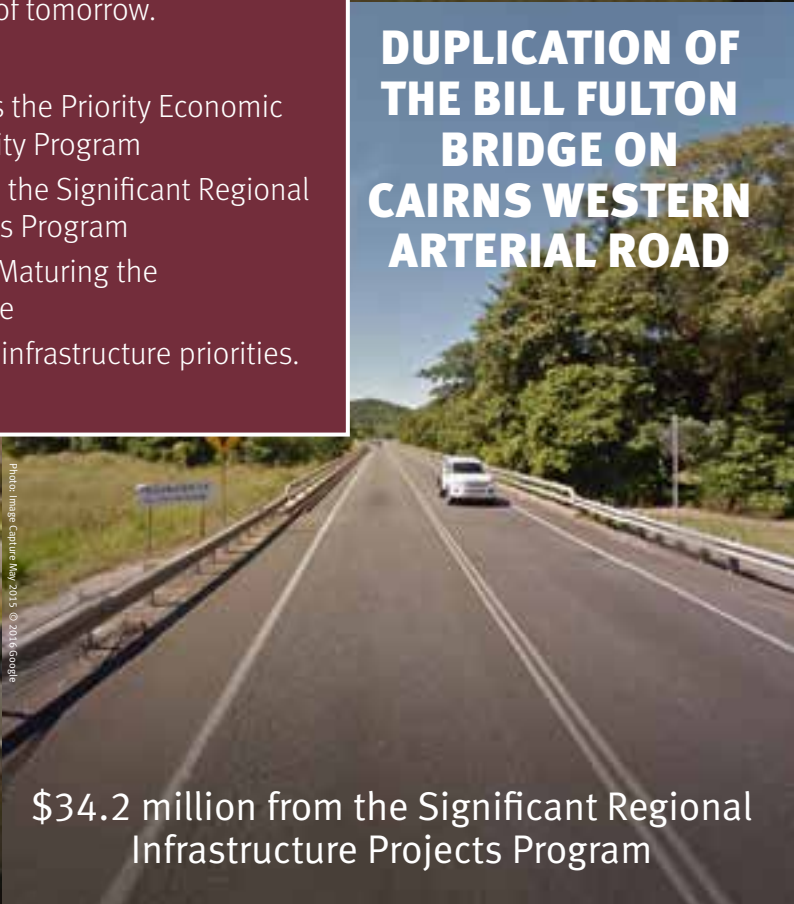
\$88.4 million from the Priority Economic Works and Productivity Program in addition to \$111.6 million already allocated

20% CONTRIBUTION TO PACIFIC MWY-GATEWAY MWY MERGE UPGRADE (SOUTH BOUND)



\$42 million from the Priority Economic Works and Productivity Program

DUPLICATION OF THE BILL FULTON BRIDGE ON CAIRNS WESTERN ARTERIAL ROAD



\$34.2 million from the Significant Regional Infrastructure Projects Program

\$2 Billion State Infrastructure Fund

will deliver the transformational infrastructure Queenslanders need today to prepare for the challenges of tomorrow.

The fund will provide:

- \$300 million towards the Priority Economic Works and Productivity Program
- \$180 million towards the Significant Regional Infrastructure Projects Program
- \$20 million towards Maturing the Infrastructure Pipeline
- \$1.5 billion for future infrastructure priorities.



A better public transport system

\$634 Million to allow more trains and commuters on our network, with improved safety and reliability.

Pending final project approval, delivery of the European Train Control System (ETCS) inner city project on the South East Queensland rail network, will improve network capacity and reliability prior to Cross River Rail.



Photo: Don Stephens

\$50 Million down payment to help deliver Brisbane's Cross River Rail

Establishing a new delivery authority, progressing planning and environmental approvals, starting readiness for market activities and early and enabling works.

- Existing stations
- Existing rail
- New Cross-River Rail
- New stations



Photo: Translink



Photo: Translink



Photo: Tony Phillips

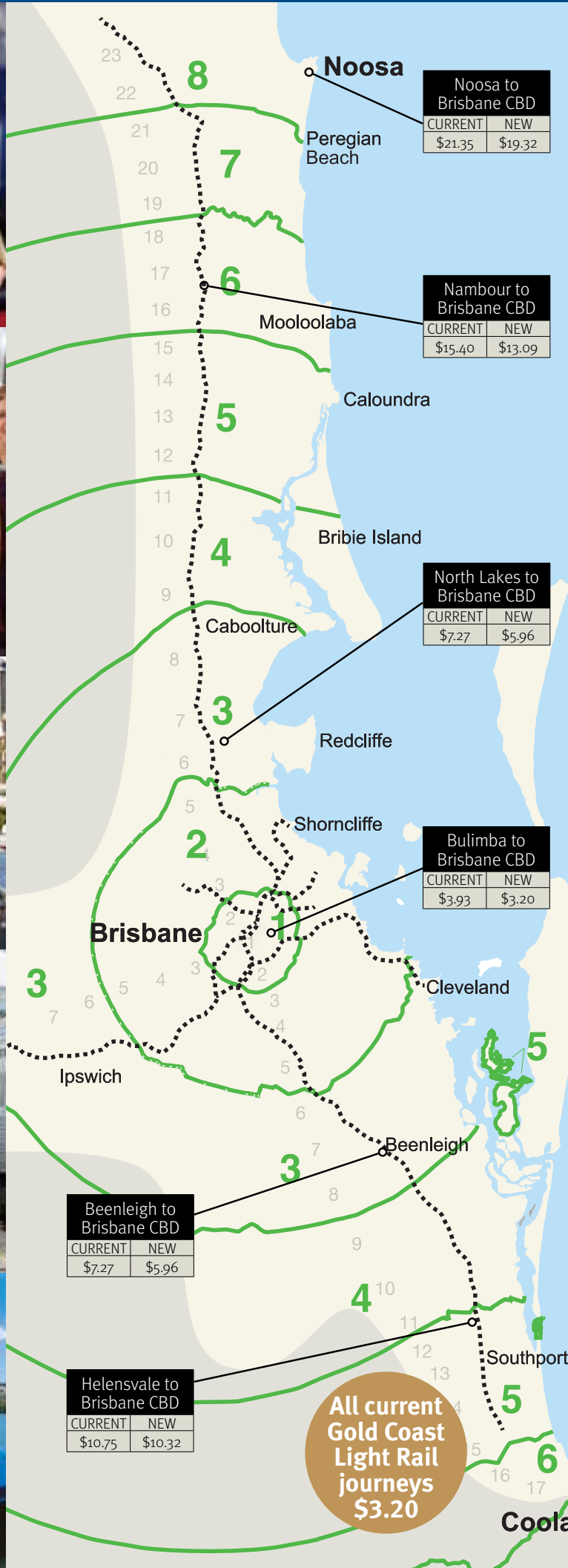


Photo: Don Stephens



Photo: Courtesy of Tourism Queensland. Photographer: [unclear]

