

State Budget Highlights

Budget summary

Growing the economy

- Queensland's economy is forecast to strengthen in 2002-03 to $4\frac{1}{4}\%$, again exceeding national growth of $3\frac{3}{4}\%$.
- Business investment is forecast to reach an historical peak of almost \$13 billion in real terms.

Creating new jobs

- Queensland is creating jobs much faster than the national average. Over the 12 months to May 2002, Queensland created more than 30% of all jobs created in Australia and almost 80% of national full-time jobs.
- This strong performance is forecast to continue in 2002-03, with year-average growth in employment of $2\frac{1}{2}\%$, or about 43,000 new jobs.
- The unemployment rate is forecast to fall to a year-average $7\frac{1}{2}\%$, the lowest in a decade.

Sound finances

- A net operating surplus of \$23 million and a cash surplus of \$354 million are budgeted for the General Government sector in 2002-03, with surpluses over the forward estimates period.
- The State's net worth is expected to continue to grow, reaching \$58.5 billion by 30 June 2003.

Building Queensland's infrastructure

- A capital works program of \$4.8 billion will support some 45,100 full-time jobs.

Competitive taxes

- Payroll tax will be reduced to 4.75% from 1 July 2002.
- Queenslanders will be taxed on average \$1,321 in 2002-03, significantly lower than the average tax burden in other States and Territories of \$1,757 per capita.

Delivering on our priorities

More jobs for Queensland – skills and innovation – the Smart State

- The new Education and Training Reforms for the Future package provides \$158.3 million over four years to provide our young people with more opportunities to access high quality education and training.
- The new Queensland BioCapital Fund will invest \$100 million in venture capital in biotechnology projects that have potential for high commercial returns for the Smart State.
- The Breaking the Unemployment Cycle initiative has been funded an additional \$10 million over two years.

Safer and more supportive communities

- New funding of \$148 million is provided over four years for the delivery of a range of initiatives aimed at achieving better outcomes for children, young people and families. This funding is in addition to the final instalment of funding (\$40 million over four years) committed as a result of the Forde Inquiry and brings the Government's additional funding commitment in this area to \$188 million over four years (\$42 million in 2002-03).
- An additional 307 police will be appointed across the State.

Community engagement and better quality of life

- The health budget will be allocated approximately \$13.3 million for acute inpatient services and up to \$7.3 million for improvements to Home and Community Care services.
- More than \$150 million is provided for public rental housing and \$6.5 million for crisis accommodation.

Valuing the environment

- A further 60 rangers will be employed, as part of the Protecting Our Natural Assets election commitment of \$10 million per annum to fund up to 140 new park rangers and improve facilities.

Building Queensland's regions

- 55.8% of the capital works budget is allocated for outside the Brisbane Statistical Division, reflecting the Government's strong commitment to the regions.



• Government services in your region

For information on Government services in your region, contact the following offices of Regional Communities or Department of State Development. For economic and statistical information about your region and the State, contact your local branch of the Office of Economic and Statistical Research.

Townsville

Office of Economic and Statistical Research

Level 1

State Government Building
Cnr Walker & Stanley Streets

Townsville QLD 4810

Phone: 4760 7650

Fax: 4760 7651

Monday–Friday 9am–5pm

www.oesr.qld.gov.au

North Queensland Regional Communities Office

Community Engagement Division - Department of the Premier and Cabinet

Level 10

Mezzanine Level

Suncorp-Metway Building

61 Sturt Street

Townsville QLD 4810

Phone: 4760 7416

Fax: 4760 7419

State Development Centre

Floor 1, Enterprise House

Cnr The Strand and Sir Leslie
Thiess Drive

Townsville QLD 4810

Phone: 4799 7068

Monday–Friday 8:30am–5pm



North Queensland Regional Budget Statement 2002-03

• Premier's Message

The importance of Queensland's regions to the economic and social life of our State is evident in the Government's 2002-03 Budget.

In capital works alone, 55.8% of spending is allocated for regions outside the Brisbane Statistical Division. In North Queensland in 2002-03, the Government will spend \$244.3 million on capital works, including:

- \$92.3 million on transport and main roads projects, such as upgrading the Rockhampton–Townsville–Cairns railway line and work at the Townsville Port;
- \$15.5 million for health facilities, including for the redevelopment of Ayr Hospital;
- \$1.7 million to start work on a replacement police station and watchhouse at Palm Island; and
- \$1.1 million to complete the \$2.5 million conservation of a number of heritage properties in the mining precinct of Charters Towers.

