



*Cape Hillsborough, Mackay, Queensland.*



QUEENSLAND  
TREASURY  
CORPORATION

# Queensland



## QUEENSLAND

- AUD366 billion Gross State Product (GSP)<sup>1</sup>
- 3.7% real GSP annual growth rate<sup>2</sup>
- 5.3 million people<sup>3</sup>
- Rated AA+/Aa1/AA+

## AUSTRALIA

- AUD2,069 billion Gross Domestic Product (GDP)<sup>1</sup>
- 2.9% real GDP annual growth rate<sup>2</sup>
- 25.8 million people<sup>3</sup>
- Rated AAA by all major rating agencies

**Data sources:** Australian Bureau of Statistics, Bloomberg.

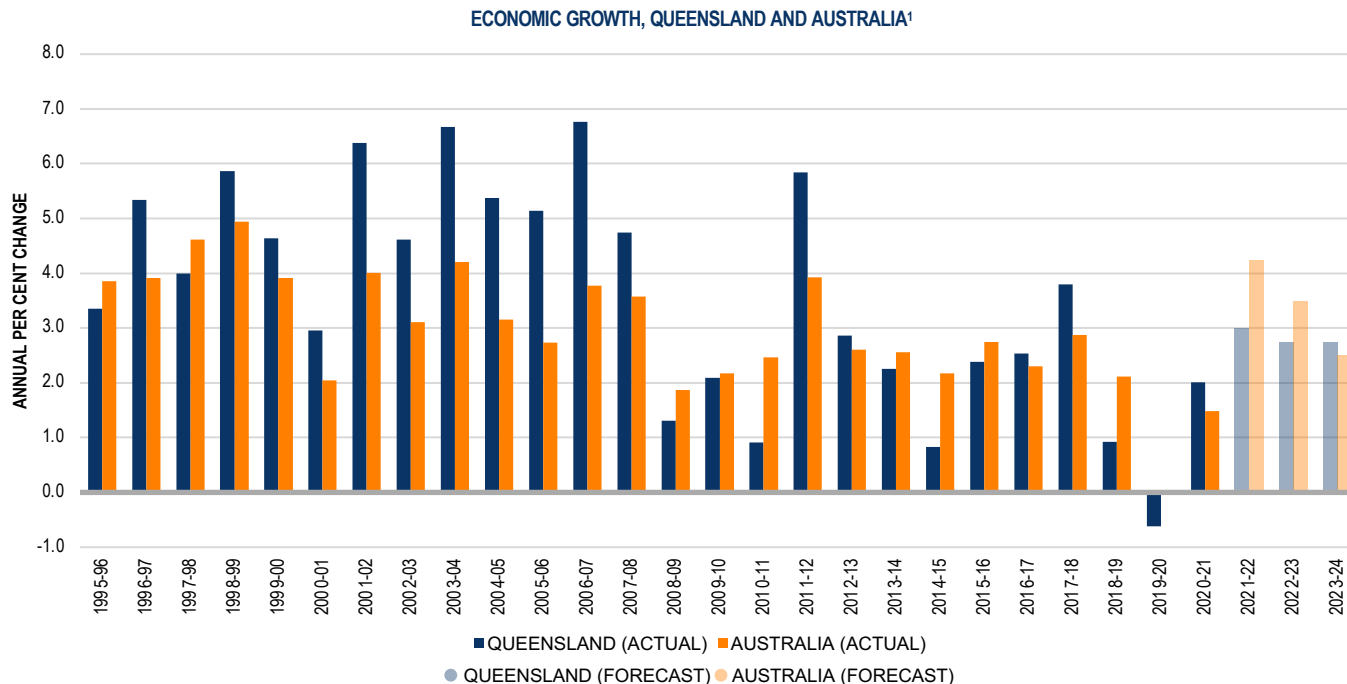
<sup>1</sup> Fiscal year 2021

<sup>2</sup> Long-run trend

<sup>3</sup> As at 31 December 2021

**Ratings:** Queensland and QTC are rated AA+/A-1+/Stable by S&P Global, Aa1/P-1/Stable by Moody's and AA+/F1+/Stable by Fitch. Australia is rated AAA/Stable by S&P Global, Aaa/Stable by Moody's and AAA/Stable by Fitch. As at 30 June 2022.

