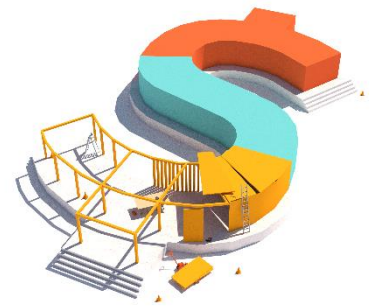


QUEENSLAND BUDGET ANALYSIS

2023 - 2024



Foreword

Over the past twelve months, the cost of living in Queensland has grown higher and higher, putting incredible pressure on Queenslanders, particularly those on low incomes. In 2022, QCOSS' Living Affordability Report found that of six model households, five were unable to afford a basic standard of living. All were in housing stress, spending more than 30 per cent of their income on housing.

This data has been supported by dire stories from our community services. Increasingly, services are handing out swags and tents, or paying for car registrations and repairs for Queenslanders unable to secure housing. Working families are requesting emergency relief, including food packages, and increasingly taking additional jobs to be able to afford the basics.

In this environment, the relief announced in the 2023 Queensland Budget was welcome and will help Queenslanders struggling with the cost of living. The \$1.48 billion package for electricity bill support, together with historic investment in generation and storage of renewable energy, are short- and long-term measures to support the transition to a decarbonised economy. QCOSS welcomes the Government's investment in energy efficiency measures, as a commitment to both reducing household costs and reducing emissions

Free universal kindergarten is another welcome investment in Queensland's future. During the first five years of a child's life their brain development creates the foundations for learning and development later in life. This makes universal access to early learning incredibly important. We look forward to this commitment being built on with further investment in programs and services for the most vulnerable children in our state.

This year's Queensland budget provided further evidence that the Queensland Government knows that addressing the root causes of crime is essential to keeping communities safe. The extension of the On Country Program in Cairns, Mount Isa and Townsville is welcome and will ensure the continued delivery of First Nations community-controlled responses to youth crime. It is clear that diverting young children from the justice system is a critical element of ensuring community safety in the long run and further investment is required to ensure children under the age of 14 receive a service-based, rather than criminal justice, response to problematic behaviour.

The Queensland Government has made a significant investment in housing, with \$4.9 billion now dedicated to delivering social and affordable housing over the next four years. While this is a substantial level of investment and signals the Government's commitment to solving Queensland's housing crisis, it remains an inadequate amount of funding to meet the current level of need across Queensland.

Without a comprehensive plan to put a roof over the head of every Queenslanders, the housing crisis will continue to get worse. QCOSS, together with our Town of Nowhere partners, will continue to call for a comprehensive, whole-of-government plan that expands social and affordable rental stock by 11,000 dwellings annually. Social housing must be delivered across Queensland according to need – identified through transparent modelling based on reliable data.

QCOSS supports the Queensland Government's commitment to improving the economic security of our state's women. QCOSS applauds the Government for taking steps to apply gender responsive budgeting and looks forward to seeing this work continue, including in relation to procurement practices.

At times of economic insecurity, it is even more important to ensure a strong social safety net, delivered by a sustainable and thriving community sector. QCOSS welcomes the variety of budget measures that aim to support local community services and their workforces. However, a transparent and appropriate model to calculate indexation of funding is essential and remains outstanding.

With only 500 days until the 2024 Queensland election, now is the time for the community service sector to push for the systemic changes our state needs to deliver equality, opportunity and wellbeing for every Queenslanders. QCOSS will be advocating for a strong community services sector, backed by long-term contracts and fit-for-purpose indexation. We will be seeking economic settings that support meaningful, well-paid jobs, particularly for women. We will be calling for services for families, so that children and young people can have the support they require for a strong start in life. Finally, we will be working towards an ambitious, comprehensive and targeted plan that will put a roof over the head of every Queenslanders by 2032.



Reducing cost of living pressures and addressing disadvantage

The rising cost of living has resulted in a significant burden on Queenslanders. The Queensland Government's substantial investments into cost of living relief will help Queenslanders struggling with affordability.

