



## **MEDIA RELEASE: 2020-21 QUEENSLAND BUDGET**

### **TREASURER DELIVERS MEASURED INFRASTRUCTURE BUDGET UNDER CONSTRAINED BALANCE SHEET**

#### **FOR IMMEDIATE RELEASE – 1 DECEMBER 2020**

The Queensland Treasurer, Cameron Dick has delivered a welcome infrastructure funding boost in the 2020-21 State Budget, says industry think tank [Infrastructure Partnerships Australia](http://InfrastructurePartnershipsAustralia.com).

“The Queensland Government has delivered a measured lift in infrastructure funding under a constrained balance sheet and in the face of one of the worst economic downturns in a generation,” said Infrastructure Partnerships Australia, Chief Executive Adrian Dwyer.

“The Palaszczuk Government will allocate \$35 billion in general government expenditure to infrastructure over the next four years, an increase of around \$3 billion or 10 per cent compared to the previous Budget.

“Each month, \$730 million in general government funding for infrastructure projects is being delivered to support jobs and revive the Queensland economy.

“Infrastructure funding accounts for one fifth of the increase in general government expenditure in this year’s Budget.

“The Treasurer’s decision to draw down on debt to support the state’s economic recovery instead of turning to austerity is an appropriate fiscal response in these challenging circumstances.

“The Treasurer faces a long road ahead to return the Budget to a sustainable footing. To continue to sustain high levels of infrastructure spending, the Palaszczuk Government will need come back to the table on reform and continue their focus on fiscal repair in the years ahead.

“Without additional capital from asset recycling and wider reform, the state will remain fiscally hamstrung and be forced to limit spending on essential services and infrastructure that Queenslanders rely on,” Mr Dwyer said.

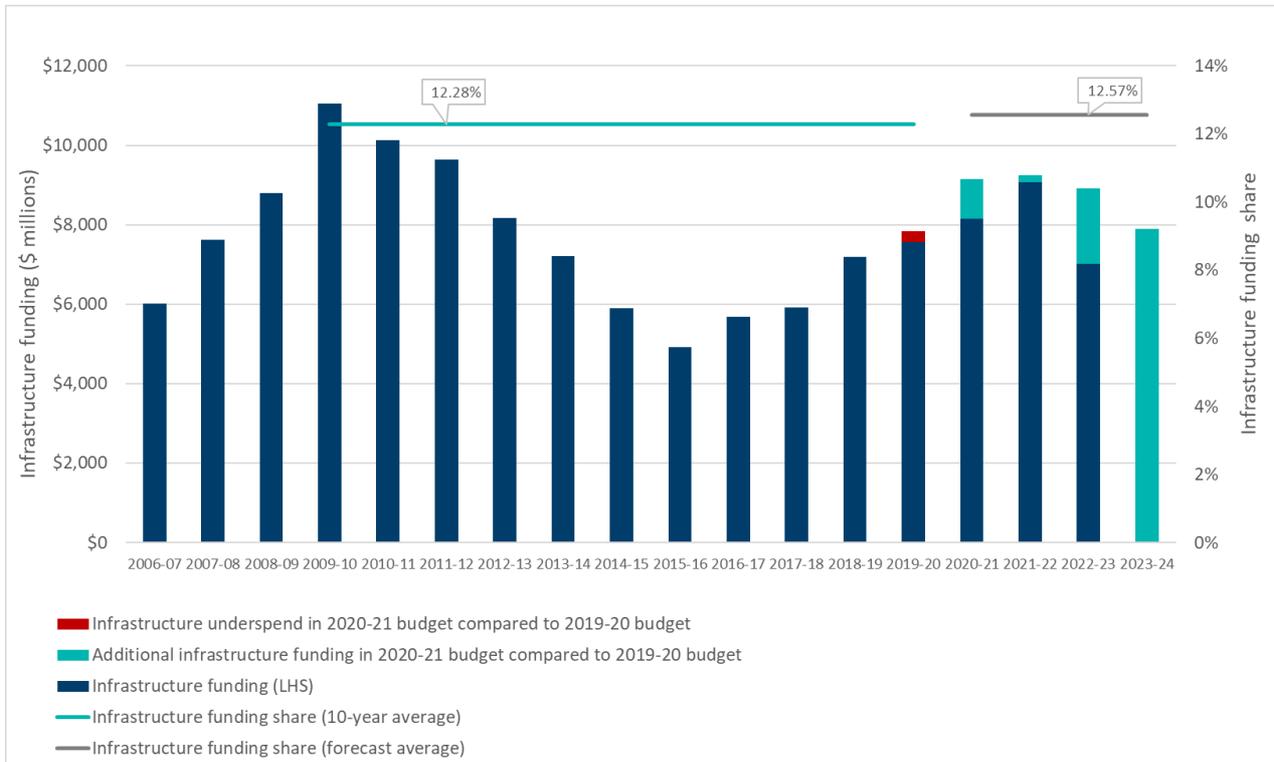
Infrastructure Partnerships Australia is the nation’s leading infrastructure think tank, providing independent policy research focused on excellence in social and economic infrastructure.

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**Figure 1: Queensland General Government infrastructure funding FY2006-07 to FY2023-24**



*Source: Infrastructure Partnerships Australia's analysis of 2020-21 Queensland Budget*

**Note:** Infrastructure Partnerships Australia's estimate for the total infrastructure spend is lower than the Queensland Government's claimed \$56 billion infrastructure program over four years.

That is because our estimates do not include spending by state-owned enterprises – such as energy generators and water utilities – for which capital spend is funded by user charges. Instead, our calculation is a tally of general government expenditure and acquisitions under financial leases.

This provides a sound basis for comparison, and appropriately isolates the analysis to infrastructure that is paid for by taxes rather than paid for at the point of use.

This approach is consistent with our analysis in other jurisdictions, but the discrepancy appears higher in Queensland due to the higher proportion of government-owned enterprises in the state.