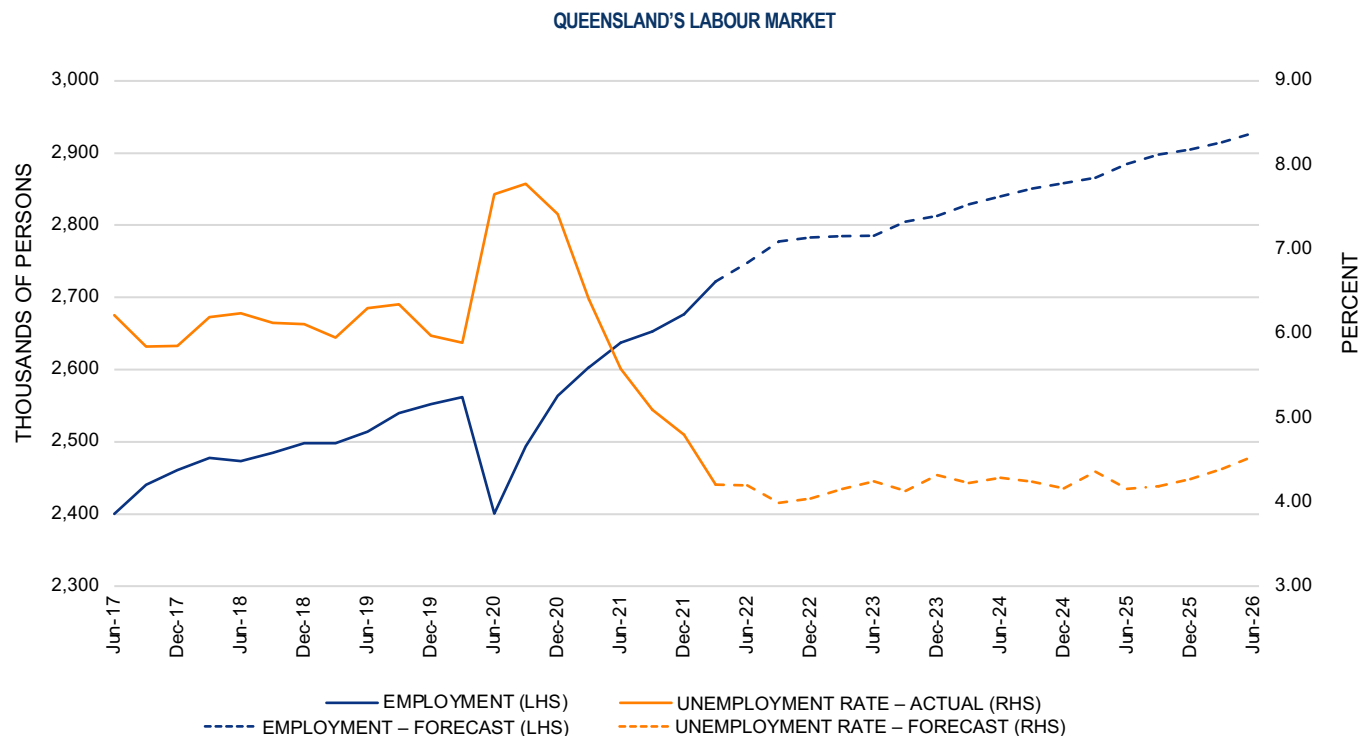
## Queensland's economic growth has generally been higher than Australia's