Cheaper Fares



Noosa to Brisbane CBD	
CURRENT	NEW
\$21.35	\$19.32

Nambour to Brisbane CBD	
CURRENT	NEW
\$15.40	\$13.09

North Lakes to Brisbane CBD	
CURRENT	NEW
\$7.27	\$5.96

Bulimba to Brisbane CBD	
CURRENT	NEW
\$3.93	\$3.20

Beenleigh to Brisbane CBD	
CURRENT	NEW
\$7.27	\$5.96

Helensvale to Brisbane CBD	
CURRENT	NEW
\$10.75	\$10.32



The Palaszczuk Government is reforming public transport fares in South East Queensland

- Lower fares across all zones from 1 Jan 2017
- Reducing the number of zones from 23 to 8
- Extending the morning off-peak time from 3am to 6am to increase access to services offering the 20% off-peak discount
- Free weekend travel for children on a child go card
- Keeping the "1, 2 and free" program for seniors.

CURRENT (2016 prices)	
OLD ZONE	FARE Peak - Adult go card
1	\$3.35
2	\$3.93
3	\$4.66
4	\$5.24
5	\$5.96
6	\$6.69
7	\$7.27
8	\$7.85
9	\$8.43
10	\$9.74
11	\$10.32
12	\$10.75
13	\$11.20
14	\$12.07
15	\$13.09
16	\$14.10
17	\$15.40
18	\$16.28
19	\$17.14
20	\$18.46
21	\$19.32
22	\$20.33
23	\$21.35

NEW (Jan 2017)	
NEW ZONE	FARE Peak - Adult go card
1	\$3.20
2	\$3.90
3	\$5.96
4	\$7.85
5	\$10.32
6	\$13.09
7	\$16.28
8	\$19.32

Key

1-23 Current zones

1-8 New zones (Jan 2017)

--- railway line

\$100 Million Regional Queensland 'BACK TO WORK' package

A two-year, \$100 million package to give employers the confidence to take on new staff in regional Queensland.



Employer support payments

Employer support payments of up to \$10,000 to hire and keep a regional Queenslander employed for 12 months or more. Payments increase to \$15,000 for hiring long-term unemployed regional Queenslanders.



Access to support

Eligible employees will also have access to job readiness support to help them start their new job. This may include training, purchasing new equipment and uniforms or gaining or renewing trade licenses.



Back to Work Navigation Teams

Back to Work Navigation Teams who know the local economy will help local employers looking to fill jobs. They will connect jobseekers to jobs or further skills training and apprentice pathways.

A skilled workforce for economic growth

As a part of the \$1.6 billion Working Queensland Package announced in the 2015-16 Budget, the Government is investing in training and skills to help build the workforce we need to attract and build new industries, expand existing industries and create jobs. The Government is committed to giving Queenslanders the training and skills they need to get into the workforce, build a career and provide for their families.

Skilling Queenslanders for Work

The Government is investing \$60 million this year to deliver our commitment to Skilling Queenslanders for Work. This is helping up to 8,000 Queenslanders get the skills they need to get back into the workforce or enter higher level training. This is part of the Government's commitment of \$240 million over four years, to deliver up to 32,000 placements.

Strong TAFE Queensland

The Palaszczuk Government knows a strong public training provider is crucial to deliver the high-skilled workforce Queensland needs for economic growth, and to support expanding industries.

This Budget will continue to implement the Government's Rescuing TAFE initiative, part of the \$34 million investment over three years to support TAFE Queensland and provide high quality training for Queenslanders.

Jobs Queensland

The Budget is also delivering Jobs Queensland – driving long-term job opportunities and strategic planning for skills demand.

This work will be crucial in providing the Queensland economy with the high-skilled workforce we need to support growth and investment, attract new industries and secure jobs into the future.

Accelerated Works Program

The Accelerated Works Program is supporting economic activity and employment in regions across Queensland experiencing subdued economic conditions by bringing forward key Government construction and capital works projects.

The Government has announced over \$440 million in accelerated projects, supporting more than 950 jobs in Cairns, Townsville, Mackay, Fitzroy, Wide Bay and Remote Queensland regions.

\$10 million for the Certificate 3 Guarantee Boost program

An expanded Certificate 3 Guarantee Boost program will see more Queenslanders able to access subsidised Certificate 3 courses to help get jobs. The Certificate 3 Guarantee Boost program is a critical element of 'Back to Work' in delivering skills and training to support jobs growth in regional Queensland.

The ARTS

Ensuring Queenslanders have access to world-class cultural experiences and facilities, making Queensland a great place to live



Artist Impression: Cairns Performing Arts Centre

Cairns Performing Arts Centre

\$15M

provisionally held in 2016-17 towards building the Cairns Performing Arts Centre on the site of the existing Cairns Civic Theatre.

Queensland Museum Regional Campus Upgrades and Gallery Renewal

\$11.5M

over four years to maintain the State's collections and address critical maintenance and safety issues. Permanent galleries will be updated and renewed to provide compelling experiences for visitors and to ensure preservation of collections.

Bringing back blockbuster exhibitions

\$12.3M

over four years, securing blockbuster and major exhibitions at Queensland Art Gallery and GOMA. Building on the success of previous exhibitions like Warhol and Picasso, as well as critical asset replacement.

Playing Queensland Fund - Boost to Touring

\$3M

increased funding over four years to continue the Boost to Touring element of the Playing Queensland Fund. The program brings quality live arts experiences to audiences all over Queensland.



Tourism and major events



Townsville Stadium **\$140M**

up to \$40 million in additional funding, bringing the total State commitment to \$140 million.

\$7.8 million is expected to be spent this year for early works and planning development of the stadium.

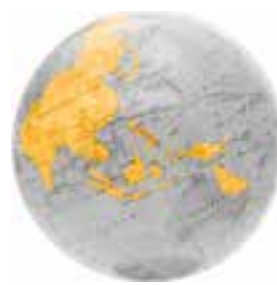
Commitments will be required from the Australian Government, the National Rugby League and Townsville City Council to deliver the project.



