



State budget June 2023

Summary briefing

Overview

- The state budget was strongly focussed on addressing cost of living challenges for Queenslanders with \$1.617 billion in new and expanded cost of living relief measures in 2023-24, including \$1.483 billion for additional electricity bill support.
- It was a 'business as usual' budget for agriculture - the budget for the Department of Agriculture is over \$550 million for operating (noting the budget for 2022-23 was \$608 million). Staffing in the 2023/24 budget is 1,905 compared to 1,893 in 2022/23.
- There was welcome ongoing funding for biosecurity and preparing for emergency animal diseases (previously announced \$26.7 million over 5 years and \$2.5 million per annum ongoing) and preparing for plant pests and diseases and broader threats (21.7 million over 5 years and \$2.8 million per annum) and 15 permanent staff for biosecurity preparedness.
 - Following AgForce advocacy the budget included \$4.7 million in 2022-23, to introduce an individual electronic identification traceability system for sheep and goats, dependent on the Australian Government's contribution.
 - Capital expenditure of a further \$1.4 million to upgrade the Wild Dog Barrier Fence
 - Capital expenditure of \$1.4 million identified to develop and replace the Brands Information System as supported by AgForce
 - \$1.9 million in 2023/24 towards innovative rapid detection tools to improve the speed at which an animal disease incursion can be diagnosed and managed
 - previously approved \$60.9 million over 4 years as an available contribution to the national Red imported Fire Ant eradication program in SE Queensland
- A further \$3.3 million in Rural Economic Development Grants in 2023/24 to increase employment and agribusiness development in regional Queensland.
- Further previously approved funding to help primary producers prepare for drought under the Drought Assistance and Reform Package, with up to \$48.5 million over 3 years from 2023/24 to be invested in programs and grants, and \$100 million over 2 years allocated for loans. Also, ongoing availability of operating cost relief assistance in drought.
- Approximately 205,000 eligible small businesses will receive a \$650 rebate on their electricity bill to assist with the higher cost of electricity
- \$32.1 billion Queensland Transport and Roads Investment Program (QTRIP) to continue investment in road and transport projects over the next four years, including in regional areas to deliver an integrated, safe and efficient transport system. Regional investments (many co-funded with Australian government) included:
 - \$1 billion commitment for the Inland Freight Route, Charters Towers to Mungindi
 - \$336.0 million towards a bypass of Tiaro, to increase the flood immunity, safety and efficiency of the Bruce Highway
 - \$10.1 million Castlereagh Highway (St George - Hebel), 2022 Disaster Recovery Funding Arrangements betterment works and \$3.6 million for reconstruction works
 - \$1.065 billion for Rockhampton Ring Road
 - \$182.5 million funding commitment for Outback Way future priorities (TBD)
 - \$96.9 million Burdekin River Bridge, rehabilitation program

- \$50 million Kennedy Developmental Road (The Lynd - Hughenden), progressive sealing
- \$105.2 million for Flinders Highway improvement and upgrading
- \$262.5 million funding commitment for Kuranda Range Road upgrade.
- Rail: \$173.9 million to invest in the regional network including rollingstock, operational facilities, track infrastructure, civil structures and signalling.
- There was significant investment into promoting renewable energy projects across the state. Importantly, there is added funding of \$35 million over 4 years for Queensland Renewable Energy Zones Planning and Community Engagement to undertake planning and community engagement activities to develop Queensland Renewable Energy Zones in a coordinated way and to increase community benefits. It is important this effectively includes landholders.
- There was a welcome boost to regional social services particularly around health services including:
 - \$586.1 million over 10 years for a new agreement with LifeFlight Australia Limited
 - \$70.3 million over 4 years and \$21 million ongoing to increase the Patient Travel Subsidy Scheme to support rural and regional Queenslanders to access specialist medical services not available locally.
 - \$42 million over 4 years for maternity and birthing services in regional and rural locations (previously announced)
- \$6.1 million to finalise the future of assets formerly held by the Queensland Agricultural Training Colleges, including a new Central Queensland Smart Cropping Centre at Emerald
- \$2.1 million previously approved for continued delivery of native timber action plan to support a competitive and sustainable industry, while ensuring conservation outcomes
- Disappointingly, \$9.8 million over 4 years to implement an enhanced vegetation compliance model to reduce emissions from unexplained land clearing, though it will have a focus on working with landholders.
- extra \$12 million in 2023/24 to continue the commitment to uplift Rural Fire Service capability and ensure a sustainable volunteer model across Queensland
- \$22.8 million over 2 years to continue to discount irrigation prices by 15 per cent for one additional year and as a result of the decision to cap all Sunwater and Seqwater irrigation prices at Queensland Competition Authority assessed cost recovery levels from 2023-24
- A further \$440 million towards Sunwater's Burdekin Falls Dam Improvement and Raising Project, improving and raising the dam by 2 metres intended to further support water security. Burdekin AgForce Cane members are seeking a more immediate solution to rising groundwater in the Burdekin, before investing further into the dam infrastructure.