In addition, initial work is expected to commence on the gas-fired Townsville Power Station and associated gas pipeline infrastructure, to be developed by Enertrade, as part of a \$500 million project.

In the Smart State, the focus on regions is about more than infrastructure. This Budget will boost services in the areas of families, education and law and order. For example, we will establish a Drug Court in Townsville to get people off drugs and reduce crime.

This statement highlights initiatives within your region that have been developed in response to individual community concerns. It shows the Government is passionate about listening to the community. In fact, we spend more time than any other Government listening to thousands of people at community engagement events such as Community Cabinet and Ministerial Regional Community Forums. We have responded to your call for individual solutions for each community – not a 'one size fits all' approach.

The Government is working with you and for you, to build employment and lifestyle opportunities. We are committed to expanding export markets, encouraging value-adding industries and building the regions' competitive advantages.

This means focusing on a workforce that is more highly skilled, educated and in demand. It also means improving social infrastructure, so community life flourishes.

The Queensland Government is committed to building partnerships with the regions because active communities are central to us achieving the Smart State vision. Together, we can forge a better future for our communities.



Peter Beattie MP
Premier and Minister for Trade



Queensland
Government

(right)
Breakwater Marina and
Castle Hill, Townsville



• Introduction

The infrastructure and services funded in the 2002-03 State Budget and outlined in this statement demonstrate the Queensland Government's commitment to working with the North Queensland region to promote economic development and job creation, stronger community networks and a prosperous future.

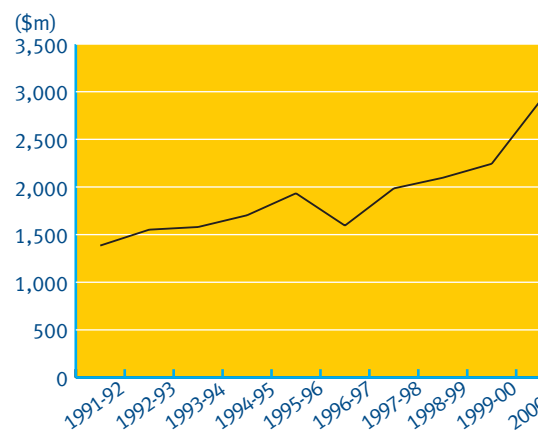
North Queensland covers more than 80,000 square kilometres, or 4.6% of the State. It includes the cities of Townsville, Thuringowa and Charters Towers and the shires of Burdekin, Dalrymple and Hinchinbrook.

The region is home to 5.2% of all Queenslanders, and 5.6% of residents are of Aboriginal or Torres Strait Islander descent. The population is projected to grow by more than a quarter to about 242,500 people by 2021.

North Queensland has a diverse economy with agriculture, particularly sugar, and manufacturing providing significant contributions to the region's outputs. The region is a major gateway to the State's Asia-Pacific markets, with exports from the Port of Townsville almost doubling in value in the last decade.

The major employers in the region are the retail trade, government administration and defence, and health and community services sectors.

Exports from the Port of Townsville, 1991-92 to 2000-01



Source: ABS, Foreign Trade (unpublished data)

• Building Queensland's regions

The Government is working with North Queenslanders to drive economic development and ensure that the region prospers.

An efficient energy supply is critical for the development of industry in regions. Following a tender process, the Government has now selected Enertrade as the preferred developer for the gas-fired Townsville Power Station and associated pipeline infrastructure. This important project is part of a \$500 million investment by the private and public sector in the Central and North Queensland energy industry and is expected to lead to 8,000 jobs over 10 years. It will also help to open up the emerging coal seam gas industry, generating immense demand for jobs and skills. The project is a key element of our Cleaner Energy Strategy to encourage greater use of environmentally friendly energy supplies and to help people use energy more efficiently.

We have allocated a further \$15,000 in 2002-03 to the \$2 million Townsville Value Added Minerals Project to identify environmentally sustainable opportunities to add value to Townsville's minerals processing sector. The region will also share in a \$30,000 investment to boost the competitiveness of the heavy engineering and steel fabrication sector.

