

North Queensland

State Budget

05-06



Premier's Message

My Government is continuing our investment in public infrastructure and services to meet the current and future needs of all Queenslanders.

We are also committed to working to ensure we create opportunities for Queensland's future prosperity and to continue building on the Smart State's strong and stable foundations by supporting the leading edge research technologies.

This Regional Budget Statement outlines the Government's ongoing investment in North Queensland's regional infrastructure and details important regional initiatives in 2005-06.

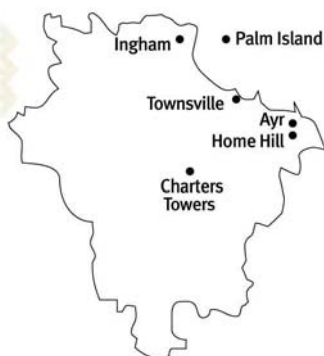
My Government is meeting the needs of the people in North Queensland through infrastructure initiatives and services, especially in the areas of transport, training, education, health and housing.

In 2005-06, our infrastructure initiatives will enable the North Queensland region to use the opportunities the region has to offer. This Statement demonstrates a significant commitment to the long-term viability of the region.

My Government will continue to work with the people of North Queensland to create employment and lifestyle opportunities for all Queenslanders.

State Budget highlights for North Queensland in 2005-06 include:

- \$33 million in 2005-06 of a total State Government contribution of \$67.5 million over the life of the project for remediation of the Ross River Dam, which is the major water supply dam for Townsville and Thuringowa
- \$12 million to construct an integrated facility to house acute and community based health services at Ingham Hospital, with close links to a general practitioner clinic
- \$2.42 million to consolidate community and mental health services in the Thuringowa area at the Thuringowa Community Health Centre in Kirwan
- \$3.5 million out of a total project cost of \$10 million to construct a separate 150 bed Townsville Women's Correctional Centre
- \$3.2 million to plan for the future expansion of Townsville Correctional Centre
- \$40.78 million to purchase and manufacture rail infrastructure, including locomotives and coal wagons.



→ North Queensland includes the cities of Townsville, Thuringowa and Charters Towers, the shires of Burdekin, Dalrymple, Hinchinbrook and Palm Island.



Queensland Government

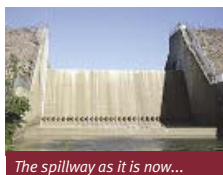
Smart State

Peter Beattie MP
Premier and Minister for Trade

The Queensland Government's increased capital outlays in the 2005-06 Budget reflect our commitment to broadening our infrastructure base in order to better meet the social and economic needs of our growing population. Capital expenditure across the State in 2005-06 will be \$8 billion, an increase of 32% or \$1.9 billion, on estimated actual 2004-05 capital outlays. This allocation reflects the Government's ongoing commitment to regional and rural Queensland, with almost 60% of capital expenditure occurring outside the Brisbane Statistical Division.

North Queensland

➔ \$33 million in 2005-06 of a total State Government contribution of \$67.5 million over the life of the project for remediation of Ross River Dam, which is the major water supply dam for Townsville and Thuringowa



The spillway as it is now...



...and how it will look at the end of 2006



➔ \$40.78 million for the purchase and manufacture of rail infrastructure, including locomotives and coal wagons



➔ \$6.7 million in total for capital projects at the Townsville Women's Correctional Centre and the Townsville Correctional Centre

➔ \$23.52 million to expand and upgrade the electricity distribution network by Ergon Energy

➔ \$8.1 million to support implementation of the regional initiatives developed under the National Action Plan for Salinity and Water Quality

This Regional Budget Statement for North Queensland highlights the Government's 2005-06 spending commitment to this region and its people. As a Government, we recognise the regions' valuable contributions to making Queensland the Smart State and providing services to over 3.9 million people. In this Budget we have allocated nearly 60% of capital expenditure outside the Brisbane Statistical Division.