Significant new initiatives

- **A record \$8.224 billion** in total concessions funding in 2023–24, an increase of 21 per cent from 2022–23. This includes **\$1.617 billion in new and expanded cost of living relief**.
- **\$1.483 billion of additional electricity bill support** to households and small businesses facing cost of living pressures:
 - all Queensland households will automatically receive a \$550 Cost of Living Rebate on their electricity bill in 2023–24.
 - around 600,000 vulnerable households will benefit from a higher \$700 Cost of Living Rebate.
 - approximately 205,000 small businesses will also receive a \$650 rebate to assist with the higher cost of electricity.
- **\$60 million** over two years to deliver energy efficiency measures to keep costs down for households, enabling more choice and **greater energy equity**.
- Additional funding of **\$10 million over 2 years** to deliver a range of **energy bill savings initiatives**, by providing energy efficiency advice, assessments and including installing smart, innovative products to reduce power bills.
- Additional funding of up to **\$5 million for public information to advise and assist households** to access significant energy bill relief, along with other energy programs and concessions.
- \$14.5 million to deliver the Queensland Business Energy Saving and Transformation Program to support businesses in Queensland to reduce their electricity bills.
- Additional funding of **\$43.8 million over 4 years** to support implementation of the **Queensland Energy and Jobs Plan and to deliver energy transformation** including electricity modelling, SuperGrid Blueprint updates and community engagement.
- **\$645 million** over 4 years from 2023–24 to provide **15 hours per week of free kindergarten** from January 2024 for all Queensland children.
- Increased funding of \$2.7 million over 2 years to **expand school breakfast programs** delivered by non-government organisations in areas experiencing hardship.
- Increased funding of \$4.8 million for the provision of **swimming lessons to the value of \$150** for 0- to 4-year-olds who meet the criteria.
- The Government is providing increased funding of **\$7.6 million to extend and expand food and emergency relief** throughout Queensland.

Analysis

Over the past 12 months, Queenslanders on low incomes have been under intense financial pressure. The Queensland Government has responded to this pressure with a comprehensive cost of living package, including significant bill relief and subsidies for government services.

The Government's historic and long-term investment in the generation and storage of renewable energy will also contribute to bringing power prices down in the future.

Rising energy bills are disproportionately impacting vulnerable households. In 2023-24, energy bill support available to Queenslanders will be the highest in the nation. All Queensland households will receive a \$550 cost of living rebate. Additional supports will be available to eligible vulnerable households, who may receive over \$1,000 off their energy bills.

QCOSS welcomes the additional \$60 million for household energy initiatives designed to deliver efficiency measures. A *Queensland Savers* website will also be launched to educate Queenslanders on the energy and utility savings they are eligible for. The *Vulnerable Households Energy Advice Initiatives* will deliver energy efficiency measures to keep household energy costs down.

QCOSS' 2022 Living Affordability in Queensland report found that of six model households, five were unable to afford a basic standard of living. These households face high levels of deprivation and are highly vulnerable to financial shocks and indebtedness. A number of these households were also likely to experience deficits with food and nutrition as they may not have sufficient income to meet diet preferences and standards. QCOSS welcomes the expansion of food and emergency relief to reduce cost of living pressures.

Funding for free universal kindergarten is also a welcome initiative to support cost of living pressures. This will also support labour market participation and improve access to early learning and educational outcomes.

Funding for specific programs to reduce growing digital disadvantage among Queenslanders and those located in remote and regional areas is not reflected in the budget.

Supporting local community services

Queensland's community services sector is part of the largest employer group in Queensland and a key contributor to the economic and social fabric of Queensland. It is vital that the Queensland Government work collaboratively with community organisations to ensure that frontline services are adequately funded to meet growing demand.