Tourism and Events Queensland Tourism Guarantee **\$49.9M**

over two years to continue to restore Tourism and Events Queensland's (TEQ) funding.

This will allow TEQ to continue to promote Queensland destinations and drive tourism growth.



Advance Queensland: Connecting with Asia Strategy **\$33.5M**

over four years to increase Queensland's share of the Asian tourism market and grow tourism jobs in regional Queensland. Regional Tourism Organisations in Queensland can access the following:

Destination marketing

Funding direct and intensive destination marketing that will build partnerships with key Asian cities and encourage visitors to spend their entire holiday in Queensland.

Increased in-country resources in emerging markets to further promote Queensland, with a focus on regional Chinese cities.

Aviation Attraction Fund

Expanding the Aviation Attraction Fund to secure more direct flights and increase visits from emerging Asian tourism markets.

Opening up new aviation routes and tourism expenditure between Asian growth markets and Queensland's international ready destinations.

Digital capabilities

Building the digital capability of regional tourism operators to connect with their Asian target markets and improve the tourism offerings in their region.

\$77.9 Million Rural Assistance and Drought Package

Helping rural producers and communities across the State affected by debt and drought.

Extending Existing Drought Relief Arrangements

\$41.9M

in 2016-17 to continue the Government's support to drought affected communities across the State.

This includes freight subsidies and emergency water infrastructure rebates, relief from fixed electricity charges for water infrastructure, fee and rental relief and mental health support through continuing the Drought Wellbeing Service and the Royal Flying Doctors mental health outreach service.

Pest and Weed Management

\$11.1M

over four years for pest, weed and biosecurity risks across rural and North Queensland to reduce the impact of wild dogs, reduce weed incursions and manage yellow crazy ants in partnership with the Australian Government.

Grants of up to \$2,500 for primary producers

to seek up-to-date and best practice information on financial management, mitigating climate risks, succession planning and multi-peril crop insurance options.

An extension of the duty concession to family farm businesses

making it easier to pass down the family farm and bringing Queensland into line with other States.

More education support for children in drought affected areas

\$3.7M

over three years including additional support to provide assistance for rural school students in drought affected communities.

A new Queensland Rural and Industry Development Authority (QRIDA)

to replace the old QRAA.

QRIDA will have new powers and responsibilities to better respond to rural debt. A new Office of Rural Affairs will also be established in the Department of Agriculture and Fisheries.



Investing in rural and regional Queensland



Building Our Regions \$175M

Increased funding over four years to boost the Building our Regions program, in addition to the \$200 million new funding allocated in the 2015-16 Budget. This increased allocation includes \$90 million over three years for the Transport Infrastructure Development Scheme.

Building our Regions provides funding to local government projects for critical infrastructure in regional areas of the State.

It supports jobs, economic development and improves the liveability of regional communities.



Biosecurity Capability Review \$10.8M

in additional funding over four years to implement recommendations of the independent biosecurity review.

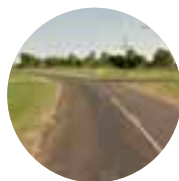
This funding will help restore Queensland's biosecurity capability to world's best practice.

Combating Panama Disease \$5.2M

in additional funding in 2016-17 to continue the fight against the Panama disease outbreak.

Yellow Crazy Ants \$3M

over three years as part of the \$11.1 million over four years for pest and weed management as a part of the Rural Assistance and Drought Package.



Northern Queensland Road Funding \$96.5M

over five years to improve the transportation of livestock, mining equipment and general freight. This will help unlock future economic development in the north.

This will enable matching funding with the Australian Government to continue development of the Hann Highway, between Hughenden and The Lynd, in north west Queensland.

The State will also build a new high-level Cape River Bridge and other upgrades of the Gregory Developmental Road near Charters Towers.



Mobile Phone Coverage \$15M

over two years to improve mobile coverage in Queensland and leverage the Commonwealth Mobile Black Spot Program.

This will build new or upgraded mobile towers along major transport routes, in small communities and in locations prone to natural disaster.

Regional and remote Queenslanders will receive better mobile coverage and competition.



Technology Commercialisation Fund \$3.9M

in additional funding over three years to commercialise the intellectual property of Queensland's pipeline of agriculture and food technology.

Queensland First Home Owners' Grant

helping you buy your first home

The Government is committed to helping young Queenslanders achieve the dream of owning their first home, sooner. The Government will increase the Queensland First Home Owners' Grant to **\$20,000** for 12 months starting 1 July 2016.

Eligible Queenslanders will receive the grant to buy or build their newly constructed house, unit or townhouse (valued at less than \$750,000).

It's a great opportunity to buy or build a new home in our great State.

Now is a great time to move to Queensland

Queensland's median house price continues to be competitive in comparison to Sydney and Melbourne – making Queensland a great place to buy or build your new first home.



Source: Australian Bureau of Statistics, Dec 2015.



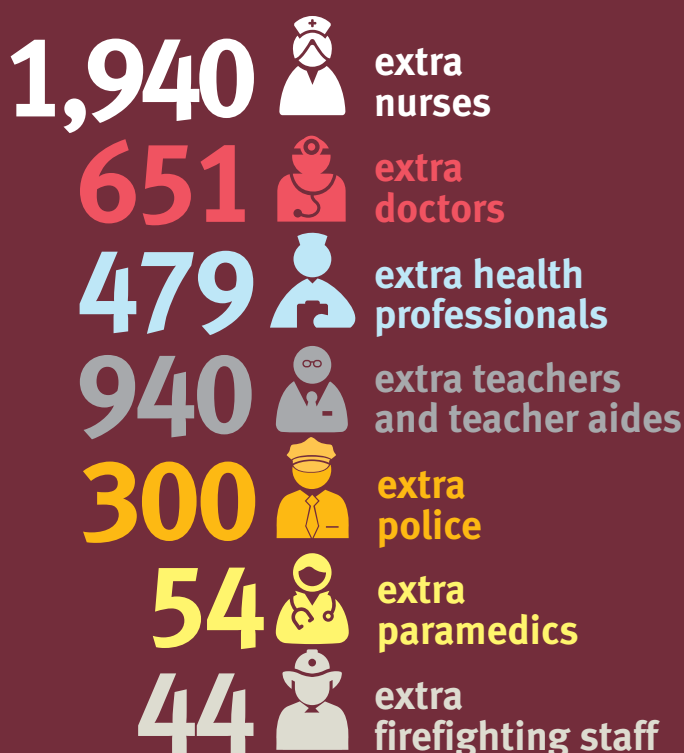
Photo: iStock

Restoring Frontline Services

During the 2015 election, the Government made commitments to revitalise the State economy and front-line service delivery, especially in the areas of health, education and training. This includes employing 1,000 nursing graduates each year for four years, introducing a legislated nurse-to-patient ratio in specified health care settings, and employing 875 extra teachers over four years with the Extra Teachers commitment.

