

Queensland State Budget 2008–09

North Queensland

Regional Budget Statement



Crystal Creek National Park

Queensland is experiencing the most sustained period of economic and population growth in its history.

In shaping the 2008-09 Budget, the Government has chosen to build tomorrow's Queensland today.

The State's prosperity is generating unprecedented demand for housing, healthcare, schools, transport, other essential services and vital infrastructure throughout Queensland's regions.

The Budget delivers massive injections of funding to our public hospitals and healthcare system. It funds the biggest capital works program in the State's history.



Anna Bligh MP
Premier

It increases services to the regions and delivers vital long-term social and economic infrastructure for the benefit of all Queenslanders.



A centrepiece of this Budget is tax cuts to help Queenslanders purchase their first home.

Queensland's success is built on the success of our regions, from the fast-paced expansion of the south-east corner to the agricultural heartlands, the booming hubs of mining activity and the vibrant growth of coastal areas.

This document sets out the Government's investment commitment to address the changing needs of the North Queensland region.

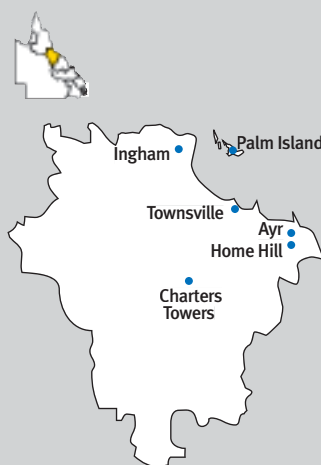
Andrew Fraser MP
Treasurer

State-wide Highlights

Key priorities of the 2008-09 Budget are congestion management, housing affordability, delivering on the Health Action Plan and strengthened community services.

- Tax savings of up to \$9,500 for first homebuyers
- Full abolition of mortgage duty from 1 July 2008
- Record 17% increase in health spending
- Increased rebates and tax breaks for older Queenslanders
- 200 new police officers
- 250 new ambulance officers and 145 new vehicles
- 270 new teachers
- \$100 million boost for school maintenance over two years through the Tomorrow's Schools initiative
- \$20 million for ClimateSmart Home Services
- \$20 million increase to develop community sport and recreation facilities
- \$5.9 million boost to support front-line child protection workers

North Queensland



Every five years the Census provides a snapshot of Australian society. It measures many characteristics including our age and birthplace, language spoken and religion, if we need assistance to perform everyday activities or to participate in community life and the work we do (paid or unpaid) and how we get there.



What did the 2006 Census reveal about **your** community? Take a look below for a snapshot of life in the North Queensland region.

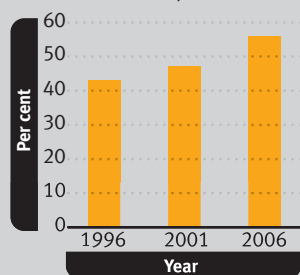
The work we do

Occupational health and safety officers, machine operators, fabricators, diesel fitters, nurses, teachers, carers – North Queensland residents work in a diverse range of jobs. Census data shows 11.2% of people living in the North Queensland region are employed in public administration and safety, while the retail trade industry accounts for 10.9% of employment. Healthcare and social assistance (10.7%), construction (9%) and manufacturing (8.9%) are the other major employment industries in this rapidly growing region.

Our qualifications

North Queensland's strong population growth has brought with it an increase in the number of skilled workers. Just over 56%¹ of people living in our region now hold 'beyond'² school qualifications – an increase of around 13 percentage points compared to 1996 Census results (see graph). Of these qualifications, 23.3% are degree or higher, 11.1% are advanced diploma or diploma and 40.2% are certificate level. Over one-quarter of North Queensland residents who identified with having a 'beyond' school qualification did not indicate the level of education received.