Further detail

AgForce priority policy areas:

1. Biosecurity and disease - biosecurity integrity support including adequate long-term system funding
2. Trade and Market access - Investment to support RRR areas including transport, telecommunications and water infrastructure
3. Land use competition and rights protection
4. Workforce
5. Vegetation management
6. Agribusiness and environmental sustainability - Incentives towards recognition of farmer management of the natural environment, including supporting biodiversity stewardship programs, natural capital markets and systems like AgCarE
7. Telecommunications Infrastructure, data and access.

Notable measures in the budget

Budget measures (revenue and expenditure) are outlined in order of AgForce's cross-commodity policy priority areas and include commodity specific interests.

Biosecurity and disease

- The government is providing total funding of \$26.7 million over 5 years and an ongoing \$2.5 million per annum towards biosecurity preparedness for emergency animal diseases.
 - Includes previously approved funding of \$22 million over 5 years and \$2.5 million per annum ongoing to address increasing animal biosecurity risks, including foot-and-mouth disease and lumpy skin disease.
 - Previously approved funding of \$4.7 million in 2022-23, to introduce an individual electronic identification traceability system for sheep and goats in Queensland, as part of a national initiative, and strongly advocated for by AgForce. This funding is held centrally, until the Australian Government's contribution is determined. (Note The SA government will include a \$9.3-million package in their state budget this week and included a 50-per-cent subsidy on tags for newborn lambs and kids until 30 June, 2025.)
 - Innovative Emergency Animal Disease Response Preparedness Tools - The government is providing additional funding of \$1.8 million in 2023-24 to commence developing innovative rapid detection tools to improve the speed at which an animal disease incursion can be diagnosed and managed. The associated capital expense for this initiative is \$98,000 in 2023-24.
- Additional funding of \$21.7 million over 5 years and \$2.8 million per annum ongoing towards biosecurity preparedness for plant pests and diseases, to proactively meet emerging threats and empower the collective responsibility of the community and industry.
- National Biosecurity System - providing a further \$7 million in 2023/24 and ongoing (held centrally) to meet immediate and known obligations within the National Biosecurity System to help mitigate the risks and impacts of significant pests and diseases (up to \$35.7 million over 5 years).
- National Red imported Fire Ant eradication program in SE Queensland - The government is making available previously approved funding of \$60.9 million over 4 years to continue delivery of the critical National Red Imported Fire Ant Eradication Program. Funding is held centrally, subject to a cost sharing agreement being finalised with the federal Government.
- DAF capital program: \$1.4 million to develop and replace the Brands Information System, and \$1.4 million to upgrade the Wild Dog Barrier Fence.
- Weapons Licensing Management System - providing increased funding of \$2.2 million over 2 years to continue support for the weapons licensing function, including to upgrade the current Weapons Licensing Management System.

Trade and Market access

Infrastructure - transport

- \$32.1 billion Queensland Transport and Roads Investment Program (QTRIP) to continue investment in road and transport projects over the next four years to 2026-27, including in regional areas to deliver an integrated, safe and efficient transport system that connects regional Queenslanders and other communities throughout the state. Regional investments (many co-funded with Australian government) include (not a comprehensive list):
 - \$1 billion funding commitment for the Inland Freight Route, Charters Towers to Mungindi (jointly funded with the Australian Government)