The Government will work towards a sustainable public service by ensuring that growth in the public service will be aligned with population growth on average across the forward estimates and has adopted this as a new fiscal principle. This will ensure a balance between delivery of high-quality services, and the discipline that underpins the Government's commitment to fiscal sustainability.

Restoring frontline services - 2015-16



86% of the increase in FTEs are in Health and Education



Photo: Michael Marston ePixel Images

Health

\$15.3 Billion in 2016-17

4.3% increase



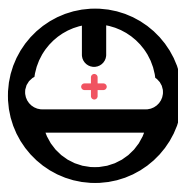
ICE Strategy **\$6M**

in 2016-17 to tackle the ice epidemic in Queensland including Drug and Alcohol Brief Intervention Teams in Logan, Rockhampton and Townsville Emergency Departments.



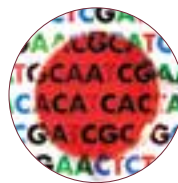
Enhancing Queensland Ambulance Service Frontline Services **\$13M**

over three years to fast track employment of 75 extra paramedics in the Queensland Ambulance Service.



Integrated Healthcare Fund **\$35M**

over two years to be reallocated internally by Queensland Health to incentivise ideas and initiatives that will deliver better integration of care and address fragmentation in services. The integrated care models will be implemented and evaluated over a two-year period commencing July 2016.



Clinical Genomics Research **\$25M**

over five years to be reallocated internally by Queensland Health to establish a Clinical Genomics Service (CGS).

Establishing a CGS will help Queensland keep up with advances in the field of human genomics, with faster results and treatment for Queensland patients.



New and Replacement Ambulances **\$27.5M**

to purchase 170 new and replacement ambulance vehicles to enhance frontline service delivery.



Nurse Navigators

During 2016-17, Queensland Health will continue to deliver on the Government's election commitments with a continued focus on rebuilding the nursing workforce with a further 68 additional nurse navigators; further to the 50 nurse navigators delivered in the 2015-16 Budget.

\$11.8 BILLION
in federal health funding
cuts, not fully restored
by the Australian
Government





\$230 Million Advancing Queensland's Health Infrastructure Program

Repurposing Nambour Hospital, redeveloping Atherton Hospital emergency department and operating theatres and Thursday Island Hospital. Development of a new Health Precinct for the southern corridor of Cairns and delivering temporary carpark solutions at Caboolture and Logan Hospitals.



Roma Hospital

Roma's ageing health facilities will be replaced with a new hospital funded from the \$180 million Enhancing Regional Hospitals Program announced in the 2015-16 Budget.

The South West Hospital and Health Service is completing a detailed business case and community consultation.

Early works are expected to start by the end of 2016, with more than 250 jobs expected to be created through the construction phase.

Education and Training **\$12.9 Billion** in 2016-17

5.9% increase



School Administrative and Support Staff

\$102M

over four years and ongoing funding for Queensland Schools to implement the findings of the Review of School Administrative and Support Staff.

This includes re-classifying State school administration staff and updating the school administrative staffing allocation model.

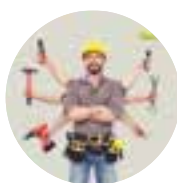


State School Building Program

\$249.3M

over four years to increase the Base Capital Works Program to cater for growth and renewal in State schools.

Includes the construction of a new State high school at Calliope by 2020.



School Maintenance Program

\$94.7M

in 2019-20 and ongoing to meet requirements of the Queensland Maintenance Management Framework.

This is on top of an increase provided in the 2015-16 Budget and brings funding over the next four years to \$324.7 million.



International Education and Training Strategy

\$25.3M

over five years for Trade and Investment Queensland to deliver initiatives from the Queensland International Education and Training Strategy to Advance Queensland and to continue the international Education and Training Unit.

\$6 BILLION
in federal education funding
cuts, not fully restored
by the Australian
Government

Pathways to learning



Kindy

- National Partnership on Universal Access to Early Childhood Education (an additional \$42.8 million over two years)
- Over 95% participation rate
- Partnering with Playgroup Queensland to offer families a 12-month membership on the birth of their child.
- \$3.7M to support children with disabilities to engage in early learning through kindergarten.

- Introduction of Prep from 2007
- Participation rate 99%



Prep



Primary

- Delivering the schools of the future by building four new primary schools in Burdell (Townsville), Coomera, Yarrabilba (Logan) and Caloundra South.

The Government will continue to invest in high quality facilities for young Queenslanders by building two new high schools in Calliope and North West Townsville.

- \$72.4 million of additional funding over four years to develop and implement new Senior Assessment and Tertiary Entrance arrangements. Includes developing and trialling new senior assessment processes, redevelopment of senior syllabuses and professional development for teachers and curriculum leaders.



High School



Vocational Education and Training

- The Government has reinstated the highly successful Skilling Queenslanders for Work initiative. Funding of \$240 million over four years will support up to 32,000 Queenslanders into work. A further \$3.25 million has been allocated for 260 traineeship positions in local government.

- \$10 million to the James Cook University (JCU) to build its \$50 million Cairns Innovation Centre (CIC) subject to business case and Australian Government funding

The CIC will focus on innovation, commercialisation and entrepreneurship, helping JCU's innovation programs and its engagement with business, industry and the community.

- It will help attract the best and brightest local and international students to the region. The CIC will place JCU in a strong position to support the economic development of Northern Australia.



University

Environmental Protection



Protecting the Great Barrier Reef

\$21.7M

as part of the Government's five year, \$100 million investment from the 2015-16 Budget to protect the Great Barrier Reef.

This funding is in addition to the \$35 million per year spent across State Government agencies on reef protection projects.

These include water quality, research and industry assistance measures which help reduce impacts on the Great Barrier Reef.



Climate Change Policy

\$6.8M

over four years to develop and implement a Queensland Climate Change Strategy.

Funding is in addition to \$15 million provided as part of the 2015-16 Budget for the Local Government Coastal Hazard Climate Adaptation Fund and the Queensland Climate Change Adaptation Strategy.

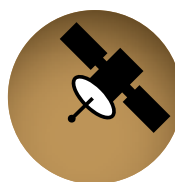


Preserving Unique Environments

\$3.7M

over three years to preserve unique environments, including developing and implementing protection for Queensland's pristine rivers.