The North Queensland region covers 4.6% of the State. The region is home to 202,400 Queenslanders and 10.1% of the State's Indigenous population. The region's unemployment rate is 5.3%. The region includes Queensland's largest Indigenous community on Palm Island. Townsville and Thuringowa provide the commercial, industrial and transportation hub for the region. Exports of agricultural produce and minerals are important contributors to the region's economic well-being, and western winter tourism is becoming increasingly significant, while coastal areas attract visitors all year round.

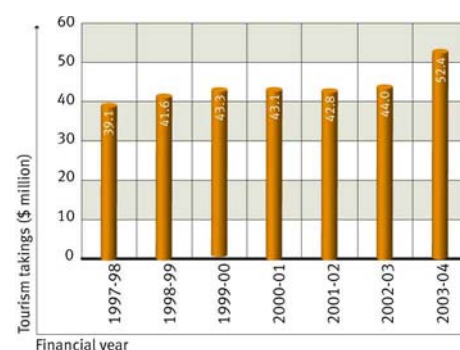
Improving health care and strengthening services to the community

We are committed to providing better hospitals, services and health care for all Queenslanders. In North Queensland, this commitment includes spending on initiatives such as:

- \$12 million to construct an integrated facility to house acute and community based health services at Ingham Hospital, with close links to a general practitioner clinic
- \$2.42 million to consolidate community and mental health services in the Thuringowa area at the Thuringowa Community Health Centre in Kirwan
- \$2.4 million to construct staff accommodation in Townsville, and an additional \$1.97 million to construct six units of accommodation for Government employees on Palm Island
- \$2.22 million to buy medical equipment in 2005-06 for the Townsville Health Service District.

Tourism

takings (\$ million), 1997-98 to 2003-04



Source: ABS, Tourist Accommodation, Queensland (8635.3.40.001 and 8635.3)

Lifesaver, Magnetic Island



Expenditure on new and upgraded emergency services facilities and staff includes:

- \$1.75 million for upgraded ambulance stations in Townsville, Black River and Kirwan
- \$214,000 for a joint emergency services storage facility on Palm Island
- eight new ambulance paramedics as part of \$4.03 million that has been allocated for 70 new paramedics across Queensland.

We have committed \$21.62 million to support people with disabilities and their carers in the region including:

- \$827,000 for short term and limited respite care
- \$520,000 to assist young adults with a disability who are leaving the State's care to maintain their choice of living arrangements and to participate in their community.

Additional support of \$489,000 for community organisations will enable them to increase their capacity to continue to support people with a disability and their families.

Community groups will receive \$8.27 million to provide services in North Queensland, including \$359,000 for child care, \$1.19 million for community support, \$776,000 for domestic violence prevention, \$277,000 for prevention and early intervention services to support vulnerable children, young people and their families, \$4.54 million to support people at risk of homelessness, \$63,000 to link older people with their community

and \$1.07 million for youth development and justice.

We are working to support low-income families and individuals through housing and housing related services. Spending in this region in 2005-06 includes:

- \$13.08 million for new and upgraded public housing
- \$7.87 million to construct, purchase or upgrade dwellings, and purchase land for future construction of housing for Aboriginal and Torres Strait Islander people
- \$2.76 million for community housing programs and services to address crisis, transitional and long-term housing needs.

In 2005-06 the Government has funded organisations across the State to build or upgrade sport and recreation facilities. \$2.68 million for projects in North Queensland includes:

- \$1.5 million to the Thuringowa City Council to construct a new aquatic facility at Burdell
- \$312,000 to the South Townsville Bowls Club Inc to upgrade greens and install retractable shade covers.

Realising the Smart State through education, skills and innovation

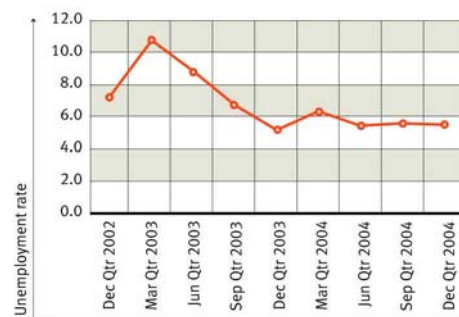
The Premier launched the latest Smart State Strategy on 18 April 2005. *Smart Queensland: Smart State Strategy 2005-2015* establishes the strategic framework for using innovation and skills to drive economic growth to improve prosperity and quality of life for all Queenslanders. It is the centrepiece of the Queensland Government's broader economic development strategy.