- \$336.0 million towards a bypass of Tiaro, to increase the flood immunity, safety and efficiency of the Bruce Highway
- \$134.4 million Cunningham Highway (Ipswich - Warwick), 2020 Disaster Recovery Funding Arrangements reconstruction works
- \$46.7 million towards Gore Highway (Millmerran - Goondiwindi), Wyaga Creek, upgrade floodway
- \$15.4 million Bollon Road, construct to sealed standard
- \$10.1 million Castlereagh Highway (St George - Hebel), 2022 Disaster Recovery Funding Arrangements betterment works and \$3.6 million for reconstruction works
- \$1.065 billion for Rockhampton Ring Road
- \$250 million Bruce Highway, Gladstone to Rockhampton, upgrade intersections
- \$120 million Capricorn Highway (Emerald - Alpha), strengthen and widen pavement
- \$25.5 million Dawson Developmental Road (Springsure - Tambo), priority upgrades
- \$182.5 million funding commitment for Outback Way future priorities (TBD)
- \$96.9 million Burdekin River Bridge, rehabilitation program
- \$50 million Kennedy Developmental Road (The Lynd - Hughenden), progressive sealing
- \$105.2 million for Flinders Highway improvement and upgrading
- \$32 million for Landsborough Highway improvements in the NW
- \$262.5 million funding commitment for Kuranda Range Road upgrade
- \$54.9 million towards Peninsula Developmental Road, Archer River Crossing, construct bridge (and \$17.6 million for further PDR sealing)
- \$12.1 million Gulf Developmental Road (Croydon - Georgetown) (Package 4), strengthen and widen pavement
- Rail: \$173.9 million to invest in the regional network including rollingstock, operational facilities, track infrastructure, civil structures and signalling.
- In 2023-24, North Queensland Bulk Ports Corporation Limited has allocated \$19.4 million to continue port planning and development initiatives to meet industry requirements for export facilities.
- In 2023-24, Port of Townsville Limited has allocated \$75.6 million towards ongoing development at the Port of Townsville – includes \$60.7 million to continue the capital dredging and reclamation works to widen the shipping channels for access by larger vessels
- providing additional funding of \$77.9 million over 5 years (\$90.7 million over 6 years) to deliver Remote Community Freight Contracts targeting specific freight disadvantage in remote and very remote communities across Queensland.

Workforce

Supply measures

- another 50,000 families enabled to access free kindy - many saving around \$4,600 a year - from January 1 2024
- providing additional funding of \$6.5 million over 3 years for a network of Industry Workforce Advisors to work directly with employers to help them to address workforce challenges, diversify their workforces and support workforce growth.
- providing additional funding of \$5.3 million over 4 years for the implementation arrangements of the Queensland Workforce Strategy.

Regional, Rural and Remote (RRR) service provision

- delivers \$48.3 million over three years to purchase housing for teachers in rural and remote communities, or install transportable modular housing where supply is limited.

- \$70.3 million over 4 years and \$21 million ongoing to increase the Patient Travel Subsidy Scheme (\$10 per person per night for accommodation and 4c per kilometre for mileage), which primarily supports Queenslanders in rural and regional areas to access specialist medical services not available locally.
- Previously announced, \$586.1 million over 10 years for a new commercial agreement between Queensland Health and LifeFlight Australia Limited, for on-going emergency medical helicopter services to those in RRR Queensland
- Rural and regional birthing services (previously announced) - providing \$42 million over 4 years for continued support for maternity birthing services in regional and rural locations and strengthening outreach obstetric and gynaecology services.
- providing additional funding of \$22.0 million over 4 years from 2023-24, to be held centrally, to provide a cost-of-living allowance of \$5,000 per student to provide financial assistance to student nurses and midwives undertaking placements in rural and remote areas.

Skilling and training

- DAF capital budget item: \$2.1 million to finalise long-term decisions on the future of assets formerly held by the Queensland Agricultural Training Colleges, including a new Central Queensland Smart Cropping Centre at Emerald
- DAF Capital grant: \$4 million to finalise long-term decisions on the future of assets formally held by the Queensland Agricultural Training Colleges
- providing additional funding of \$3.5 million over 4 years to partner with rural and remote communities to deliver place-based skills and job creation initiatives to increase workforce capacity in these locations.