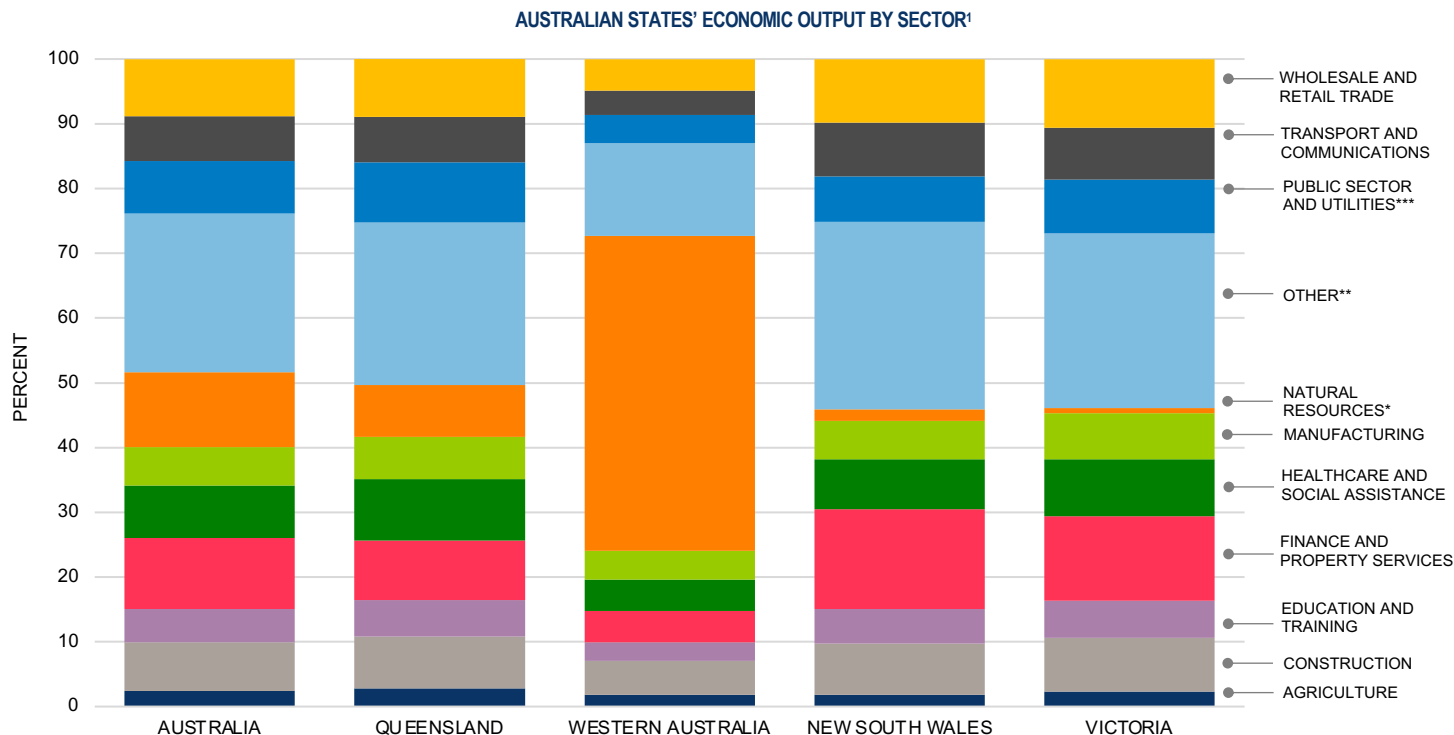
<sup>1</sup> Chain volume measure (CVM), 2019-20 reference year.

Data sources: ABS National Accounts, Australian Treasury and Queensland Government 2022-23 Budget.

## Employment growth back to pre-pandemic trend, unemployment rate to decline



## Diverse and resilient economy – industry split of output similar to Australia



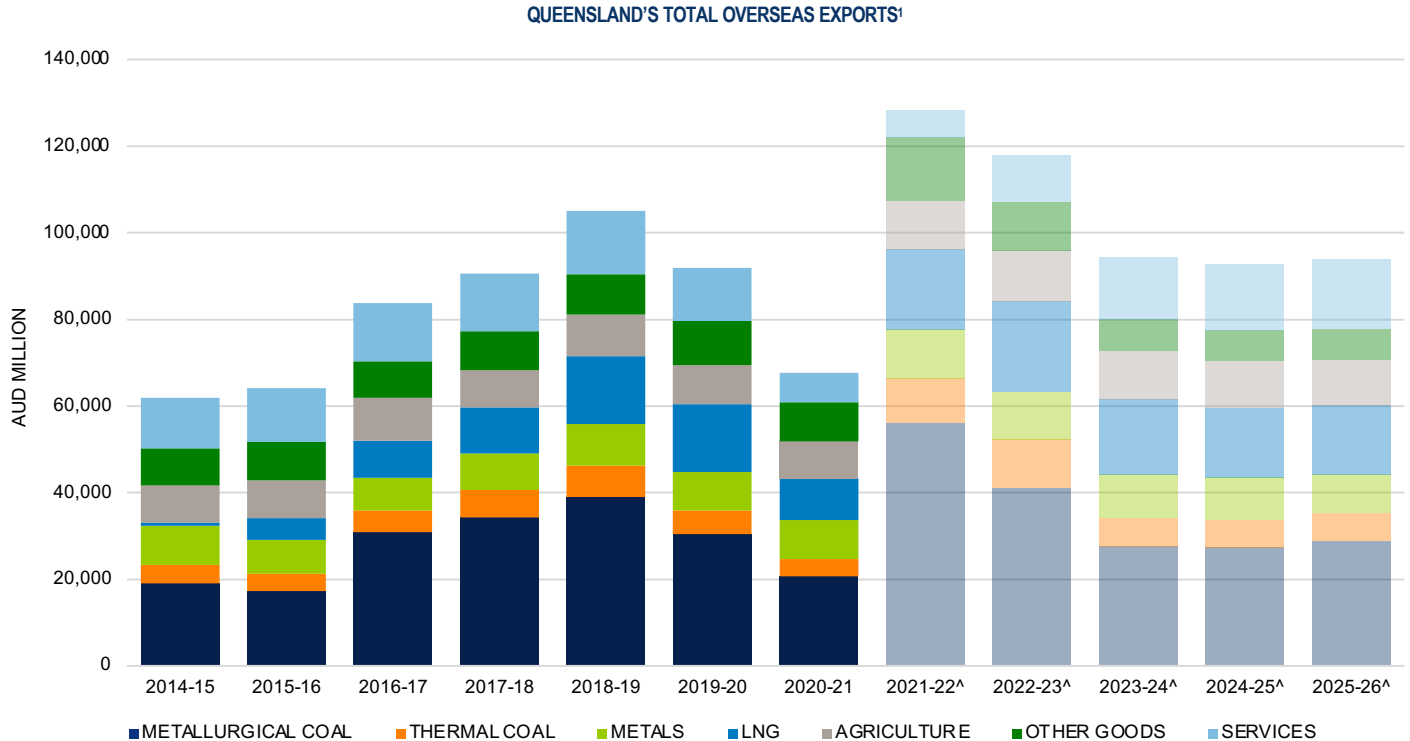
<sup>1</sup>2020-21, gross value added, current prices. \* Natural resources includes the extraction of naturally occurring mineral solids, such as coal and ores; liquid minerals, such as crude petroleum; and gases, such as natural gas.

