



WORKING

TOGETHER FOR

QUEENSLAND

**2020 ELECTION
FINANCIAL STATEMENT**



FOREWORD

After five years of budget surpluses and the creation of 250,000 new jobs, the Queensland economy has been hit by a once-in-a-century event – the COVID-19 global pandemic.

While the strength of our diversified economy has allowed sectors like mining and agriculture to cushion some of the blow, and our strong health response has enabled our economy to reopen and importantly, stay open, the impact of COVID-19 on the Queensland economy will be felt for years.

From the start of the pandemic, the Palaszczuk Labor Government has had a clear strategy to deal with the health and economic impacts of the pandemic.

We have also been clear as to how we will fund Queensland's post-COVID recovery over the next term of government, should we be re-elected.

On 7 September 2020, when delivering the COVID-19 fiscal and Economic Review, I announced that Queensland will borrow to rebuild.

We will borrow an additional \$4 billion to deliver measures over the next term of government that will help to rebuild the Queensland economy by:

- Growing jobs;
- Building infrastructure; and
- Delivering services across the state.

By borrowing to rebuild, the Palaszczuk Government's position is entirely consistent with the national and international advice on how to address the economic impact of the pandemic, including:

- The Organisation for Economic Co-operation and Development
- The International Monetary Fund
- The Reserve Bank of Australia
- Prime Minister Scott Morrison
- Federal Treasurer Josh Frydenberg

Any attempt to achieve economic recovery through austerity measures including cuts to government expenditure would only delay recovery and cause long-term and unnecessary hardship.

The funding measures for the Palaszczuk Labor Government's 2020 election commitments are set out in this document.



Cameron Dick MP
Treasurer of Queensland
Minister for Infrastructure and Planning

HALL CHADWICK

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26th October 2020

Ms Julie-Ann Campbell
State Secretary
Australian Labor Party, Queensland Branch
Level 1
TLC Building
16 Peel Street
South Brisbane QLD 4101

Re: Independent Report to the Australian Labor Party, Queensland Branch on Election Policy Commitments for the 2020 State Election

Dear Madame

In accordance with the terms and conditions of our engagement letter dated 24th September 2020, Hall Chadwick QLD have reviewed the election policy commitments prepared by the Australian Labor Party, Queensland Branch (Queensland Labor) for the 2020 election.

Queensland Labor's Financial Statement 2020 sets out the investment commitment decisions in relation to estimated costs and funding sources over the forward estimates as prepared by Queensland Labor. The Hall Chadwick QLD review was performed using information made available as at 26th October 2020 as advised by Queensland Labor.

Scope of Work

Queensland Labor is responsible for the preparation and presentation of the election policy commitments, the assumptions used and policy costings.

Our engagement does not constitute either an audit or limited assurance engagement in accordance with AASB standards, we do not express any audit opinion or conclusion on the costings or the net impact of policy commitments.

We disclaim any assumption of responsibility for any reliance on this report for any purpose other than for which it was prepared.

Findings

Hall Chadwick QLD have conducted an analysis of the financial commitments as provided by Queensland Labor and the related expenditure and funding sources. We report that;

1. The policy costing models are mathematically accurate.
2. The estimated expenditure relating to policy commitments is supported by documented policy material prepared by Queensland Labor.

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3. The estimated net costs have been calculated in accordance with the supporting material.

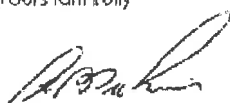
The underlying assumptions that form the basis of Queensland Labor's policy commitments are subject to uncertainties and contingencies that are often outside the control of Government. If the economic outlook and conditions and other events do not occur as assumed, the actual results may vary from that presented in 2020. We do not confirm or guarantee the achievement of the policy commitments, as future events, by their nature, are not capable of independent substantiation.

Independence or Disclosure of Interest

Hall Chadwick QLD has no financial interest or other interest that could reasonably be regarded as being capable of affecting its ability to give an unbiased opinion on the matters that are the subject of this report.

Hall Chadwick QLD is entitled to a fee for its professional services in preparing this report. The fee is not contingent on the conclusion, content or future use of the report.