Regional development and support

- Provide a further \$3.3 million in DAF-managed Rural Economic Development Grants in 2023/24 to increase employment and agribusiness development in regional Queensland.
- providing additional funding of \$3.6 million over 4 years to support the delivery of regional infrastructure plans throughout Queensland and the development of a robust benefits realisation and evaluation framework.
- providing additional funding of \$205.7 million over 5 years including \$200 million to establish the Regional Economic Futures Fund, \$1.7 million to investigate renewable energy precincts and recycling and manufacturing opportunities and \$4 million to advance Queensland's bioenergy future by supporting technical studies into options to expand bioenergy generation. These programs are part of the Queensland Energy and Jobs Plan.
- Previously announced \$2.1 million for continued delivery of the Native Timber Action Plan.

Agribusiness and environmental sustainability

Environmental policies and vegetation management

- Enhanced vegetation compliance – providing additional funding of \$9.8 million over 4 years to implement an enhanced vegetation compliance model to reduce emissions from unexplained land clearing. To include a focus on working with landholders.
- Protected area acquisitions: the government has allocated a total of \$30.6 million (\$25m preannounced and an additional \$5.6 million for high priority acquisitions as part of the government's Protected Area Strategy 2020-2030.
- Revitalising National parks - \$37.5 million over 4 years to continue revitalising and investing in new visitor infrastructure with opportunities to support the growth of regional small businesses and First Nations people's employment.

- World class protected area management - The government is providing increased funding of \$32.8 million over 5 years and \$11.9 million per annum ongoing from 2028-29, for the continuation of Queensland's Protected Area Strategy 2020-2030 and to improve the management of Queensland's World Heritage Areas.
- Queensland Indigenous Land and Sea Ranger Program - providing increased funding of \$49.9 million over 4 years and \$16.4 million per annum ongoing (indexed annually) for the continuation of the expanded Indigenous Land and Sea Ranger Program, which increased ranger numbers from 100 to 200.
- River improvement trusts - providing increased funding of \$300,000 to the State Council of River Trusts to continue operational support.

Climate and carbon

- To progress towards the government's targets of 70% of Queensland's energy supply from renewables by 2032, and 80% by 2035, significant investments through the government's energy businesses in 2023–24 include:
 - \$594.0 million by Powerlink for CopperString 2032, including to unlock significant new renewables around Hughenden
 - \$193.8 million to support the connection of major renewable projects to the grid, including the proposed 2GW Borumba pumped hydro energy storage and the 1GW MacIntyre Wind Precinct south-west of Warwick.
 - \$673.0 million for Stanwell to develop the 252MW Wambo and Tarong West Wind Farms and large-scale batteries
 - \$212.6 million for CleanCo renewables projects in Central Queensland and the Swanbank Battery near Ipswich
 - \$312.1 million for CS Energy to invest in Central Queensland wind farms and large-scale batteries
 - Queensland Hydro will invest \$183.7 million to progress the 2GW Borumba long-duration Pumped Hydro Energy Storage project near Gympie, as well as undertaking the detailed feasibility study into the Pioneer-Burdekin Pumped long-duration Hydro Energy Storage project west of Mackay.
 - providing an additional \$6 billion in equity funding for the Borumba Pumped Hydro Energy Storage project and \$1 billion in equity funding for the Pioneer-Burdekin pumped hydro project
- Queensland Renewable Energy Zones Planning and Community Engagement - providing additional funding of \$35 million over 4 years to undertake strategic planning and community engagement activities to develop Queensland Renewable Energy Zones in a coordinated way and increase community benefits.

Agribusiness sustainability

Disasters and drought

- Emergency management reform – rural fire service – extra \$12 million in 2023/24 to continue the commitment to uplift Rural Fire Service capability and ensure a sustainable volunteer model across Queensland. Plus \$8 million in capital expenditure.
- providing increased funding of \$2.8 million over 3 years, to enhance Queensland's bushfire safety and preparedness messaging campaigns (\$2.2 million over 3 years is being met internally by Queensland Fire and Emergency Services to deliver the campaigns.)
- Drought Assistance and reform package: The budget includes further funding to help primary producers prepare for drought under the Drought Assistance and Reform Package,

with up to \$48.5 million over 3 years to be invested in programs and grants, and \$100 million over 2 years allocated for loans.