\*\* Other includes: dwellings; professional, scientific and technical services; accommodation and food services; other services; administrative and support services; arts and recreation.

\*\*\* Public sector and utilities includes: public administration and safety; and electricity, gas, water, waste services.

Data source: ABS.

## Global turmoil has led to higher commodity prices and is forecast to continue to benefit the value of Queensland's commodity exports

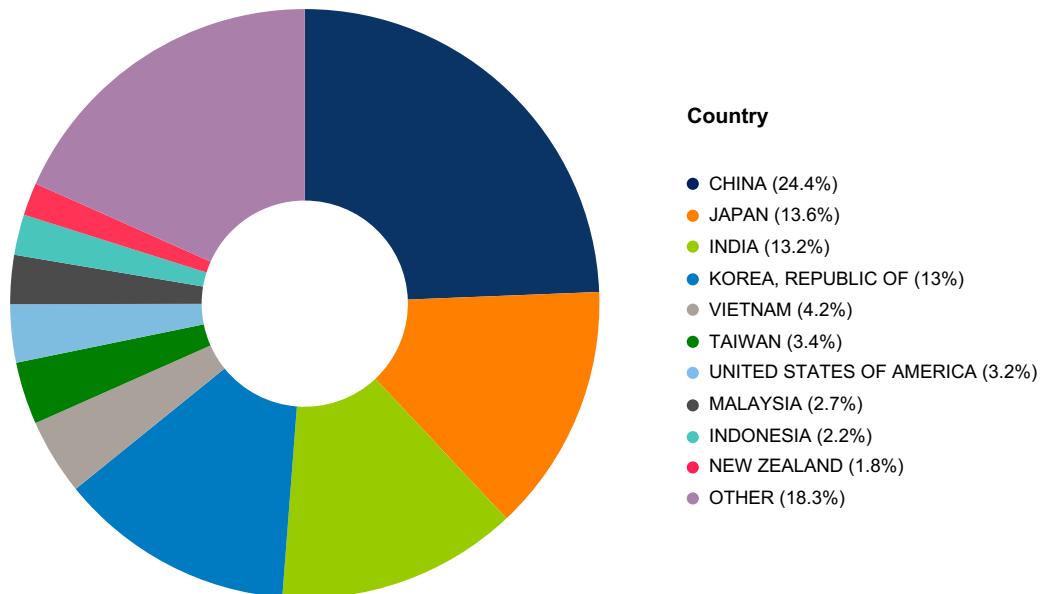


<sup>1</sup> Nominal terms. <sup>^</sup> Shaded areas represent forecasts.

Data sources: ABS, Queensland Treasury.

## More than three-quarters of goods exports go to the fast growing Asian region

QUEENSLAND'S GOODS EXPORTS BY COUNTRY<sup>1</sup>



<sup>1</sup> Share of total value of goods exports, per cent.

Data sources: ABS unpublished trade data for 2020-21, Queensland Treasury.

# Queensland has its own taxation powers and receives federal fiscal support

## The states' sources of revenue

- Australian states and territories (states) impose taxes, duties and charges in areas distinct from those where the Australian Government has authority. Examples of state taxes include payroll taxes, royalties, stamp duties and land taxes.
- The Australian Government provides explicit and predictable financial support to all states in the form of:

**General purpose payments** – ‘untied’ grants which are funded by the Goods and Services Tax (GST) revenue and are used for both recurrent and capital purposes.