Yours faithfully



Andrew Perkins

Director - Hall Chadwick QLD



FUNDING TABLE

Total new expense and capital measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Total new expense measures	632.05	462.86	449.13	670.93	2214.97
Total new capital measures	327.81	615.93	812.43	345.23	2101.39
Total	959.85	1078.79	1261.56	1016.16	4316.36
Funding sources	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Additional borrowing to support Queensland's Economic Recovery	643	1,079	1,262	1,016	4000
Queensland's Economic Recovery Plan unallocated funding	317				317
Total	960	1,079	1,262	1,016	4,317
Net Impact of Measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Total Net Impact	-0.50	0.00	0.00	-0.14	-0.64

Note: Totals may not add exactly due to rounding

Expense measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Growing a stronger more productive economy					
Backing Queensland Business Investment Fund	360.00			140.00	500.00
Manufacturing Trains Rollingstock Expansion Project	22.8	25.4	22.8	21	92
Works for Queensland		100.00	70.00	30.00	200.00
Small Business	12.50	19.90	7.60		40.00
Making it in Queensland: Building a Stronger Manufacturing Sector	10.01	16.00	12.50	2.00	40.51
Local Industry Attraction	22.50	2.50			25.00
Tourism Activation Fund	5.00	5.00	5.00	5.00	20.00
Events Boost	3.50	5.00	5.00	6.50	20.00
Marketing Fund		5.00	5.00	5.00	15.00
Regional Tourism Organisation Fund	15.00				15.00
Tourism Futures Study	1.00				1.00
Business Capability Program	1.00	1.00	1.00		3.00
Bundaberg Flood Levee		7.50	17.38	17.38	42.25
Cluster fencing & sheep industry grants		2.00	2.00		4.00
Queensland Recreational Fishing Grants programs	0.25	0.25	0.25	0.25	1.00
Biosecurity Grants	0.35	0.35	0.35	0.35	1.40
South East Queensland Community Stimulus Package		25.00	10.00	15.00	50.00
CopperString Implementation Agreement internal costs	1.60				1.60
Enhancing Local Government Biosecurity Capacity	0.23	0.225			0.45
Cairns Marine Precinct	10.00	20.00			30.00
DriveIT	10				10
Development of a sheep meat processing industry development strategy	0.25				0.25
Agricultural development opportunities in North West Queensland	0.25				0.25
Harrup Park grant payment	10				10
Hydrogen Industry Development Fund	2	4	3	1	10
Port of Bundaberg common user bulk storage and trail shipment facility	1				1
Back to Work in Agriculture Incentive Scheme Pilot	0.75				0.75
Wellcamp Regional Entertainment Precinct	40				40
Community Infrastructure Investment Partnership	4	8	3		15
Logan City Council - Digital Infrastructure and Connectivity Program	2.5				2.5
Big Rocks Weir grant to Charters Towers Regional Council	3				3
Water for horticulture		16.67	16.67	16.67	50.00



Expense measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Alma Bay to Horseshoe road grant to Council	3.00	4.00			7.00
Caloundra small business 'buy local' promotion	0.03				0.03
Skills and Education investing in Queenslanders the engine of our economy					
Equipping TAFE For Our Future		10.40		8.00	18.40
Homework Hubs in Queensland state schools	1.96	1.98	2.00	2.02	7.96
Wellbeing Workforce for Queensland state schools		13.96	31.22	54.82	100.00
Capital Assistance Supplementary Scheme for non-state schools		60.00	60.00	60.00	180.00
Health investing in Queenslanders the engine of our economy					
Rural and Regional Renal Program		6.10	6.18	6.18	18.46
Dakabin Family and Community Place	0.10	0.20	0.20	0.20	0.70
Yeronga Child and Youth Community Hub	0.10	0.20	0.20	0.20	0.70
Safe Secure Economic Recovery					
2025 Police personnel by 2025		18.85	98.59	207.55	324.99
Strengthen fire services	3.83	15.66	23.55	43.22	86.26
Better support for firefighters	3.55	3.68	3.77	3.87	14.87
Surf Life Saving Queensland	4.10	7.00	8.00	8.00	27.10
Safeguarding our Environment					
Great Barrier Reef Investment	2.00	2.90	4.25	4.25	13.40
Ecotourism and World Heritage	0.20	2.05	1.60	0.63	4.47
Qcoast	1.50	1.50			3.00
Flying Fox Research and Grants	0.50	0.50	0.50	0.50	2.00
Environmental Defenders Office	0.17	0.17	0.17		0.50
Water-Energy nexus challenges		0.18	0.18	0.18	0.53
NRMQ Project Planning Funding		0.50			0.50