A safe and efficient transport network promotes industry competitiveness and economic development. Major transport projects in North Queensland in 2002-03 include:

- \$16.6 million to continue upgrading rail track on the Rockhampton-Townsville-Cairns line;

(left) Museum of Tropical Queensland, Townsville



- \$9.9 million for the \$48.5 million construction of the Douglas Arterial between University Road and Upper Ross River Road at Condon;
- \$7.4 million for work at the Port of Townsville and \$2 million to finish widening Townsville Port Road;
- \$12.7 million to upgrade Townsville railway station;
- \$4 million for the Lucinda and Abbot Point ports; and
- \$3.7 million to commence a \$9 million upgrade of Hervey's Range Developmental Road.

To support the local tourism industry, ongoing funding of \$200,000 is provided to market the region. The North will also benefit from the Government's efforts to maintain an appropriate level of air and long distance bus services to communities in remote and rural Queensland.

We will provide \$2 million to support the development of the aquaculture industry in North Queensland.

Palm Island Aboriginal Council will share in a \$19 million state-wide allocation to assist them to deliver local government services.

• More jobs for Queensland – skills and innovation – the Smart State

The Government is positioning Queensland as the Smart State with a strategy that supports a diversified economy through investment in traditional and new industries.

Through the Breaking the Unemployment Cycle initiatives, it's anticipated that \$8.3 million will be spent in North Queensland in 2002-03 for employment programs targeted at the long-term unemployed, mature-age job seekers, trainees and apprentices, young people, including young offenders, prisoners ready for release and Indigenous people.

Investing in the Smart State means investing in training and education. This Budget provides \$158.3 million over four years state-wide to fund an innovative package of education and training reforms for the future.

In 2002-03, North Queensland will share in:

- an additional \$22.7 million for information and communication technologies (ICT) in classrooms and ICT training for teachers; and
- 382 additional teachers to provide for growth and other needs, including 158 teachers as part of the Government's election commitment to employ 800 additional teachers over four years.

Highlights in education and training funding for the region include:

- \$914,000 for Townsville State High School to modernise its facilities, continue the Technology, Maths and Science Centre of Excellence and support the Learning and Development Centre for gifted and talented students;
- \$430,000 to continue the development of an Information Technology Platform at the Barrier Reef Institute of TAFE;

- \$336,000 for an administration upgrade at Magnetic Island State School and \$284,000 for four new classes at Annandale State School; and
- \$140,000 for the New Basics initiative at The Willows, Charters Towers School of Distance Education, Charters Towers State High School and State Schools at Millchester, Charters Towers Central and Richmond Hill to equip students with critical thinking, problem solving and lifelong learning skills.

To enhance life-long learning opportunities, \$956,000 has been allocated for the region's public libraries.

• Safer and more supportive communities

Families are the foundation of our communities and to support them, we are this year funding a package of \$188 million over four years (\$42 million in 2002-03) for delivery of a range of initiatives aimed at achieving better outcomes for children, young people and families. This comprises new funding of \$148 million over four years, in addition to the final instalment of funding (\$40 million over four years) committed as a result of the Forde Inquiry. This funding will be allocated across all regions of the State.

Smarter policing and crime prevention are vital for ensuring our communities are safe. To assist this focus, up to 66 additional police officers will be employed in the Townsville Police District over the next three years.

We have allocated \$5.8 million in 2002-03 to expand the trial of Drug Courts to Cairns and Townsville. The Drug Courts enable drug-addicted offenders who commit non-violent crimes to be diverted out of the jail system and into intensive rehabilitation programs. The aim is to get people off drugs and reduce crime.

The North will share in \$3.5 million for the Diversion from Custody Program to accommodate people who are intoxicated in public places, helping to improve quality of life for residents, businesses and tourists.

Other projects include:

- \$2 million for a \$6.5 million replacement police station and district and regional offices at Mundingburra; and
- \$1.7 million to commence a replacement police station and watchhouse at Palm Island; and
- \$212,000 to complete the replacement police station at Mt Surprise.