The funding will also progress World Heritage nominations for Cape York Peninsula and an expanded Great Sandy World Heritage area.



State-Wide High Resolution Satellite Imagery

\$7.8M

over four years and ongoing funding of \$1.5 million per annum to support aerial and satellite imagery to strengthen vegetation management.

Satellite imagery is the most cost-effective means of obtaining imagery in rural and remote areas of Queensland not covered by aerial photography.



\$89.1 Million Wildlife management and environmental protection

Koala Conservation

\$12.1M

over four years for koala conservation management. Includes continued support of the Daisy Hill Koala Centre and the Moggill Koala Hospital, koala population monitoring, and the establishment of two new urban refuges in South East Queensland.

Community Sustainability Action Grants

\$12M

over three years to local environment, wildlife and heritage conservation groups to support increased community engagement and a more active volunteer base.

This will help environmental rehabilitation and heritage conservation of local sites.

Crocodile Management

\$5.8M

over three years for crocodile management, including the expansion of the Crocodile Urban Management Area in the Rockhampton region.

The strategy includes scientific analysis and surveys of crocodile populations to inform future crocodile management.

Local councils and communities will help identify key risk areas, promote public education, and manage the removal of problem animals.

Wildlife Management

\$15.2M

over four years for a range of wildlife management activities, including wildlife licencing and inspections, care and recovery of sick and injured animals and the development of best-practice wildlife management regulations.

Managing Protected Areas

\$38.3M

Queensland parks and forest management - \$21.6 million to manage and develop facilities on land which has been acquired due to its high environmental and conservation value.

Publicly owned protected area land - an additional \$5 million for the acquisition of unique and high value conservation areas as part of Queensland's protected area estate.

NatureAssist Program - \$11.7 million in increased funding for the management of existing Nature Refuge agreements under the NatureAssist Program.

Management of Flying Fox Roosts

\$2.7M

over three years to support flying fox research and management strategies, including research into flying fox behaviour and roost site management.

This will identify improved practices to disperse and develop enhanced alternative roost sites to reduce negative impacts on communities.

Additional funding of \$500,000 for GPS transmitters to track movements of flying foxes.

RSPCA

\$3M

over two years for a capital grant to the RSPCA Queensland for facility upgrades in Cairns and Townsville to provide greater protection for animals.

Strengthening Communities

\$3.2 Billion

in 2016-17 – Department of Communities, Child Safety and Disability Services Budget

8.8% increase



Seniors Strategy and Elder Abuse Prevention

\$8.3M

over four years (\$6.9 million new funding and \$1.4 million reprioritised) towards *Queensland: an age-friendly community*.

This will expand current Government services provided for seniors and establish an innovation fund for age-friendly projects.



Financial Resilience and Inclusion Action Plan

\$25M

over four years from 2016-17 has been reprioritised for the Financial Resilience program announced in the 2015-16 Budget.

The program has been redesigned and enhanced, and will include new financial counselling positions, continued emergency relief, further financial literacy initiatives and Good Money shops.



NDIS state-wide rollout to commence 1 July 2016

The Queensland Government is working closely with the National Disability Insurance Agency and other organisations for a smooth and successful transition to the NDIS from 1 July 2016.

When the NDIS is fully implemented from 1 July 2019, it should support:

- more than 90,000 Queenslanders with disability
- 29,450 to 35,950 full time equivalent (FTE) jobs in Queensland's disability sector (including growth of 15,900 to 19,400 FTE jobs over the three transition years)*
- about \$4 billion of expenditure per year in Queensland, with the Queensland Government contributing \$2.035 billion a year.

*Source: National Disability Insurance Agency

Good Money Shops

The Government will partner with Good Shepherd Microfinance to pilot Good Money shops on the Gold Coast and in Cairns.

Good Money shops offer safe, affordable and responsible financial services for people on low incomes who cannot access mainstream financial services.

This will help Queenslanders to respond to financial stresses, personal issues and cost of living pressures.



Almost \$200 Million to address Domestic and Family Violence

The Queensland Government is committed to reducing the devastating effects of domestic and family violence. It will provide total funding of \$198.2 million* over five years to implement the Government's response to the *Not Now, Not Ever: Putting an End to Domestic and Family Violence in Queensland* report.

Specialist Domestic and Family Violence Courts

\$42.4M

over four years from 2016-17 (including \$40.4 million new funding and \$2 million reprioritised) allocated to roll out specialist courts, building on learnings from the trial at Southport.

Integrated Service Responses

\$26.3M

over four years (\$24.2 million new funding and \$2.1 million reprioritised) for eight specialist teams to prioritise victims and their safety.

Cultural Transformation

\$9.6M

over four years (\$9.3 million new funding and \$0.3 million reprioritised) for a communication and engagement program to change attitudes and behaviours towards domestic and family violence.

Domestic and Family Violence Services

\$43.1M

over four years for additional or enhanced domestic and family violence services to support victims.

Perpetrator Interventions

\$10.3M

over four years for additional perpetrator interventions to help protect victims.

Domestic and Family Violence Shelters

\$8.7M

over four years for two new shelters to support women and children escaping domestic and family violence.

* Since the 2015-16 Budget (incl. \$192.9 million new funding and \$5.3 million in reprioritised funding)

\$69.9 Million to fight organised crime

Supporting the Government's response to the Commission of Inquiry into Organised Crime

\$39.1M

over four years to target serious and organised crime. This funding will ensure the Queensland Police Service has the resources to implement the Government's response to the Queensland Organised Crime Commission of Inquiry report and undertake operational and intelligence-driven activities, legislative reform and education and training.

Tackle Child Exploitation

\$3.2M

reprioritised funding over two years, including \$485,000 to the Crime and Corruption Commission, to implement the interim response to the Queensland Organised Crime Commission of Inquiry report.

This will fund a statewide blitz on child exploitation material by building the capability of specialist police officers, providing for additional civilian staff, regional travel and training costs.

Office of the Director of Public Prosecutions – Criminal Prosecutions

\$12.1M

over four years to address workload pressures and backlogs at the Office of the Director of Public Prosecutions. The funding will also boost the response to serious organised crime.

Crime and Corruption Commission – Intelligence Hearings

\$3.6M

over four years to fund the criminal intelligence hearings team.

Proceeds of Crime

\$3.5M

over four years and \$1 million a year ongoing, to confiscate the proceeds of crime from participants in criminal organisations.