Expense measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Supporting our Communities and Workers					
Emergency Support and Placement of Neighbourhood and Care Army Connect Workers	4.80	3.10			7.90
Queensland Government Strategy for Veterans	0.75	2.75	3.25	3.25	10.00
Supporting vulnerable populations to prevent domestic and family violence	1.50	1.50	1.50	1.50	6.00
Labour Hire Licencing	0.89	1.69	1.73	1.78	6.09
Response to work-related lung dust disease	0.63	1.46	1.46	1.46	5.00
Ballymore redevelopment	5.00	10.00			15.00
Sunshine Coast Stadium	5.00	15.00			20.00
Local Community Sporting Infrastructure	28.00	6.00	16.00		50.00
Funding to support a COVID-safe election	7.39				7.39
Men's Sheds	0.15	0.15	0.15		0.45
YAPs	0.5	0.5			1.00
Grant to Cairns Show Association	0.05				0.05
Allied Health and Wellbeing Centre	2.5	2.5			5.00
Sanitary products in schools program		0.45	0.6	0.7	1.75
Splash Parks Mareeba and Douglas Shire	3.00				3.00
Pioneer Valley Mountain Bike Trail in Mackay and surrounds	0.5				0.50
Donald Simpson Community Centre - seniors support	0.1				0.10
1300 SMILES Stadium feasibility	0.5				0.50
On demand public transport trial Gold Coast	1.31	0.655			1.97
Spring Hill Loop	1.00	1.00			2.00
Mount Louisa carpark	0.2				0.20
Townsville sailing	4				4.00
Townsville skate park	1				1.00
Scouts Rochedale	0.1				0.10
St Joseph's Primary Bardon playground	0.156				0.16
South Brisbane active transport	2.5	2.5	2.5	2.5	10.00
Total	632.05	462.86	449.13	670.93	2214.97

Note: Totals may not add exactly due to rounding

The overall funding to Surf Life Saving Queensland is \$36 million including existing funding of \$2.9 million in 2020-21 from an extension of the existing contract to 31 December and \$6 million in grants from a reallocation of existing funding to the Department of Housing and Public Works.



Over \$1 Billion

The commitment to additional health staff of 5,800 nurses, 1,500 doctors and 1,700 allied health professionals to September 2024 is to be funded from the existing Queensland Health Funding envelope subject to achieving the existing efficiency and productivity dividends set out in the agreement, consideration of funding in relation to operationalisation of health capital projects currently underway in annual budget processes, as well as the continuation of funding arrangements under the renewal of the Queensland Health funding agreement during the forward estimates period.

Funding for 475 additional Queensland ambulance operatives is provided for from existing funding subject to the continuation of existing funding / growth arrangements beyond 30 June 2023

Funding for the employment of 6,190 teachers and 1,139 teacher aides over the next four years is funded from the parameter growth model in the existing Department of Education budget.

Funding of \$21 million for the Free TAFE initiative for people under 25 across 26 priority Certificate III qualifications and Free Apprenticeships for people under 25 years across 139 priority qualifications was approved prior to and already factored into the borrowing position as detailed in the COVID-19 Fiscal and Economic Review.

Funding of \$18.4 million to 2022-23 for the Palliative Care Strategy is provided from the existing Queensland Health Budget allocations with further funding allocations to be confirmed during the 2021-22 budget process on an overall \$170.88 million funding package to 2025-26.

The Works for Queensland and South East Queensland Community Stimulus Package commitments totals \$600 million over six years with \$350 million committed beyond the forward estimates.

Funding of \$280 million for the Transport Infrastructure Development Scheme is funded out of the existing Queensland Transport and Roads Investment Program.

Funding of \$35.2 million over two years for Country Racing is being funded from a \$20 million allocation out of the Jobs and Regional Growth Fund and a \$15.2 million allocation out of the Building Acceleration Fund.