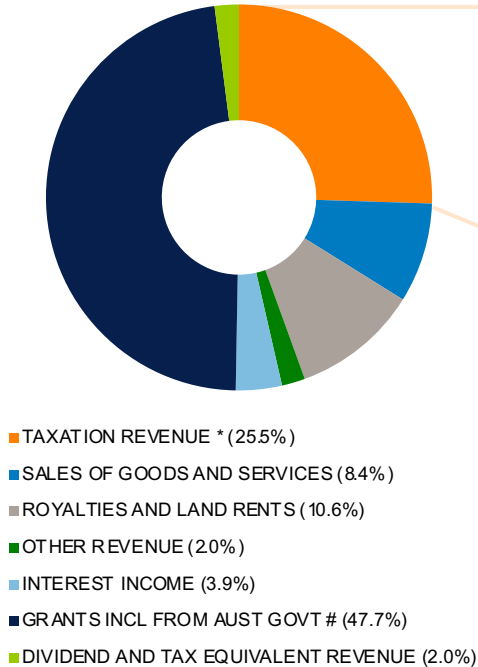
**Payments for specific purposes** – ‘tied’ grants to fund specific projects or programs in order to support service delivery and facilitate reforms.

The Australian Government's Disaster Recovery Funding Arrangements, which provide partial (up to 75 per cent) reimbursement for eligible costs incurred as a result of natural disasters, are also classified as a payment for specific purposes.

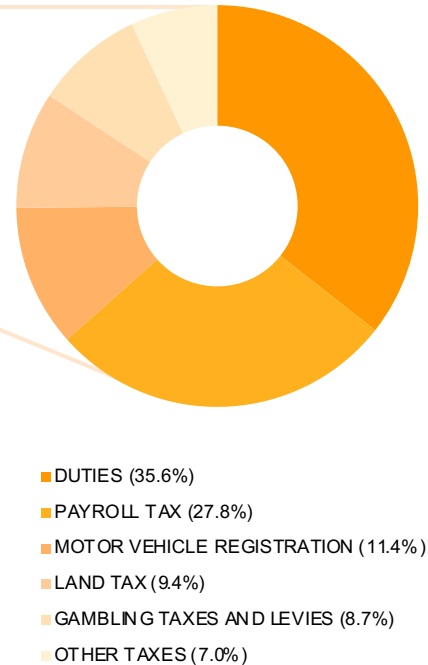


## Queensland has a diversified and stable revenue mix

**BUDGETED REVENUES  
2022-23: AUD73.9 BILLION**



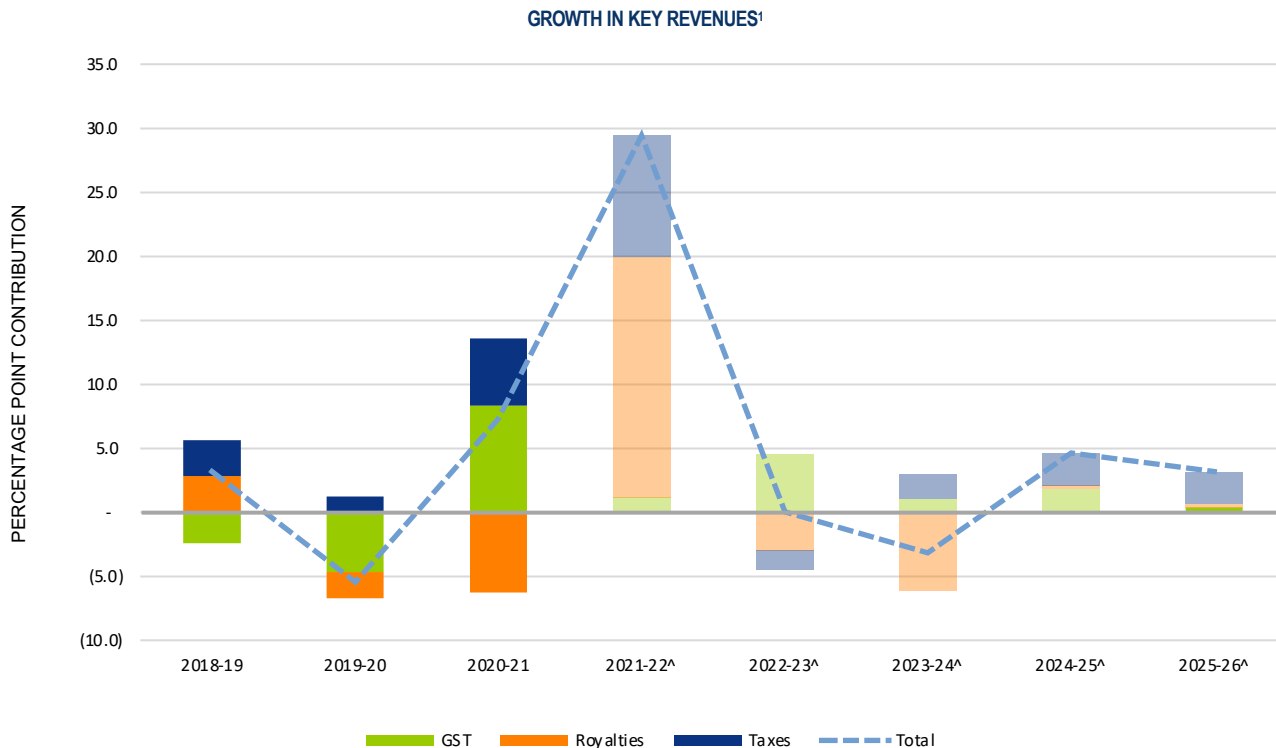
**BUDGETED TAXATION REVENUES  
2022-23: AUD18.8 BILLION**