Beyond school qualifications
% of persons 15 years and over with a non-school qualification



How much we earn

We've certainly noticed an increase in the cost of living over the years, and as it rises so too does our income. At the time of the 1996 Census, the median weekly household income for the North Queensland region was \$569. In 2006 the median weekly income for households in our region was \$873 – that's 53% more than we earned 10 years earlier³.

¹ Aged 15 years and over with a usual residence in the North Queensland region at the time of the 2006 Census.

² 'Beyond' school qualification referred to as non-school qualifications in Census data.

³ Based on 2006 Census data.

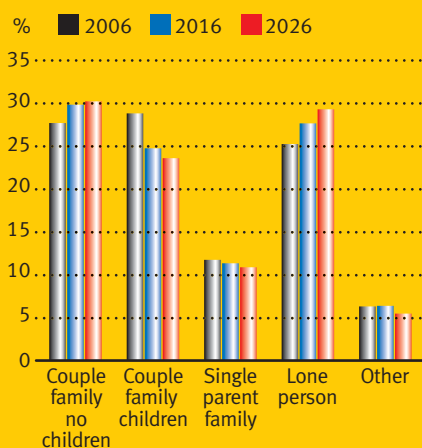
Household projections

Families come in all shapes and sizes and between now and 2026 we can expect to see a lot more of them. But what type of family will occupy most Queensland homes? For the last decade most Queensland households have consisted of couples with children. However household projections forecast that, over the next decade and beyond, the make-up of homes throughout our State will dramatically change.

Throughout our State an ageing population, declining fertility rates among younger couples, and baby boomers becoming 'empty nesters' will result in the number of couples without children and lone person households taking over as the most common types.

Take a look to the right to see how households in the North Queensland region are likely to change between now and 2026.

Northern Queensland household composition



Source: Data are based on medium series projections and are sourced from Department of Infrastructure and Planning, Population, Information and Forecasting Unit, Household projections Queensland Local Government Areas 2007.

Covering an area of 80,038 square kilometres or 4.6% of the State, North Queensland is home to over 5% of Queensland's total population. Over 214,000¹ Queenslanders now call North Queensland home – that's 2.2% more than the year before².

From the reef to the outback, mining, defence, construction and tourism are driving economic growth in this region. Add to this the commercial, industrial and transport hubs of Townsville and Thuringowa, worldclass educational, training and research facilities, and a relaxed, tropical outdoor lifestyle and you can see why more and more people are choosing this thriving region in which to work, live and play.

The Queensland Government recognises the role North Queensland has played in increasing our State's prosperity and sustaining its economic and social growth.

This Regional Budget Statement highlights the Government's commitment to our region and its people.

¹ Population data as at 30 June 2007, Australian Bureau of Statistics, *Regional Population Growth* (cat no 3218.0).

² Population data as at 30 June 2006, Australian Bureau of Statistics, *Regional Population Growth* (cat no 3218.0).

The national Census telling it like it is



Cultural Fest

There's more to 'Cultural Fest' than great music, dance, entertainment, food, arts, workshops and sport. This five-day annual family event is about bringing together people from all walks in the spirit of fun and friendship. Cultural Fest 2008 will be held from 13 - 17 August 2008 at the Strand, Townsville.

Healthy individuals and communities

We are committed to improving and sustaining the health and wellbeing of all Queenslanders by investing in infrastructure and services that will strengthen our public health system, promote healthier lifestyles and enhance confidence and safety in our communities.

As part of the Government's continued commitment to meet the growing needs of the community, in 2008-09, spending on health infrastructure in North Queensland will include:

- \$23.8 million at Townsville General Hospital including additional beds, an expansion to the emergency department and medical imaging area and \$2.2 million for Townsville's first birthing centre
- \$16.2 million for the \$37 million redevelopment of the Ingham Hospital.