Funding of \$6 million for Surf Life Saving Infrastructure including \$2 million for the upgrade of the Currumbin Viking Nippers clubhouse is being met from existing Department of Housing and Public Works budget allocations.

The total funding for volunteer marine rescue includes existing operational funding of \$4.5 million per annum over four years. Funding of \$15 million to Council for an Eco-Parkland on the Southern Gold Coast is funded out of the Building Acceleration Fund.

Funding of \$3.5 million for the Holocaust museum is provided from the Building Acceleration Fund.

Additional funding of \$330,000 for Volunteer Marine Rescue is provided from the Jobs and Regional Growth Fund. Department of Education existing funding of \$141.74 million has been identified to fund Local Schools Local Jobs, Planning for New Schools, Expansion of Remote Kindergarten Program, Turn to Teaching, Security Fencing and Playground upgrades.

Capital measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Growing a stronger more productive economy					
Manufacturing Trains Rollingstock Expansion Project	124.33	94.34	234.33	5.00	458.00
Transport Economic Recovery Works Package	20.32	63.04	69.26	58.03	210.65
Cairns Western Arterial Road		5.00	15.00	15.00	35.00
Stuart Drive Stage 2		5.00	10.00	10.00	25.00
Queensland Renewable Energy Fund	125.00	125.00	125.00	125.00	500.00
Big Rocks Weir		9.00	9.00	9.00	27.00
Noise Barriers	5.00				5.00
Far North Queensland Film Studio	3.00	3.80			6.80
Skills and Education investing in Queenslanders the engine of our economy					
Equipping TAFE For Our Future		21.55	20.55	39.50	81.60
School halls program	2.00	60.00	100.00	73.00	235.00
Health investing in Queenslanders the engine of our economy					
Satellite Hospitals Program	1.60	129.10	134.30		265.00
Kirwan Health Campus expansion and refurbishment	0.50	9.50	25.00	5.00	40.00
Alcohol and Other Drug (AOD) Community Treatment Program	0.30	8.00	27.70		36.00
Rural and Regional Renal Program	9.32				9.32
Bundaberg Alcohol and Other Drug (AOD)	0.15	6.50	8.35		15.00
Mackay Community Mental Health Refurbishment	0.50	4.00	1.50		6.00
Proserpine Hospital Acute Primary Care Clinic upgrade		5.00			5.00
Sunshine Coast University Hospital (SCUH) Patient Access and Coordination Hub	0.15	4.85			5.00
Caloundra South New Ambulance Station	0.30	1.00	1.70		3.00
Varsity Lakes Day Hospital equipment	1.00				1.00
Rockhampton Hospital cardiac hybrid theatre	8.20	10.00			18.20
Townsville University Hospital Hybrid Theatre	0.30	6.70	10.00		17.00
Townsville University Hospital Upgrades	0.30	7.70			8.00
Dakabin Family and Community Place	1.00	7.06			8.06
Yeronga Child and Youth Community Hub	7.84				7.84
Rockhampton Hospital mental health ward expansion	0.15	2.00	3.85		6.00
Robina Hospital second CT scanner	5.65				5.65
Ipswich Hospital Upgrade	2.50	12.50	7.00		22.00



Capital measures	\$M	\$M	\$M	\$M	\$M
	2020-21	2021-22	2022-23	2023-24	Total
Safe Secure Economic Recovery					
Volunteer Marine Rescue		9.05	4.89	3.45	17.38
Rural Fire Brigade - Shelter and Appliance	0.50				0.50
Mount Cotton Fire Station	3.60	3.60			7.20
Safeguarding our Environment					
Great Barrier Reef Investment	2.30	1.45	2.00	0.75	6.50
Ecotourism and World Heritage		1.20	3.00	1.50	5.70
Daisy Hill Action Plan Stage 3	2.00				2.00
Total	327.81	615.93	812.43	345.23	2101.39

Note: Totals may not add exactly due to rounding

Funding for the Great Schools, Greater Future commitment are exclusive of GST consistent with the presentation in Budget Paper 3.