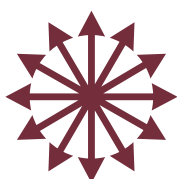
Independent Body to Publish Crime Statistics

\$8.4M

over three years, including additional funding of \$5.3 million to establish an independent crime statistics body to collect data and monitor organised crime as well as impacts and trends across all crime types.



Law, Order and Public Safety



Deliver Sustainable Funding for Legal Assistance and Other Matters

new funding arrangements to provide funding certainty for legal assistance, legal professional regulation and law library services.



Supporting Courts and Tribunals \$20M

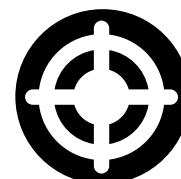
over two years to respond to increased land, criminal and domestic and family violence matters in Queensland courts and dangerous sexual offender matters and other justice system initiatives.



Increased Investment in Legal Aid Services \$32.4M

over four years to Legal Aid Queensland.

Funding will be provided to a level that is equal to the national average per capita for legal assistance services, including domestic violence duty lawyers, child protection legal services, farm and rural legal services.



Counter Terrorism \$16.2M

in additional funding over four years to improve counter-terrorism capability and capacity.

Counter Terrorism

Community Safety Centre - Westgate \$5M

for a business case to be prepared by Building Queensland.



More Fire Services \$74M

for fire and emergency service facilities, urban and rural fire appliances and communications equipment.



More Police Services \$98.9M

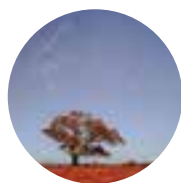
is provided for Queensland Police Service facilities, information and communication equipment including new police stations and \$32 million for new and replacement police service vehicles.

Aboriginal and Torres Strait Islander communities



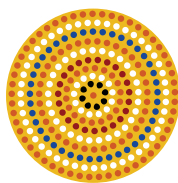
Cape York Tenure Resolution Program **\$29.6M**

over four years to continue the Cape York Tenure Resolution Program, manage and construct ranger stations and visitor infrastructure and establish joint management arrangements over lands classified as National Park – Cape York Peninsula Aboriginal Land.



Remote Indigenous Land and Infrastructure Program Office **\$18.1M**

over four years for the continuation of the Remote Indigenous Land and Infrastructure Program to provide an integrated capital works approach to infrastructure works in the 34 discrete Aboriginal and Torres Strait Islander communities.



Economic Participation Strategy **\$2M**

over two years and a further \$1 million of internal reprioritisation for a strategy to fund statewide partnership projects that will lead to increased employment of Aboriginal and Torres Strait Islander Queenslanders and an increased number of sustainable Indigenous businesses.



Home ownership on Aboriginal and Torres Strait Islander land **\$3.5M**

in 2016-17 to assess, maintain and upgrade social housing on Aboriginal and Torres Strait Islander land.

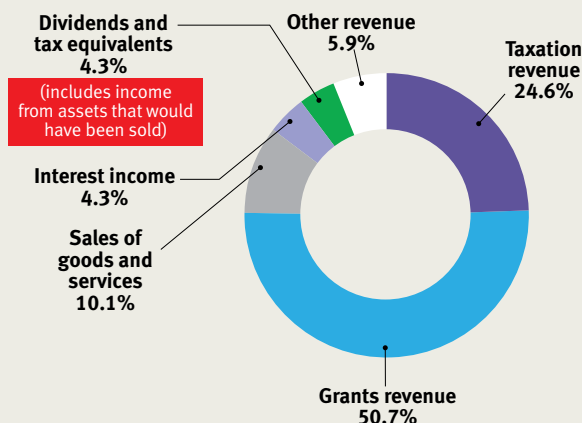
This will support the resolution of outstanding entitlements under the *Land Holding Act 1985*.

Queensland Resources Council (QRC) MoU

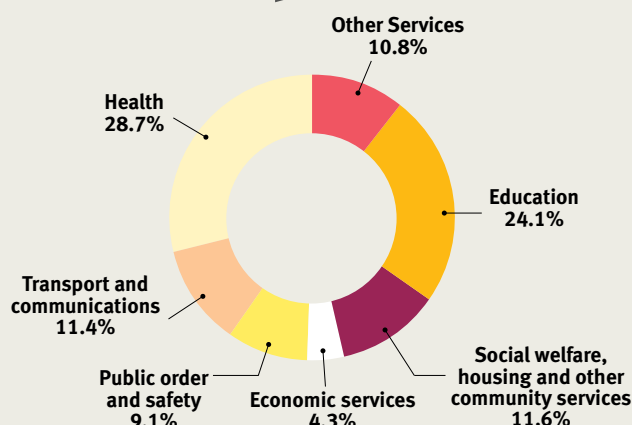
As part of a long standing partnership, the Department of Aboriginal and Torres Strait Islander Partnerships (DATSIP) will contribute \$300,000 to continue the Memorandum of Understanding between the Queensland Resources Council and the State of Queensland by two years out to 2017-18. The total number of Indigenous employees reported by some QRC members has increased by about 20% in the past two years. These are great results for the resources sector.

Budget Outlook

What we earn



What we spend

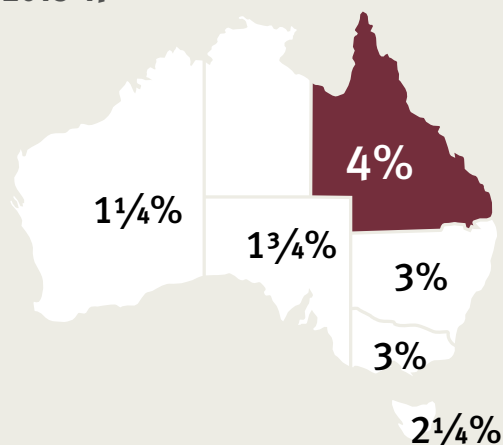


Net operating surpluses are expected each year of the forward estimates, despite royalty and tax revenue forecasts being revised down by more than \$3 billion across the period 2015–16 to 2018–19 since the 2015-16 Mid Year Fiscal and Economic Review.

The 2016–17 Commonwealth Budget deferred the payment to Queensland of around \$1.1 billion in NDRRA funding, which was expected in 2015–16. This has occurred without prior consultation and has contributed to a reduced net operating surplus of \$152 million in 2015-16.