North Queensland will also benefit from investments in police and emergency services infrastructure projects including:

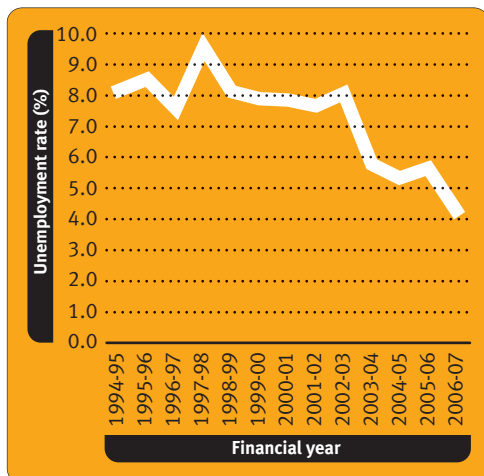
- \$4.8 million to replace Ayr Police Station with a new \$9.3 million 24-hour station and watchhouse
- \$2.7 million to redevelop the Townsville ambulance station
- \$2.2 million for a replacement joint ambulance and fire service facility for Palm Island.

The Government will continue its support those in our community who are most vulnerable with commitments in North Queensland in 2008-09 including:

- \$9.5 million to support people with a disability through a range of programs

Unemployment rate^(a)

1994-95 to 2006-07



(a) Data based on un-smoothed series.
Source: DEEWR, Small Area Labour Markets - Australia.

- \$9.4 million for the Home and Community Care initiative
- \$3 million over four years to establish new residential care and therapeutic facilities to accommodate young people with complex and extreme behaviours
- \$1.6 million towards short-term and time-limited respite support for families of people with a disability
- \$1.5 million over four years to establish additional out-of-home care placements for children in care
- \$1 million to continue the \$4.8 million Drug Court Trial in Townsville and Thuringowa to divert drug-dependent offenders into treatment and rehabilitation programs.

Building infrastructure

Planning and delivering the infrastructure needed to provide essential and efficient services to our rapidly growing communities – now and in the future – is one of our key priorities. The Government's commitments to North Queensland in 2008-09 include:

- \$37.3 million to complete the \$142.5 million expansion of the men's Townsville Correctional Centre
- \$14.4 million to complete improvements to the Cleveland Youth Detention Centre
- \$12 million to complete the new \$130 million Correctional Centre for Women at Townsville
- \$9.4 million to continue constructing a new government office building on Palm Island
- \$1 million for a new administrative building for the Savannah District Office
- \$500,000 to refurbish an office building in Garbutt.

For many regions, growing populations have resulted in higher demand for energy. The Government's commitment to the North Queensland region to secure and enhance the reliability of energy supply in 2008-09 includes \$49.3 million to:

- construct powerlines and substations and upgrade existing infrastructure in some of Queensland's remotest areas including placing powerlines underground in cyclone-prone areas
- develop new substations at Belgian Gardens and Oonoonba and redevelop the Clare Substation
- complete a new power line to the proposed 132kV Yabulu South Substation.



Helping Queenslanders under financial pressure

With household budgets under increasing stress from rising interest rates, higher rents and mounting grocery and fuel prices, the Government is committed to taking the pressure off Queensland families.

Each year the Government offers relief to many Queenslanders through discounts, rebates and subsidies to help improve their access to, and meet the cost of, a range of services including discounted rail and taxi fares, reduced car registration costs, exemption from the community ambulance levy and cheaper electricity bills. In 2008-09 these concessions are estimated to have a total value of around \$1 billion.

However the Queensland Government recognises more and more families are 'doing it tough' and is acting on its commitment to help Queenslanders make ends meet.

On top of the existing concessions, the 2008-09 State Budget sees the implementation of a major housing affordability strategy that will provide relief for Queenslanders who are buying or renting their homes.

The Government will also spend \$570 million in 2008-09 in further relief as it tackles the rising cost of fuel by ensuring all Queenslanders receive the full 8.354 cents per litre fuel subsidy.