Total new health infrastructure funding totals \$478 million with the remainder of the \$889 million in commitments under the Economic Recovery Plan referring to funding approved prior to and already accounted for in the COVID-19 Fiscal and Economic Review borrowings. This includes: the 40-bed Secure Mental Health Rehabilitation Unit at the Gold Coast University Hospital, the Gold Coast University Hospital hybrid theatre from the existing Priority Capital Program in Queensland Health, the QEII Hospital 24-bed ward fit out from the \$1.2 billion commitment to health funding, the Redland Hospital Expansion – stage 1, the Cairns Emergency Department expansion, the Queensland Health Energy Efficiency Program, funding for land acquisition in Cairns, the Prince Charles Hospital multi-storey car park, the Cairns Hospital operating theatre and upgrades out of the Priority Capital Program in Queensland Health, the Rockhampton Hospital mental health building upgrade out of the Priority Capital Program in Queensland Health, the Central Queensland Essential Power Project out of the Priority Capital Program in Queensland Health, the Maryborough Hospital roof replacement out of the Priority Capital Program in Queensland Health, the Burdell new ambulance station out of existing Queensland Ambulance Service capital funding, the North Rockhampton replacement ambulance station out of existing Queensland Ambulance Service capital funding, the Morayfield new ambulance station out of existing Queensland Ambulance Service capital funding, the Petrie Lawnton replacement ambulance station out of existing Queensland Ambulance Service capital funding, funding towards the Caloundra South New Ambulance Station out of existing Queensland Ambulance Service capital funding, a new Ripley ambulance station out of existing Queensland Ambulance Service capital funding and funding of \$32.04 million for business cases from both existing resources and \$18.2 million of additional funding previously approved.

The redevelopment of the Browne Park stadium is provided from funding previously allocated to the South Rockhampton Flood Levee which has been cancelled by the proponent (Rockhampton Regional Council).

The \$35 million Bells Creek Arterial project is funded out of the existing Department of Transport and Main Roads budget allocation for transport and roads investment. Projects funded out of the annual Queensland Transport Roads and Investment Program are not split out in costings as they form part of the Queensland Government's \$51.8 billion four year infrastructure guarantee as outlined in the COVID-19 Fiscal and Economic Review.

\$30 million in additional funding for the Bruce Highway, and another \$30 million for the second Bruce Highway is funded from the Building Acceleration Fund over the forward estimates period. The Transport Economic Recovery Works Package includes an additional \$30 million for the Bruce Highway over the forward estimates period. The Transport Economic Recovery Works Package includes \$308.9 million of existing funding in addition to the funding outlined above and the following allocations over the forward estimates period: \$270.25 million for the Coomera Connector, \$82.4 million for the Centenary Bridge Upgrade, \$7 million for Nicklin Way and Third Avenue Extension Intersection Upgrade, \$10 million for the M1 Pacific Motorway - Exit 45, Mount Lindesay Highway: Johanna Street to South Street duplication \$10.6 million, Currumbin Creek Road - Bienvenue Drive intersection enhancement \$2 million, Riverway Drive Stage 2 \$19 million, Boundary Road, Coopers Plains, Open Level Crossing Treatment \$20.6 million, Park 'n' Ride Program \$27.5 million, State Matching for Federal Funding \$32.2 million, the Bruce Highway extra injection of \$30 million outlined above and \$8 million for M1 Daisy Hill to Logan to start construction.

Funding of \$22.5 million as a grant to Council towards a Riverwalk in South Brisbane is funded out of the Building Acceleration Fund.

Funding of \$4 million towards initial planning for a new Bribe Island Bridge is funded out of the Building Acceleration Fund.

Funding of \$25 million is provided for Cairns Western Arterial in 2024-25.

Funding of \$20 million is allocated to Stuart Drive in 2024-25.

Funding of \$12 million towards transport infrastructure to support the Lansdown Eco-Industrial Precinct Land is funded out of the Building Acceleration Fund.

Department of Education existing funding of \$141.74 million has been identified to fund Local Schools Local Jobs, Planning for New Schools, Expansion of Remote Kindergarten Program, Turn to Teaching, Security Fencing and Playground upgrades.

Additional funding of \$150 million is provided towards the Manufacturing Trains Rollingstock Expansion Project from capital underspends.



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