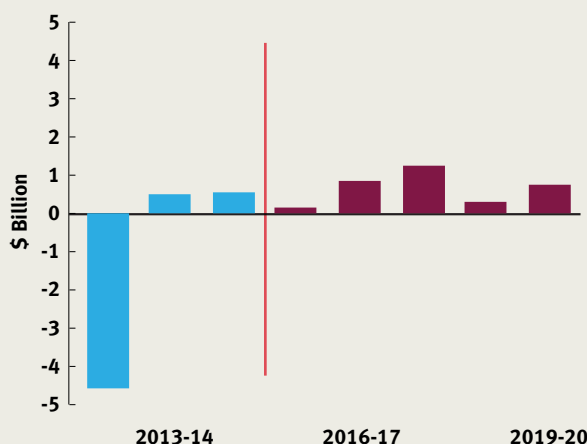
Economic Growth

2016-17



Queensland's forecast growth the strongest of all States

Operating balance



Net operating surplus of \$867 million for 2016–17 is forecast to be the largest surplus in 10 years.

Fiscal management

Debt Action Plan

The Government remains committed to reducing the level of General Government Sector debt. Debt is expected to be \$10.4 billion lower than the 2014-15 Budget projection.

In order to responsibly manage the State's finances, the following measures are being undertaken while retaining 100% ownership of our assets. The Government will also continue to fully fund superannuation entitlements, a core pillar of our strong fiscal management.

The Debt Action Plan includes:

1. Surplus repatriation from the Defined Benefit Superannuation Scheme

The State Actuary's most recent valuation indicates that as at 30 June 2015 the defined benefit superannuation scheme has a surplus of more than \$10 billion on a funding basis. In light of the strong financial position of the scheme, the Government will repatriate \$4 billion from the previous over-contribution to the scheme by the Government.

2. Government-owned corporations cash management arrangements

Revised cash management arrangements to ensure more effective use of the Government's available cash resources.

3. Regearing

As announced in the 2015-16 MYFER, the Government is implementing a regearing strategy for a number of Government-owned corporations.

Tax avoidance crackdown

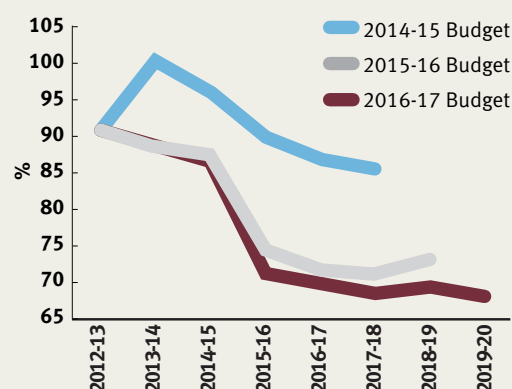
The Government will make it fairer for Queenslanders who comply with their tax requirements by increasing the compliance activity of the Office of State Revenue (OSR). This increased activity will crack down on compliance in relation to key taxes, such as land tax and payroll tax.

Transfer duty surcharge for foreign purchasers of residential property

A 3% transfer duty surcharge for foreign buyers of residential property in Queensland.

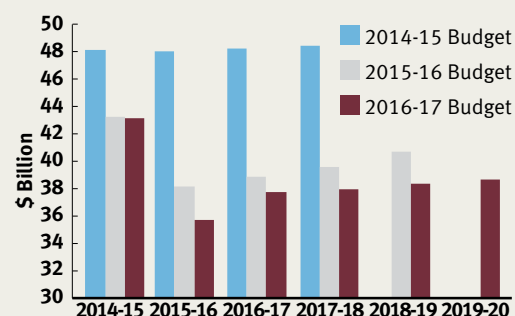
This measure will not directly affect Queensland residents. It will ensure foreign purchasers of residential property, who benefit from Government services and infrastructure, make a contribution to their delivery.

General Government Debt to Revenue Ratio



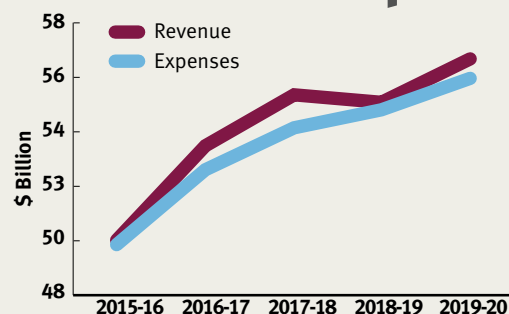
The debt to revenue ratio is declining significantly over the forward estimates to reach 68% in 2019-20 compared to 87% in 2014-15.

Debt forecast



General Government Sector debt is estimated to be \$4.4 billion lower in 2019-20 than in 2014-15.

Revenue and Expenses



Economic Overview

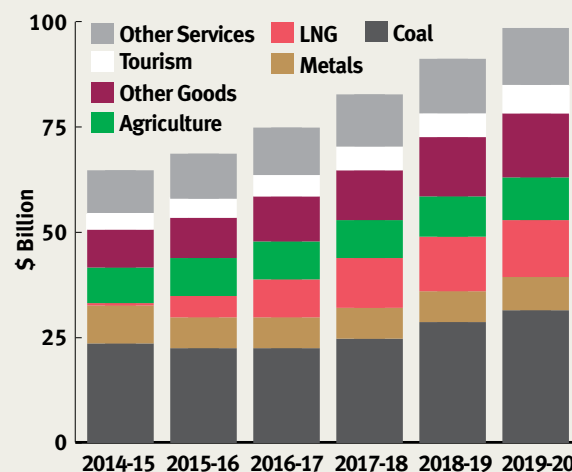
Economic forecasts (per cent)

	Act.	Est.	Forecasts		Projections	
	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Gross state product	0.8	3½	4	3½	3	3
Employment	0.3	1¾	1½	1¾	1¾	1¾
Unemployment rate	6.5	6¼	6¼	6	5¾	5¾
Inflation	1.9	1½	2	2½	2½	2½
Wage Price Index	2.4	2	2¼	2¾	3	3¼
Population	1.2	1¼	1½	1½	1½	1½

Queensland's forecast growth the strongest of all States

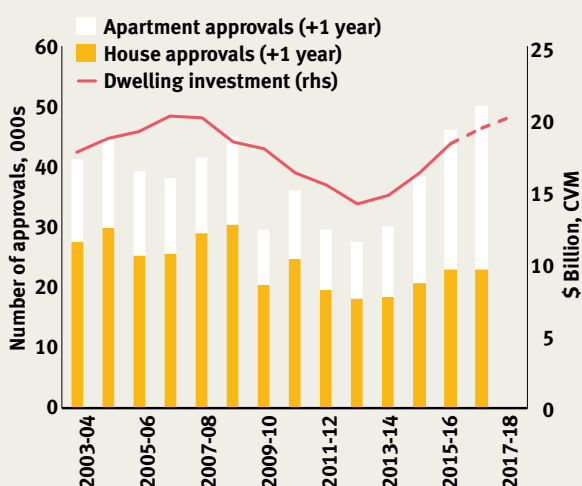
Note: Annual percentage change, except for unemployment rate