Significant new initiatives

- \$17.6 million over 4 years, and \$4.6 million per annum ongoing to provide specialist disability supports to adult clients ineligible for the National Disability Insurance Scheme.
- \$2.9 million over 4 years, and \$521,000 per annum ongoing, to continue to strengthen the Human Services Quality Framework as the core cross-government quality system for outsourced human service delivery.
- \$50 million over 2 years for a grant program to PCYC to facilitate infrastructure development in priority locations; improving frontline social program delivery and intervention initiatives targeting youth offending and recidivism, and victimisation.
- \$2.6 million to support delivery of the Yeronga Community Centre as part of the Parkside Yeronga Masterplan.
- \$4.7 million over 4 years, and \$1.2 million per annum ongoing, for multicultural projects that engage people from culturally diverse backgrounds and the wider community contributing to building a united, harmonious and inclusive Queensland.
- \$935,000 for the delivery of the Trinity Beach Community Activity Space to create a space for residents to connect, gather, learn, share and play, subject to matched funding from Cairns Regional Council.
- \$672,000 over 2 years to support the Queensland Coronial Legal Service in the provision of legal assistance to bereaved families involved in coronial processes.
- Additional funding of \$58.3 million over 4 years to address gaps in **domestic, family and sexual violence service provision** and to meet increased demand in the sector.
- \$16.3 million over 4 years and \$4.3 million ongoing, for a range of **measures to support and engage with carers and older Queenslanders**.

Analysis

The NGO indexation rate was approved at 3.88 per cent in the 2022–23 Budget Update. However, the costs of delivering community services are increasing and the recent wage increase announced by the Fair Work Commission was 5.75 per cent. Together with the increase to the Superannuation Guarantee, this places community service organisations under significant financial stress. As per the findings of the [Queensland's Cost Indexation for Government Purchasing of Human Services](#) report, the current approach to calculating indexation is not appropriate. QCOSS recommends that the Queensland Government embrace a transparent and appropriate model to calculate indexation, that recognises increasing costs. In 2022-23, QCOSS supported Queensland Treasury in completing a review of the NGO indexation methodology. We look forward to an ongoing partnership to ensure a revised NGO indexation for 2023-24 is appropriate and provided to Queensland community services in a timely manner.

Although not noted above, funding for trauma-informed domestic and family violence training (\$21.6 million over four years) to the frontline health workforce across Queensland is a crucial step in building the capacity of frontline staff to respond to the needs of service users. However, it is uncertain whether the frontline health workforce will include community sector workers. When implementing significant whole-of-government reform, the Queensland Government must consider and appropriately resource the frontline community sector workforce to enable true system reform and improve outcomes for Queenslanders. Further, the Queensland Government has once again missed an opportunity to invest in training and support for community organisations to embed the *Human Rights Act 2019* into practice. Such an investment would support the community sector to build capacity to enable more effective decision-making in a human rights respecting culture.

QCOSS welcomes the additional funding to support the Queensland Coronial Legal Service in the provision of legal assistance to bereaved families involved in coronial processes. However, the budget does not include further investment into Community Legal Centres (CLCs). With the introduction of the *Human Rights Act 2019*, demand for advocacy support related to human rights has increased. CLCs have reported that they have had to turn away over 80,000 people seeking support due to a lack of resourcing. Further investment into Community Legal Centres (CLCs) is required so that all Queenslanders have access to the necessary support and advocacy they need to adequately assert their human rights.

Ending Queensland's housing crisis

The 2023-24 Queensland Budget includes significant additional funding directed toward addressing Queensland's housing crisis.