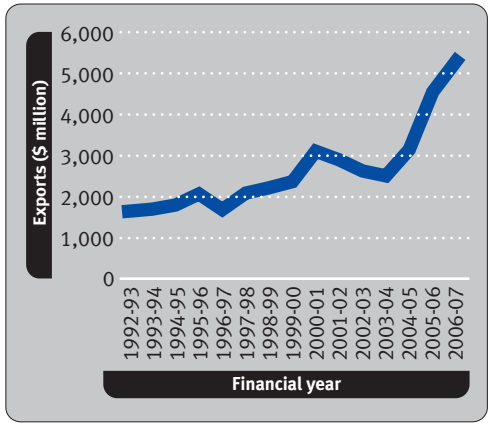
Regional development

Regional development is at the heart of Queensland's economic future and the Government is laying the foundation for future economic growth and prosperity for all Queenslanders by responding to the growth needs of the region.

In 2008-09 we will deliver the following key transport infrastructure and regional development initiatives in North Queensland:

- \$42.3 million to continue constructing stages 2 and 3 of the Townsville Ring Road (Upper Ross River Road and Shaw Road) on the Bruce Highway, with Queensland and Australian Government funding
- \$34.7 million to upgrade the Bruce Highway between Woodlands Shopping Centre and Veales Road, Thuringowa, with Queensland and Australian Government funding
- \$27 million over five years towards construction of the race precinct and supporting the Townsville V8 Supercars event
- \$17 million to widen the remaining two-lane sections of North Ward Road to four lanes between Walker Street and Gregory Street on the northern approach to Townsville City
- \$12.3 million to widen Hervey's Range Developmental Road to four lanes between Bohle River and The Ring Road, west of Thuringowa

Exports from the Port of Townsville
Overseas goods exports, 1992-93 to 2006-07



- \$9.1 million to commence construction of the Townsville Port Access Road, with joint Queensland and Australian Government funding
- \$900,000 under the Regional Centres Program for the Ross River Parkway Stage 3 development at Townsville.

The Government is also meeting the increased demand for port infrastructure and services. In 2008-09, the Government will invest \$13 million in developing the Port of Townsville through new and upgraded infrastructure. This includes completion of planning for the development of Berth 10 to accommodate panamax-sized vessels to meet Australian Defence Force vessel requirements and future general cargo requirements for the region.

Water management is a critical issue for Queensland and the Government is making historic levels of investment in essential water and sewerage infrastructure to meet the needs of Queensland communities.

In 2008-09, the Government will invest a further \$2.1 million to improve the reliability and supply of water in North Queensland including:

- \$1 million for the Burdekin irrigation distribution area
- \$700,000 for the Leakage and Pressure Management of Reticulation System at Townsville
- \$500,000 to upgrade the Water Treatment Plant Filter at Charters Towers.

Economic growth

Queensland's economic growth is supported by rising productivity and increasing labour force participation. The Government remains committed to expanding the productive capacity of the Queensland economy through initiatives that develop infrastructure, promote education and training and facilitate research and innovation. Commitments to North Queensland in 2008-09 include:

- \$42.7 million to provide over 2.8 million hours of vocational education and training including \$800,000 to provide additional training places as part of the Queensland Skills Plan. This is expected to create an additional 1,120 training places in North Queensland by 2010
- \$9.7 million for the development of a specialist trade training centre in Townsville
- \$3.2 million part of the Skilling Queenslanders for Work initiative including employment and training assistance for 372 people.

Closing the gap with Indigenous communities

The Queensland Government, in partnership with the Australian Government, is committed to closing the gap between Indigenous and non-Indigenous Australians through innovative programs such as \$3.6 million in grants to 42 Community Justice Groups to empower Indigenous communities to tackle social and justice issues. An additional \$1.7 million which will be used to continue a two-year pilot of five Murri Courts in the Brisbane, Caboolture, Rockhampton, Townsville and Mount Isa Magistrates Courts.