\* This comprises the taxes and levies listed in the budgeted taxation revenues chart. # Grants from the Australian Government are almost evenly split between general and specific purpose payments. General purpose payments include GST revenue grants, are 'untied' and used for both recurrent and capital purposes. Specific purpose payments are 'tied' and used to fund specific projects or programs in order to support service delivery and facilitate reforms.

**Data source:** Queensland Government 2022-23 Budget.

## Queensland's budget position substantially improved in 2021–22 due to surge in coal and oil prices and stronger transfer duty

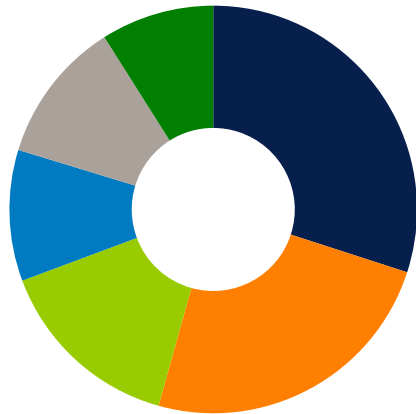


<sup>1</sup> Annual contribution to growth in key revenues. Total is the annual growth of the sum of the three categories. <sup>^</sup> Shaded areas represent forecasts.

**Data source:** Queensland Government 2022–23 Budget.

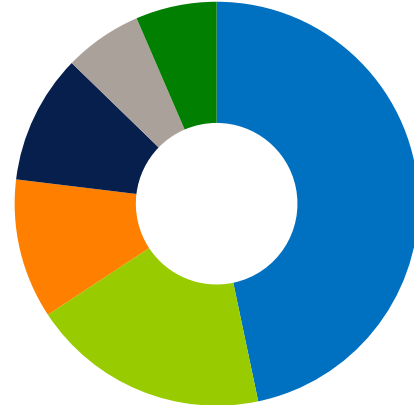
## Health and education are the State's major operating expenses, while transport infrastructure is the biggest area of focus in terms of capital expenditure

**GGS<sup>1</sup> BUDGETED OPERATING EXPENDITURE:  
2022–23: AUD74.9 BILLION**



- HEALTH (30.0%)
- EDUCATION (24.3%)
- ECONOMIC AND OTHER SERVICES\* (15.0%)
- TRANSPORT (10.4%)
- SOCIAL WELFARE, HOUSING AND OTHER COMMUNITY SERVICES (11.3%)
- PUBLIC ORDER AND SAFETY (9.0%)