Significant new initiatives

- Since the 2022-23 budget update, an increase of **\$802.8 million** over 5 years to deliver housing commencement targets under the Housing and Homelessness Action Plan across Queensland. This includes:
 - **\$24.7 million** over 4 years to maintain head leased social housing homes
 - **\$1.5 million** in expense measures to maintain existing social housing dwellings.
- **\$49.8 million** over 2 years to purchase and lease accommodation complexes for emergency accommodation in inner Brisbane combined with **\$14.5 million** over 5 years in expense measures for this initiative. **\$3 million** has been committed per annum from 2026-27 for these properties.
- **\$322.2 million** over 4 years commencing 2023–24 to expand the QuickStarts Queensland program targets by a further **500 new social housing dwelling** commencements with an ongoing commitment of **\$2 million** per annum.
- **\$5.4 million** in 2023-24 to continue delivery of frontline housing and homelessness services.
- Extension of the Immediate Housing Response Fund from the initial **\$12 million** in 2022-23 with an additional **\$32 million** over two years to support vulnerable families into crisis accommodation.
- **\$32 million** over 2 years to deliver the Housing with Support Initiative. This funding is allocated to operational services including 3 accommodation sites, 5 youth shelters, and specialist mobile support services across 13 locations. This is being delivered in combination with an additional **\$5 million** for emergency temporary accommodation.
- **\$51.3 million** over 4 years for the *Aboriginal & Torres Strait Islander Housing Action Plan (2024-2027)* with a focus on progressing Closing the Gap initiatives, enhancing culturally safe services and delivering innovative housing supply solutions.
- **\$23.5 million** in expense measures over 4 years support the delivery of the Housing Investment Fund initiatives through activities including contract management. An additional ongoing commitment of **\$6.3 million** per annum from 2027-28 has been allocated to these activities.
- **\$2 million** has been committed to BestLife Incorporated to deliver the Helena's Housing Project to support the safe transition of young people with a disability from the family home to a living solution of their choice.

Analysis

The 2023-24 budget includes a significant increase in funding for social housing through the Department of Housing and funding for commitments announced in connection with the Queensland Government's Housing Summit and Housing Roundtable.

The Housing with Support Initiative can deliver a much-needed boost to community services supporting vulnerable Queenslanders. This should be delivered within a supportive housing

framework to ensure there is place-based support to sustain outcomes within local communities. Additional funding to enhance services in youth shelters and increase mobile support is a positive announcement, however this must be prioritised to increase the supply of specialist youth housing and deliver ongoing increased funding for specialist youth homelessness services. The investment in frontline specialist homelessness services is welcomed but falls short of the 20 per cent increase required to meet the sustained increased demand on these vital supports.

The commitment to fund the *Aboriginal & Torres Strait Islander Housing Action Plan (2024-2027)* is welcomed to ensure that First Nations communities in Queensland receive co-designed initiatives delivered in a culturally safe approach. The investments into existing and new social and affordable housing must be a priority, especially for regional and remote communities.

Investments into short-term accommodation solutions are welcomed to support the community services sector to provide immediate relief to people experiencing, or at risk of homelessness. The funding to purchase and operate emergency accommodation sites in Brisbane and the continuation of the Immediate Housing Response Fund will provide emergency relief for individuals and families experiencing homelessness. However, investment is required across Queensland and should not be concentrated in Brisbane.

The total capital program for 2023-24 is 67 per cent higher than the 2022-23 housing capital program budget. However, this primarily includes increases in funding to meet existing supply targets for social and affordable housing to address increases in construction costs and does not meaningfully increase development targets to meet the needs of 300,000 Queenslanders with unmet housing needs.¹

The increased funding allocated to the QuickStarts initiative includes an increase of 500 dwellings to be commenced by 30 June 2025, with the total delivery target for this program now being 3,265 dwellings by 30 June 2025.²

No additional investment was made in the Housing Investment Fund (HIF). The HIF has the potential to encourage greater private and community sector participation in funding, delivering and managing social and affordable housing in Queensland. It is important this potential is realised, including through additional investment in the fund.

QCOSS welcomes the introduction of a new service delivery target regarding sustained tenancies to measure the impact that Department of Housing products have on preventing new households from experiencing homelessness. In 2022-23, the Queensland Government extended annual targets for the average wait time for people on the social housing register from 8 months to 12 months. This raised target was exceeded in the last financial year, one of many indicators highlighting that the housing system is experiencing unprecedented pressure and that accelerated delivery of housing supply is required at scale.

¹ Pawson et al. (2023). A blueprint to tackle Queensland's housing crisis. UNSW City Future Research Centre.