We will also maintain our commitment to Urban and Community Renewal Programs in areas of need. In 2002-03, we will fund:

- \$2.5 million for Rasmussen, including upgrading 30 dwellings;
- \$1.5 million for Vincent, including upgrading 35 dwellings; and
- \$336,000 for Palm Island to develop two computer centres, at St Michael's School and the Bwgolman Community School.

Government-owned Ergon Energy will spend \$3 million in 2002-03 in the region to improve the reliability of high-risk electricity assets in cyclone prone areas, including Townsville, Ayr and Home Hill. Ergon has also allocated \$3 million to develop additional substations in the region.



• Community engagement and a better quality of life

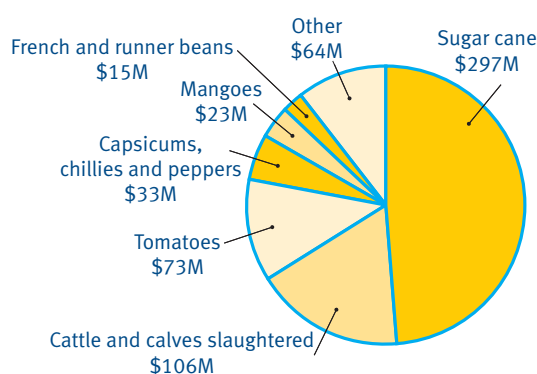
All Queenslanders are encouraged to take part in the rich cultural, social and economic life of the State. The Queensland Government is working to ensure equality of opportunity and equitable access to high standards of health, housing and family services through greater participation in the choices made by Government.

To support health and well-being in North Queensland, in 2002-03 we will complete the \$181 million redevelopment of Townsville Hospital. We will also spend:

- \$2.2 million to upgrade the Townsville Sports Reserve and establish an adjacent Sports House;
- \$1.5 million towards redeveloping Ayr Hospital;
- \$1.5 million to rebuild facilities at the Townsville Nursing Home;
- \$649,000 to boost mental health services;
- \$600,000 to upgrade community health facilities at North Ward and Kirwan and \$500,000 to establish a new facility at Cardwell;
- almost \$90,000 for nine multi-sport playing fields in Thuringowa and more than \$50,000 for a multi-use equestrian facility at Charters Towers; and
- \$380,000 to upgrade Ingham's aquatic complex.

The Government has allocated more than \$15 million for housing projects and grants in the region in 2002-03. Under the Home Assist Secure Schemes, \$683,000 is provided to assist elderly people to remain in their own homes longer, with improved safety and quality of life.

Gross value of agricultural production, North Queensland, 1999-2000



Source: ABS, Agriculture, Queensland (unpublished data)

Services for people with a disability and their families will be boosted through:

- \$500,000 to build a group home for people with a disability who have high support needs;
- \$400,000 to improve disabled access to rail services; and
- approximately \$250,000 for new and enhanced family support and respite services.

Queensland's regions have a rich cultural heritage, which we are preserving and promoting through the Queensland Heritage Trails Network, in partnership with the Commonwealth and local governments. In North Queensland in 2002-03, we will provide:

- \$2.3 million to complete the North Queensland Aboriginal and Torres Strait Islander Cultural Centre;
- \$900,000 to complete the North Queensland Network Gateway, which will provide information about the Heritage Trails Network; and
- \$1.1 million to complete the \$2.5 million conservation of a number of heritage properties in the mining precinct of Charters Towers.

To enable regional Queenslanders to have greater participation in Government decision-making, a Community Engagement Division has been formed in the Department of the Premier and Cabinet. The Division maintains the Regional Communities program comprising a network of regional offices, including one in Townsville.

Valuing the environment

The Government is committed to protecting the environment and biodiversity of North Queensland for current and future generations through:

- \$1 million to continue the Burdekin Rangelands Reef Initiative, which is taking an integrated approach to management and development activities in the Burdekin catchment;
- \$521,000 to improve facilities at Charters Towers and Orpheus Island, Bowling Green Bay and Lumholtz National Parks;
- \$420,000 for vegetation mapping in the Einasleigh bio-region; and
- four new rangers in Townsville and Magnetic Island.

North Queensland will also share in a further \$350,000 to eradicate the Crown of Thorns starfish from important tourism sites in the Great Barrier Reef.