In 2005-06, \$334,000 has been allocated to the BioBus, which will provide travelling biotechnology education and public awareness exhibitions to rural and regional Queensland schools. An additional \$140,000 has also been allocated in capital expenditure for ongoing enhancements of the exhibition.

The Government will provide \$400,000

Unemployment rate ^a

Quarterly



Source: DEWRSB - Small Area Labour Markets. (QRSIS database maintained by the Office of Economic and Statistical Research (OESR)).

(a) Data based on un-smoothed series.

in 2005-06 to support research to assess prospects for the development of a cane toad specific toxin bait by the Australian Invasive Animal Cooperative Research Centre.

We are investing in education and training infrastructure across North Queensland for the benefit of young people and their education. In 2005-06, funding includes estimated expenditures of:

- \$750,000 to redevelop and consolidate the Townsville Campus of the Barrier Reef Institute of TAFE
- \$1.37 million, including \$109,000 for fit out, to upgrade classrooms to support middle schooling initiatives at Kirwan State High School
- \$727,000, including \$58,000 for fit out, to upgrade classrooms to support practical learning initiatives at Bohlevalle State School.

Protecting our children and enhancing community safety

The Government is continuing to build a radically improved child protection system. A record \$394.8 million operating budget, up 45% since last year, will be spent this year to safeguard the welfare of Queensland's children. The North Queensland region will benefit from the unprecedented increase of \$123 million for State-wide initiatives such as:

- \$28.8 million for additional permanent frontline and support staff
- \$19.6 million for extra alternative care places, extended family reunification services, foster care by non-government agencies and for sexual abuse counselling services
- \$13 million on foster care allowances and a further \$9 million for child related costs
- \$9.4 million for Aboriginal and Torres Strait Islander "recognised agencies"
- \$22.6 million for therapeutic services including, child psychology and speech pathology to children in care with complex needs.

Augmenting this is a capital program of \$58.8 million which includes:

Main Street, Charters Towers



- \$25 million in additional funding over two years (\$19.2 million in 2005-06) to expand the number of Child Safety offices across the State
- \$25.3 million for the roll-out of a new IT system to better manage client files and departmental business.

Investment in services and infrastructure to enhance community safety within North Queensland includes \$1.37 million to upgrade police stations in Townsville and Kirwan, \$1.61 million towards the new Ingham Police Station and watchhouse, \$100,000 to plan a replacement police station and watchhouse in Ayr and \$252,000 to establish a Neighbourhood Police Beat on The Strand and in the Vincent and Heatley areas.

Building Queensland's regions

Efficient and integrated transport networks are important for the ongoing development of regional Queensland. In North Queensland, major transport infrastructure initiatives include:

- \$5.6 million to upgrade the Flinders Highway between Townsville and Charters Towers, including planning and land acquisition for the Townsville Port Access Road
- \$947,000 to upgrade the Gregory Developmental Road between Belyando Crossing and Charters Towers
- \$2.52 million to widen the Gregory Developmental Road from Tassan Road to seven kilometres south of Red Falls turnoff.

Investment in the electricity system in 2005-06 includes:

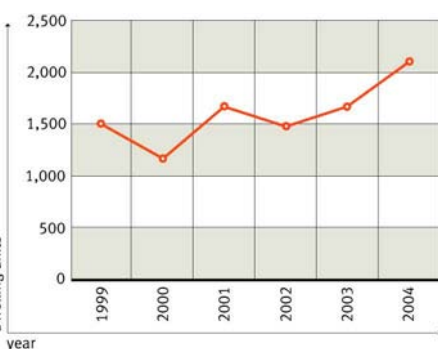
- \$2.1 million towards rebuilding the Clare substation by Powerlink
- \$23.52 million to expand and upgrade the distribution network, including a new zone substation at Townsville Port, upgrading the Charters Towers substation and high voltage powerlines in Townsville by Ergon Energy.