Queensland's diversified exports



Growth driven by exports, including ramp-up in LNG

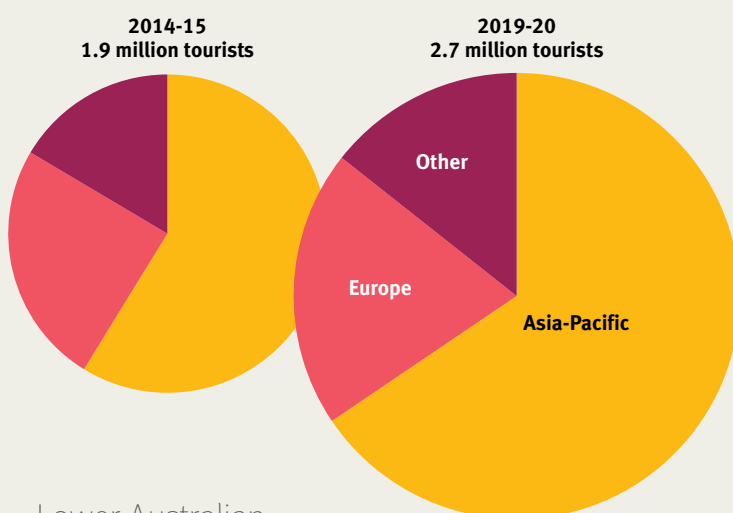
Housing construction activity



Growing housing construction underpinned by a strong pipeline of approvals

Note: Apartment approvals include units, townhouses and apartments

International tourist arrivals



Lower Australian dollar and increased interest from Asia to drive surge in tourist arrivals.

Note: Tourists are defined as people holidaying or visiting friends or relatives

A year of achievements

Social Benefit Bonds

Queenslanders facing social disadvantage are at the heart of Social Benefit Bonds Pilot

New investors are poised to fund innovative programs to address some of the most challenging social issues facing Queensland communities

Since announcing the Government's decision to pilot three Social Benefit Bonds in the 2015-16 Budget, an Invitation for Expressions of Interest was released in February 2016.

More than 20 submissions were received from the Expressions of Interest phase

The program places a focus on delivering social outcomes for Queenslanders most in need. This hinges on the strength of partnerships across Government, the social services sector and investors.

The Government expects Social Benefit Bonds to be contracted during 2017 and is anticipating the world's first Indigenous Social Benefit Bond.

The areas of focus of the first Social Benefit Bonds are:

Homelessness

- families with young children experiencing significant housing instability
- young people exiting statutory care at risk of homelessness

Issues facing Aboriginal and Torres Strait Islander people

- Indigenous disadvantage — children in out-of-home care
- improved health outcomes — chronic illness

Re-offending

- adult women exiting custodial sentences
- young people at risk of being held on remand

Working Queensland

Strategy	Initiative	Result
Improving skills and training	Skilling Queenslanders for Work	\$57 million to deliver 384 projects to help over 14,000 Queenslanders, and a further \$3.25 million across 56 local councils for 260 traineeships.
	Jobs Queensland	Established Jobs Queensland as an independent statutory entity, to provide advice to the Government on skills demand and long-term workforce planning, with the formal appointment of the Board in progress.
	10% Training Policy	The Queensland Government Building and Construction Training Policy was expanded to include Government-Owned Corporations.
	Rescuing TAFE	Continued to deliver the \$34 million investment over three years to restore TAFE Queensland's status as Queensland's premier provider of vocational education and training.
Enhancing business productivity	Payroll Tax Rebate	\$6.6 million claimed by 2,374 Queensland employers.
	Red tape Reduction Advisory Council	Reviewed selected industry sectors to map businesses' compliance obligations and to identify areas requiring action.
	Queensland Productivity Commission	Established as an independent statutory body in November 2015. Undertook public inquiries into electricity pricing and solar feed-in pricing.
	Building Queensland	Established as an independent statutory body in December 2015. Released its first Infrastructure Pipeline in June 2016.
Fostering emerging and innovative industries	Advance Queensland	Established Advance Queensland programs to drive innovation, broaden collaboration and support economic growth.
	Business Development Fund	The Investment Panel has met regularly to shortlist and hear pitches. Alongside private co-investors, the Fund is investing \$2.5 million into Tritium to help bring its innovative electric vehicle technology into the market sooner.
	Queensland Entrepreneurs of Tomorrow	\$1 million to support 204 home-based businesses.
Growing our regions	Building our Regions	\$70.8 million to deliver 42 projects supporting 600 jobs in regional Queensland.
	Rural Jobs and Skills Alliance	Established the Queensland Agriculture Workforce Network to assist employers to address labour and skill shortages.
Boosting government services	Extra Teachers initiative	Continued to deliver the three-year \$152.4 million investment to hire up to 875 additional teachers across more than 500 primary and secondary schools.
	Refresh Nursing and Nursing Guarantee	1,780 graduate nurses and midwives employed, and 16 nurse educator positions allocated.
	Queensland NDIS Launch Site	\$1.6 million provided to fund the early launch in North Queensland to enable 600 people with disability to access support.

Market-Led Proposals

The Market-Led Proposal framework is streamlined, staged and interactive, giving proponents the best chance of success.

Introduced in July 2015, the market-led proposal initiative is a whole-of-government priority. A signature initiative of the government's economic plan to create jobs and stimulate the economy, the government is looking for reasons to say yes to good ideas. Harnessing ideas and investment from the private sector, market-led proposals will provide new and improved facilities and services for communities and stimulate the economy.

A strong response from the private sector has delivered more than 80 preliminary proposals across a range of sectors, including transport, tourism, justice and education. Of these, 27 proponents have submitted formal stage 1 proposals and four proponents have been approved by government to prepare detailed proposals. Together these four projects are valued at more than \$665 million and offer the potential for more than 1,600 jobs during construction and more than \$2 billion in wider economic benefits to Queensland.

Queensland Aquarium & Maritime Museum



Brisbane International Cruise Terminal



Mount Cotton Driver Training Centre



Logan Motorway Enhancement Project



Advancing Queensland's Economy

Growing
Innovation



Attracting
Investment



Building
Infrastructure



Creating
Jobs



www.budget.qld.gov.au