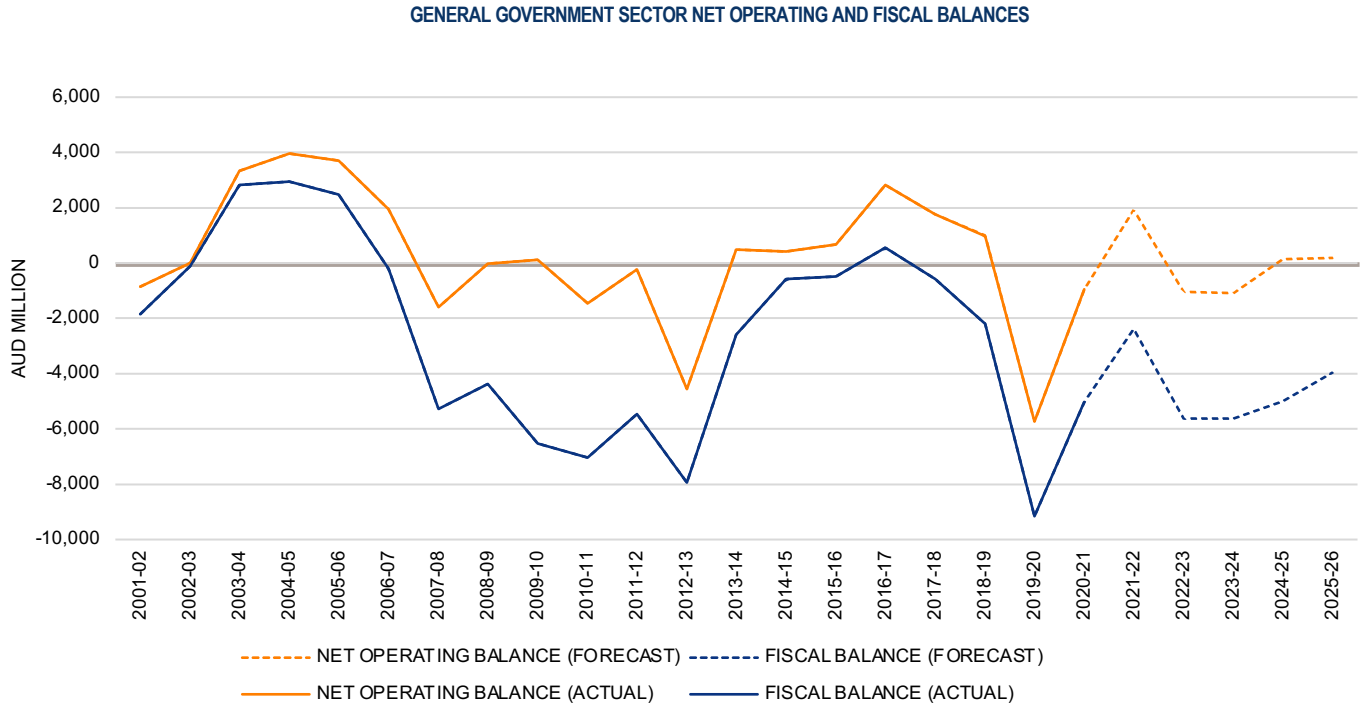
**NFPS<sup>2</sup> BUDGETED CAPITAL EXPENDITURE:  
2022–23: AUD11.8 BILLION**



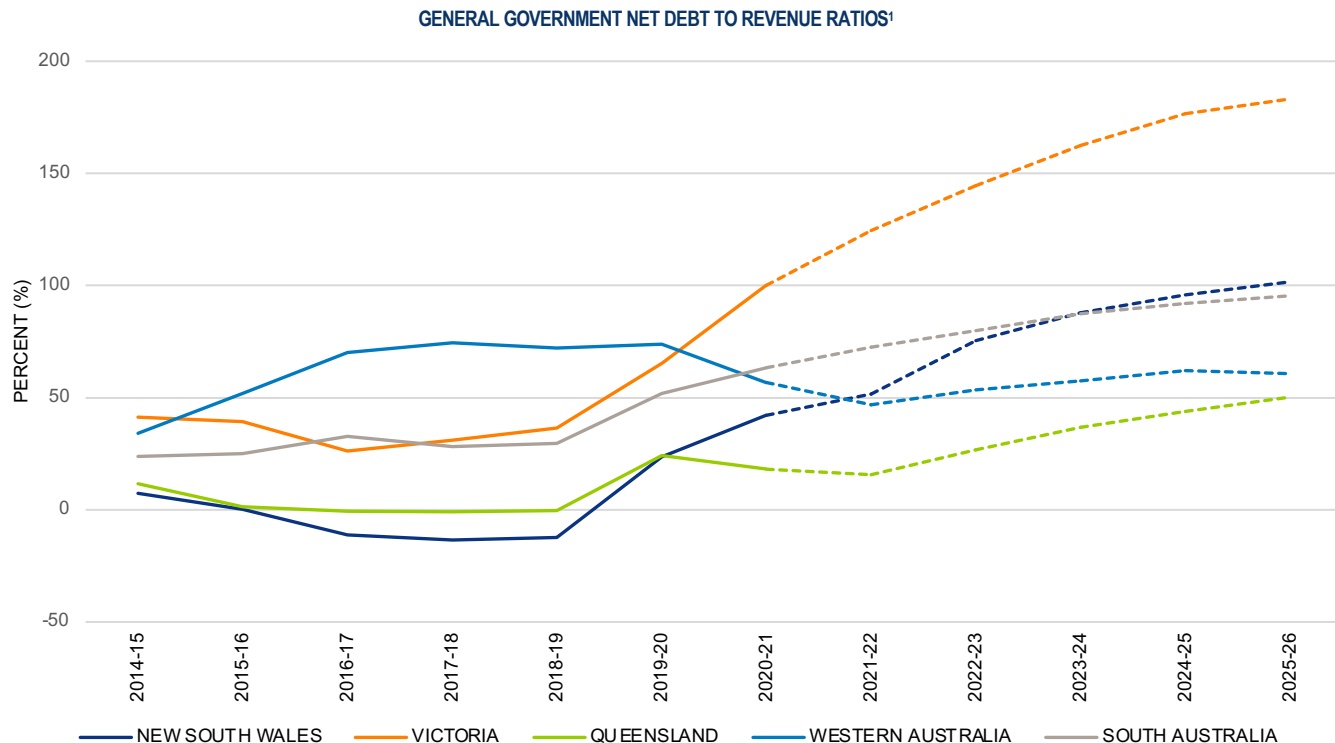
- TRANSPORT (46.7%)
- ECONOMIC AND OTHER SERVICES (19.0%)
- EDUCATION (11.2%)
- HEALTH (10.3%)
- SOCIAL WELFARE, HOUSING AND OTHER COMMUNITY SERVICES (6.3%)
- PUBLIC ORDER AND SAFETY (6.5%)