The Government is also investing in the health, safety and wellbeing of Indigenous communities through a range of measures including:

- \$4.9 million in grants to build, upgrade and maintain homes in Aboriginal and Torres Strait Islander communities
- \$4.5 million for the Aboriginal and Torres Strait Islander Housing rental program including constructing five homes in Indigenous communities
- \$1.7 million over four years to establish Safe House residential services on Palm Island for children in out-of-home care
- \$800,000 State-wide to enhance Indigenous agribusiness development
- \$700,000 for upgrades to sewerage and water treatment facilities on Palm Island
- \$600,000 for Palm Island's Safe Haven initiative to protect children and young people affected by family and domestic violence in Indigenous communities
- \$108,000 in recurrent funding to reduce the over-representation of Aboriginal and Torres Strait Islander young people in the youth justice system
- the employment of five Indigenous Employment and Training Support Officers to support trainees and maximise employment opportunities for Indigenous job seekers.

Housing affordability

The Queensland Government is committed to improving housing affordability for those Queenslanders hardest hit by the current economic environment.

In addition to the substantial tax relief to be introduced by the Government in 2008-09 for first home buyers, low-income families and individuals in North Queensland will receive housing services and support in 2008-09 in the form of:

- \$15.7 million to expand the availability of public housing in North Queensland including purchasing six homes and commencing the construction of a further 51 homes
- \$6.5 million for community housing programs and services to address crisis and long-term housing needs
- \$3.6 million for community renewal programs.

Education and early childhood development

Giving every child every chance to learn in the best possible environment is a priority for the Government. This is reflected in our 2008-09 commitment to the North Queensland region of an additional \$3.2 million for school maintenance programs and a further \$2.2 million in capital works investment in schools, including:

- \$1.8 million for administration and classroom facilities at Palm Island Senior Campus
- \$240,000 to complete replacement amenities at Bwgcolman Community School
- \$140,000 to subsidise the development of multipurpose courts at Pimlico State High School.

Prevention and early intervention

The Queensland Government is focused on developing and supporting prevention and early intervention strategies or initiatives that are targeted to disadvantaged areas, individuals and/or population groups.

In 2008-09, the Government will commit \$2 million to support North Queensland families, including early intervention programs to improve the safety and wellbeing of vulnerable children and their families. A further \$1 million over four years is committed for a Family Intervention Service which will strengthen child protection services by providing direct support to families in their own home.

Managing climate change and protecting the environment

The Government is committed to minimising harm to the environment by using and promoting modern and effective environmental management techniques. This is reflected in its \$8.4 million investment for the day-to-day management of the Great Barrier Reef Marine Park and \$450,000 to implement the Reef Water Quality Protection Plan to halt and reverse the decline in the quality of water entering the Great Barrier Reef.

In 2008-09 the Government has allocated \$30 million for new climate change initiatives from the proceeds of the Queensland Climate Change Fund. The first major initiative of the Climate Change Fund will be the ClimateSmart Home Service which will provide Queenslanders with tools to monitor and reduce their energy use to deliver savings in household electricity costs and reduce greenhouse gas emissions.



Townsville Power Station

The Queensland Government is committed to enhancing the reliability and efficiency of energy supply in the North Queensland region. In 2008-09, \$49.3 million will help upgrade existing infrastructure and construct substations and powerlines, including underground powerlines in cyclone-prone areas.

Photograph supplied courtesy of the Department of Mines and Energy

Queensland State Budget Highlights 2008–09

Budget summary

Strong economic growth maintains record low unemployment

- Economic growth in Queensland is forecast to strengthen to 4¼% in 2008-09, outstripping the nation for the 13th year in a row.
- With jobs growth again outpacing the nation, the unemployment rate is estimated to fall to a 34-year low of 3¾% in 2007-08 and remain there in 2008-09, taking it below the national rate for the fifth consecutive year.

Strong finances

- A General Government operating surplus of \$809 million is forecast in 2008-09.
- The State's net worth is budgeted to grow from \$123 billion at 30 June 2008 to over \$140 billion by 30 June 2012 – reflecting Queensland's position of holding the strongest balance sheet in the nation.
- Interest expenses in the General Government sector is budgeted at just 1.5% of revenue in 2008-09.