- Cost assistance for drought affected producers in 2023/24 continues with:
 - funding of up to \$5 million, held centrally, to provide relief to farmers and irrigators from fixed charges for electricity accounts that are used to pump water for farm or irrigation purposes during periods of drought.
 - providing relief of up to \$910,000 through the waiver of fees associated with an annual water licence invoice and applications for stock or domestic water licences. The waiver is available to primary producers in drought declared areas and for those who have an individually droughted property.
 - providing relief of up to \$3.2 million through rent rebates for primary production leases in drought declared areas.
- additional funding of \$131.4 million over 3 years, including \$60 million held centrally, subject to further government consideration, from the Disaster Recovery Funding Arrangements Efficiencies jointly funded by the Queensland and Australian Governments. This will deliver a suite of programs and projects to enhance Queensland's disaster resilience, mitigate risk and create stronger and safer communities
- \$900,000 in 2023–24 for capital expenditure to continue improving and maintaining stock route water facilities across the state to ensure their safe and efficient operation.
- providing additional funding of \$6.8 million over 3 years for a package of initiatives to support the mental health and wellness of small business owners.

Taxes and concessions

- The government is extending the one per cent discount on the payroll tax rate for eligible regional employers (ABN registered business address in regional Queensland, and at least 85 per cent of their taxable wages paid to employees located outside SEQ) until 30 June 2030 to provide ongoing certainty to regional businesses across the state. It is estimated this initiative will result in total tax relief to eligible businesses of \$505.4 million over the 4 years ending 2026-27. (note: subject to the passage of legislative amendments). The Government estimates that 3,400 regional Queensland businesses will benefit from this extension.

Infrastructure - water

- In Central Queensland, the government is increasing the investment in Rookwood Weir to \$568.9 million with \$156.7 million to be spent this year to keep the project on track for construction completion by the end of the year.
- During 2023–24, Sunwater, Seqwater and Gladstone Area Water Board will also invest \$155.8 million for planning and early works on improvements to Paradise, Burdekin Falls, Somerset, Wivenhoe, North Pine, Lake Macdonald and Awoonga Dams.
- On top of an existing \$100 million commitment, \$440 million towards Sunwater's Burdekin Falls Dam Improvement and Raising Project, including raising the dam by 2 metres to further support water security. Raising the dam by 2 metres is intended to create an additional 150,000 megalitres of water supply and support long-term economic development in North Queensland. Planning and preconstruction activities will continue during 2023–24 while the Environmental Impact Statement process, which will inform a final investment decision, is underway
- This year's Budget supports the commitment to rebuild and improve Paradise Dam, with \$116.4 million allocated to planning and pre-construction activities in 2023–24.
- increased funding of \$22.8 million over 2 years to continue the government's election commitment to discount irrigation prices by 15 per cent for one additional year and as a

result of the decision to cap all Sunwater and Seqwater irrigation prices at Queensland Competition Authority assessed cost recovery levels from 2023-24.

- Strengthening First Nations Peoples' Inclusion and Economic Development in Water Management - providing additional funding of \$11.7 million over 3 years for the development of a Water for First Nations Strategy and to develop effective strategies for engagement with First Nations Peoples on more culturally inclusive water planning and other decision-making.
- Toowoomba to Warwick Pipeline project - providing additional funding of \$8.5 million over 5 years for installation of water monitoring across the Southern Downs reticulation network to identify where water is being lost or extracted. Also, additional funding of \$1 million over 5 years to facilitate delivery of the Pipeline and manage state interests and risks relating to its delivery. Also, provided additional funding of \$1.5 million for operational costs associated with compulsory land acquisitions. The project will provide a permanent water supply to 3,400 residents in the Toowoomba region and drought contingency supply to 24,000 residents in the Southern Downs region.

Energy

- \$1.483 billion of additional electricity bill support to households and small businesses – approximately 205,000 eligible small businesses will receive a \$650 rebate on their electricity bill (funded about evenly between federal government's National Energy Bill Relief plan and state government) to assist with the higher cost of electricity.
- Over \$500 million per annum to continue uniform tariffs so that Queenslanders living in regional areas pay similar prices for their electricity as people living in southeast Queensland
- Added \$35 million over 3 years for the Queensland Business Energy Saving and Transformation Program, to support businesses in Queensland to reduce their electricity bills and which includes targeted support for agriculture to enable advice and contribution to energy efficiency measures and infrastructure
- Grow Manufacturing Capacity through Energy Programs in Queensland - providing additional funding of \$8.9 million over 5 years to implement energy efficiency measures for small to medium manufacturing enterprises and undertake detailed analysis of wind farm supply chains.