² Queensland Government. 2023. Budget Measures 2023-24. https://budget.qld.gov.au/files/Budget_2023-24_BP4_Budget_Measures.pdf

Advancing gender equality

Genuine change to gender equality can be achieved through comprehensive and mindful engagement with policy, reform and investment. QCOSS welcomes the clear steps taken forward in relation to gender responsive budgeting.

Significant new initiatives

- \$225 million over five years, to support the **response to the second report of the Women's Safety and Justice Taskforce**. This includes:
 - additional funding for women and girls in the criminal justice system to support reintegration into their community, including housing support (\$7.8 million); funding to improve women and girls' experiences of the legal and court system (\$5.8 million); increased funding in relation to women and girls' experiences in watchhouses, on remand, and when applying for bail; and funding to support health, wellbeing, prenatal and postnatal care and birth experiences in prison and detention
 - additional funding to support victim-survivors through their criminal justice journey (\$12.6 million), which includes establishing a Victims' Commissioner; additional funding to support implementation of a primary prevention-focused community education campaign (\$2.5 million); and additional funding to improve the safety and experience of victim-survivors in trials for sexual offences (\$7.4 million).
- Further support for other **health and wellbeing initiatives**, including \$42 million over 4 years for continued support in relation to maternity birthing services in regional and rural locations and strengthening outreach obstetric and gynaecology services.
- Additional funding of \$58.3 million over 4 years to address gaps in **domestic, family and sexual violence service provision** and to meet increased demand in the sector.
- A range of **economic security measures**, including:
 - additional funding to support women undertaking a trade apprenticeship and provide them with a network to improve retention and completion rates (\$4.6 million); additional funding to support the Future for Women – Jobs Academy program (\$3.2 million); additional funding for the Women in Network grant program (\$2.8 million); and further funding to expand on the pilot of the Female Founders Co-Investment fund and the existing Accelerating Female Founders program (\$5 million)
 - this is paired with additional funding of \$533,000 for the Fresh Start For Me program; and an additional \$200,000 over two years for implementation of Women's Economic Security initiatives led by the Office for Women.
- Substantial **support for the health workforce, which is highly feminised** through the Workforce Attraction Incentive Scheme; and an additional \$22 million over four years to provide a cost of living allowance to support student nurses and midwives to undertake placements in rural and regional parts of the state.

Analysis

The gender pay-gap in Queensland is the second worst of all states and territories in Australia. Other widespread and systemic barriers, along with economic insecurity, impede the realisation of

gender equality. Increased funding, along with substantial law and policy reform, to further support Queensland's women and girls is vital.

Last year, QCOSS called on the Queensland Government to enhance approaches to gender responsive budgeting (GRB) and ensure gender impacts are considered in government policy and decision-making. In line with commitments under the *Queensland Women's Strategy 2022-27* (QWS), the Queensland Government has expanded its engagement with GRB. Bids in this year's budget were assessed against the impact areas of the QWS. Notably, this process resulted in additional measures aimed to address women's economic security.

Further to this, the continued engagement with recommendations from the Women's Safety and Justice Taskforce are once again considerable and demonstrate genuine engagement in that area. Support for free kindergarten for all four-year-old children will enable more women to increase their participation in the workforce and also provide vital cost of living relief for families. Increased support for domestic, family and sexual violence services is welcome but more investment is required to prevent violence against women and children and to ensure demand for services can be met as our population continues to grow.

The *Women's Budget Statement* acknowledges that this budget reflects the start of enhanced GRB in Queensland. QCOSS applauds these initial steps and looks forward to further developments in the future. Increased engagement with GRB should expand current budgeting mechanisms; increase government staff awareness and understanding of GRB; increase gender analysis in relation to key economic indicators; assist to apply a gender lens to all government spending; increase the approach to applying an intersectional lens into policy impact analysis; and expand investment in data collection for people whose experiences are not fully captured by existing data provisions.