Competitive taxes

- Queensland maintains its competitive tax status, with taxpayers in other states and territories to pay an average of \$274 more state tax each than Queenslanders in 2008-09.
- The 2008-09 Budget provides tax relief to make housing more affordable. From 1 July 2008, the home and first home transfer duty concession thresholds will be increased from \$320,000 to \$350,000. The first home concession threshold will be further increased from 1 September so that no transfer duty will be payable on a first home valued up to \$500,000.
- Mortgage duty will be abolished in full from 1 July 2008 – another saving to those taking out home loans.
- There are also land tax cuts, including specific measures to benefit Queensland's elderly such as exempting aged-care facilities.
- While already having the nation's lowest pay-roll tax rate, further relief will benefit 6,800 businesses in Queensland.

Delivering for Queensland

The 2008-09 State Budget delivers a massive boost to health, with a record Budget allocation of \$8.352 billion.

The Budget funds new hospitals and upgrades at locations across the State. Areas of increasing demand such as emergency departments and birthing services are a key focus.

There is a \$100 million boost to school maintenance to deliver a record program for the next two years – part of the \$6 billion Budget allocation to the Department of Education and Training. This funding includes 270 new teachers and teacher aides to meet enrolment growth and 4,250 additional trade training places to help address skills shortages.

To boost front-line services, 200 new police and 250 new ambulance officers are funded. The Budget also provides for 145 new ambulance vehicles as part of a record emergency services allocation.

A new \$20 million ClimateSmart Home Service will assist Queensland households to meet the challenges of climate change.

An increase in the electricity rebate and other tax breaks will assist older Queenslanders.

With tax cuts to assist Queenslanders break into home ownership, this is a Budget focussed on the future and delivering the front-line services a growing state needs.

Government services in North Queensland

Ayr

Department of Natural Resources and Water

Little Drysdale Street

Ayr QLD 4807

Telephone 4783 0450

Facsimile 4783 7291

Opening Hours: Monday to Friday – 8.30am to 4.30pm

Ingham

Department of Natural Resources and Water

Ripple Creek

58 Halifax Bemerside Road

Ingham QLD 4850

Telephone 4777 2822

Facsimile 4777 2863

Opening Hours: Monday to Friday – 8.30am to 4.30pm

Townsville

Office of Economic and Statistical Research

Level 1, State Government Building

Cnr Walker and Stanley Streets

Townsville QLD 4810

Telephone 4760 7650

Facsimile 4760 7651

Opening Hours: Monday to Friday – 9am to 4.30pm

Townsville

Department of Natural Resources and Water

Level 3, State Government Building

187-209 Stanley Street

Townsville QLD 4810

Telephone 4799 7200

Facsimile 4799 7125

Opening Hours: Monday to Friday – 8.30am to 4.30pm

Townsville

Department of Communities – North Queensland

Level 10, Suncorp Metway Plaza

61 Sturt Street

Townsville QLD 4810

Telephone 4760 7416

Facsimile 4760 7305

Opening Hours: Monday to Friday – 8.30am to 5pm

Townsville

Department of Tourism, Regional Development and Industry

Level 1, Enterprise House

Cnr The Strand and Sir Leslie Thiess Drive

Townsville QLD 4810

Telephone 4799 7068

Facsimile 4799 7069

Opening Hours: Monday to Friday – 8.30am to 5pm

Townsville

Department of Primary Industries and Fisheries

180-202 River Boulevard

Oonoonba QLD 4811

Telephone 4722 2688

Facsimile 4778 2970

Opening Hours: Monday to Friday – 8.30am to 5pm

Other services

Smart Service Queensland

For information on all other Government services call 13 13 04
www.qld.gov.au

State Emergency Service

Telephone 132 500

13 HEALTH

Telephone 13 43 25 84