<sup>1</sup> GGS – general government sector. <sup>2</sup> NFPS – non-financial public sector. \* Mainly includes expenditures on economic services and those not classified elsewhere.

## GGS operating and fiscal balances have improved



## Queensland's debt levels relative to revenue are expected to remain below other jurisdictions over the forward estimates



Data source: 2022-23 Budget QLD, NSW, VIC, WA, SA, TAS, NT and 2021-22 Budget Update ACT.

Dotted lines represent forecasts. <sup>1</sup> ACT has not released 2025-26 budget forecasts.

# Queensland's commitment to positive Environmental, Social and Governance (ESG) outcomes



## ENVIRONMENTAL

- State target to reach zero net emissions by 2050
- Climate Action Plan 2030, including transition and adaptation initiatives



## SOCIAL

- Ongoing investment in health and education
- Targeted subsidies for social housing, public transport, energy and water
- Legislation and policies to support human rights and equal opportunities



## GOVERNANCE

- Strong system of government and political framework
- Strong financial management
- COVID-19 pandemic support initiatives



The [Queensland Sustainability Report 2021](#) provides information on current policy responses supporting the management of ESG focus areas and relevant reporting data for a broad range of ESG factors.

As of June 2022, the State of Queensland received an MSCI ESG Rating of AA, ESG Trend Negative. Certain information ©2022 MSCI ESG Research LLC. Data reproduced with permission from MSCI ESG Research LLC. No use or distribution without written consent. Data provided "as is" without any warranties. MSCI ESG Research LLC and affiliates assume no liability for or in connection with the data. Please see complete disclaimer and MSCI ESG Badge disclaimer in [www.qtc.com.au/queenslands-sustainability-initiatives/](http://www.qtc.com.au/queenslands-sustainability-initiatives/).

## Queensland's action on climate change



The Queensland Government has set targets for reducing emissions while creating jobs.

1. 50%<sup>1</sup> renewable energy target by 2030
2. 30% emissions reduction below 2005 levels by 2030
3. zero net emissions by 2050

The online [Climate Action Plan 2030](#) outlines the State's initiatives to reach its emissions and renewables targets, create jobs and drive economic recovery from COVID-19.

The plan builds on the Government's work-to-date, including two climate change strategies released in 2017—The Climate Transition Strategy and Climate Adaptation Strategy.

The [Queensland Climate Adaptation Strategy](#) provides a guide for Queensland to become more climate resilient and manage the risks associated with a changing climate.

<sup>1</sup> For the purposes of measuring performance against this target, the Queensland Government currently reports a measure of renewable energy generation in Queensland as a proportion of electricity consumption within Queensland (excluding exports). I.e. An estimate of the proportion of electricity consumed in Queensland that is generated from renewable sources.

## Summary of key points

### **The State of Queensland has:**

- a diverse and resilient economy
- a stable revenue stream in the form of grants it receives from the Australian Government
- State-owned assets that generate dividend payments
- a unique position with financial holdings greater than its superannuation obligations
- General Government debt levels relative to revenue that are less than other large states
- a commitment to positive ESG outcomes, and
- a rating of AA+/Stable/A-1+ by S&P Global; Aa1/Stable/P-1 by Moody's and AA+/F1+/Stable by Fitch.



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