The region's long term viability is being enhanced by infrastructure projects including:

- \$1.49 million which will be provided to local governments in the region for road and drainage works

Building approvals

Residential dwelling units, 1999 to 2004



Source: ABS Building Approvals, Queensland, (8731.3)

Opera in the Outback



Image courtesy Queensland Tourism

Opera in the Outback receives funding from the Queensland Events Regional Development Scheme, a State Government initiative designed to help unique events reach their full potential and boost local economic development. The event features operatic greats, classical hits and Broadway memories over two nights at Ooramin Place (Undara Experience Amphitheatre).

- \$2 million for road and rail port access within the Townsville State Development Area
- \$33 million in 2005-06 of a total State Government contribution of \$67.5 million over the life of the project for remediation of the Ross River Dam, which is the major water supply dam for Townsville and Thuringowa
- \$25.44 million for various rail network acquisition and construction projects, and a further \$40.77 million to purchase and manufacture coal rail infrastructure, including locomotives and coal wagons
- \$2.07 million to upgrade Townsville Port Authority facilities and construct a new workshop at the Blue Ferry Terminal
- \$2.7 million for sugar industry change management, focusing on enhanced farm management business and planning skills and adopting industry restructuring options.

The Government, in partnership with AgForce and rural Queenslanders, is developing a Blueprint for the Bush. The Blueprint will be a long term plan which will include practical strategies to support sustainable rural communities.

Protecting the environment for a sustainable future

The natural and cultural heritage of North Queensland is valued by all Queenslanders. This is reflected in the following local commitments:

- \$175,000 for the Townsville based Austcane Ltd to undertake a feasibility study to examine the potential for sugar cane to be used to produce ethanol and electricity
- \$72,000 to refurbish the Tropical Weed Research Centre in Charters Towers
- \$8.1 million to support the regional initiatives developed under the National Action Plan for Salinity and Water Quality

- \$27,000 to construct vehicle control barriers at Alligator Creek in the Bowling Green Bay National Park.

Growing a diverse economy and creating jobs

The unemployment rate in North Queensland was 5.3% during the December quarter 2004, and has fallen by 1.1 percentage points since the December quarter 1996. The Government continues to work in partnership with the people of North Queensland to build on the region's economic potential.

The Government's Breaking the Unemployment Cycle initiative provides training and job opportunities to Queenslanders. North Queensland will receive around \$4.83 million to create an estimated 624 jobs through the initiative during 2005-06. \$2 million is allocated in 2005-06 to community employment programs and \$2.83 million for apprenticeship and trainee incentives to provide jobs in crucial, skills-shortage industries and the public sector.

Delivering responsive government

The Queensland Government continues to engage with local communities, businesses and other government agencies to better coordinate services and identify strategies to meet local needs, including through regular Ministerial Regional Community Forums and Community Cabinets.

\$44.56 million will be spent State-wide in 2005-06 (\$125.5 million over the project life) to provide technology to improve business processes across government agencies. This project will generate long term savings and improve service delivery throughout the State.

Budget summary

Achieving strong economic growth and historic low unemployment rates

- Queensland's year-average unemployment rate is expected to fall to a 30-year low of 5% in 2004-05 and to remain at this historically low level in 2005-06.
- Queensland's employment continues to grow and, at 5³/₄% and 2¹/₂%, is expected to exceed the rest of Australia in 2004-05 and 2005-06, respectively.
- The State is expected to continue to grow more rapidly than the rest of Australia in 2005-06, representing the 10th consecutive year of performance above that of the other states.

Strong finances

- A General Government net operating surplus of \$934 million is forecast in 2005-06.
- The expected 2004-05 operating result of \$2.725 billion reflects the strength of the economy and investment markets.
- Beyond 2005-06, smaller operating and cash surpluses are forecast, primarily reflecting costs associated with significant investment in new infrastructure, the abolition of a number of State taxes, and the assumption of investment returns in line with long run averages.
- The State's net worth is budgeted to grow from \$85 billion at 30 June 2005 to in excess of \$93 billion by 30 June 2009.

Competitive taxes

- Queensland's competitive tax status has been maintained, with taxpayers in other states and territories paying on average 25% more state tax than Queenslanders in 2005-06.
- A land tax relief package will significantly reduce the number of Queenslanders paying land tax and provide rate reductions for all land tax payers, at a cost of \$847 million over four years.
- Debits tax and six stamp duties will be progressively abolished, beginning 1 July 2005. Queenslanders will save \$3.5 billion over seven years from the abolition of these State taxes.

Delivering on our priorities

Improving health care and strengthening services to the community

- The health budget increases by \$413 million or 8.4%, including service enhancements across the State.
- \$115.1 million in capital funding and \$120.4 million in recurrent funding has been allocated over four years to further develop responses to homelessness.
- An additional \$180 million over four years is provided to enhance disability services, including respite, emergency and crisis care.

Realising the Smart State through education, skills and innovation

- \$80.1 million will improve the Information and Communication Technologies (ICT) environment in schools and improve ICT access and the skills of students and teachers.
- \$291.9 million in recurrent and \$62.7 million in capital funding in 2005-06 will support training initiatives under the \$1 billion SmartVET strategy, including additional traineeship places in new and emerging industries, and further funding for the Mining Centre of Excellence to reduce skills shortages affecting the Queensland mining industry.

Protecting our children and enhancing community safety

- An overall funding increase of \$123.1 million will enhance child protection services.
- Police staffing and resources will be enhanced and \$231 million is allocated over three years to upgrade and extend various correctional facilities.

Managing urban growth and building Queensland's regions

- Capital spending will be boosted to \$8 billion, \$1.9 billion more than last year's record program.
- The South East Queensland Infrastructure Plan and Program identifies capital projects amounting to around \$55 billion. Over the next four years, approximately \$2 billion is allocated over current Budget commitments.

Protecting the environment for a sustainable future

- \$58 million in recurrent funding and \$25 million in capital funding has been allocated over four years to manage an estimated additional 3.46 million hectares of Queensland Parks and Wildlife Service estate.
- \$10 million over four years will support Queensland organisations to adopt resource efficient practices to improve the way they do business.

Growing a diverse economy and creating jobs

- More than \$470 million is provided over four years to support the Government's 10-year Smart State Strategy. This includes \$136 million in recurrent and \$64 million in capital funding over four years for three new Smart State grants programs to build research centres and support innovation in fields including health and medicine, agriculture and mining.
- The Breaking the Unemployment Cycle initiative will continue to provide employment programs for Queenslanders aimed at reducing skills shortages and improving the employability of job seekers.

Government services in your region

For information on government services and activities in North Queensland, please contact the offices listed below. Additional contacts are available on the Government gateway at www.qld.gov.au, or by ringing Smart Service Queensland on 13 13 04.

Charters Towers

Department of Natural Resources and Mines – Charters Towers Service Centre

Tropical Weeds Research Centre

Natal Downs Road

Charters Towers QLD 4820

Telephone 4787 0600

Facsimile 4787 3969

Opening hours: Monday to Friday – 9am to 5pm

Townsville

Department of Natural Resources and Mines – Townsville Service Centre

Level 4, Government Office Building

187-209 Stanley Street

Townsville QLD 4810

Telephone 4799 7200

Facsimile 4799 7225

Opening hours: Monday to Friday – 9am to 5pm

Townsville

Department of Communities – North Queensland Regional Office

Level 4, State Government Building

187-209 Stanley Street

Townsville QLD 4810

Telephone 4799 7943

Facsimile 4712 1936

Opening hours: Monday to Friday – 8:30am to 5pm

Townsville

Office of Economic and Statistical Research – North Regional Office

State Government Building

Cnr Walker and Stanley Streets

Townsville QLD 4810

Telephone 4760 7650

Facsimile 4760 7651

Opening hours: Monday to Friday – 9am to 5pm

Townsville

Department of Local Government and Planning – Women's InfoLink

Ground Floor State Government Building

Cnr Walker and Stanley Streets

Townsville QLD 4810

Telephone 4799 7815

Toll Free 1800 177 577

Facsimile 4799 7810

Opening hours: Monday to Friday – 9am to 5pm

Townsville

State Development and Innovation Centre

Floor 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