Many of the budget's substantial funding initiatives also represent significant opportunities for the Queensland Government to engage more deeply with gender responsive procurement (GRP). QCOSS recommends that the Queensland Government embed GRP more explicitly within the *Queensland Procurement Policy* and within key procurement activities.

Giving all children a good start

When children and families are properly supported, they thrive. Early intervention and support for families and young children (0 to 5 years old) prevents or reduces the exposure of children to adverse childhood experiences. This support helps children and families to recover and gives all children a good start.

Significant new initiatives

- \$645 million over 4 years to provide 15 hours per week of **free kindergarten** from January 2024 for all 4 year old Queensland children.
- Increased funding of \$2.7 million over 2 years to **expand school breakfast programs** delivered by non-government organisations in areas experiencing hardship.
- Increased funding of \$4.8 million for the provision of **swimming lessons to the value of \$150** for 0- to 4-year-olds who meet the criteria.
- A total of \$16.2 million over four years to **support at-risk children and young people to access the National Disability Insurance Scheme (NDIS)** until December 2024.
- Additional funding of \$167.2 million over four years to **reduce the over-representation of Aboriginal and Torres Strait Islander children in the child protection system.**
- Increased funding of \$107.8 million over four years to **expand the delegation of statutory authority for First Nations children** in the child protection system.
- \$48.5 million over three years for the delivery of **early intervention services through Family and Child Connect.**
- \$25.2 million over 4 years and \$6.5 million ongoing from 2027-28 to support targets to increase the number of children in kinship care and decrease the number of children in residential care.
- Increased funding of \$48.5 million over 3 years to continue to **help families to navigate the child and family support system** and connect them to appropriate supports.

Analysis

This budget demonstrates a commitment to supporting families and young children. QCOSS welcomes the announcement of \$645 million for free kindergarten from 2024. This will provide free kindergarten to more than 50,000 Queensland children for 15 hours per week, providing educational benefits, financial relief for families and employment opportunities for parents and guardians.

QCOSS welcomes the increased funding to expand school breakfast programs for children in areas experiencing hardship. Likewise the investment for provision of swimming lessons for families experiencing financial hardship is welcomed.

The Queensland Government has an opportunity to build upon the positive investment in families and children by funding place-based child and family hubs. These hubs would provide holistic support, enhance health and wellbeing and provide parenting support.

QCOSS welcomes the additional funding to reduce the over-representation of Aboriginal and Torres Strait Islander children in the child protection system with increased support for expansion of delegated authority for First Nations children and funding to increase kinship care.

Investing in Queensland's youth services

The Queensland government has a responsibility to keep all communities safe by investing in evidence based, trauma informed, culturally safe, programs to respond to the root causes of problematic behaviour. A comprehensive service system response to early intervention is needed to divert all children younger than 14 from the criminal justice system.

Significant new initiatives

- Increased funding of \$29.4 million over 4 years for **place-based diversionary responses**, including after-hours support, cultural mentoring, bridging to flexi-school and case management, and alternative opportunities and activities for at-risk young people.
- Additional funding of \$5 million over 4 years to establish **community-led, place-based justice reinvestment initiatives**.
- Increased funding of \$5 million over 2 years to empower communities to develop **local solutions to youth crime issues**.
- Increased funding of \$4.2 million over 2 years for **On Country Program** in Cairns, Mount Isa and Townsville.
- \$4.2 million for **Street University** in Townsville.
- Total increased funding of \$5.1 million over 3 years to expand the **Early Action Group** already operating in Townsville, Cairns and Mount Isa.
- \$30.1 million over 4 years to extend and expand **Intensive Case Management**.
- Total increased funding of \$96.2 million over 4 years for **Youth Co-responder Teams**.
- Additional funding of \$50 million for **infrastructure development at priority Queensland Police-Citizens Youth Club (PCYC) sites** and \$6 million to enable PCYC police officers to increase their focus on **social programs** aimed at the prevention of youth crime.
- \$9 million over 4 years to **respond better to victims of property crime** where violence or a threat of violence has occurred.
- Total additional funding of \$16.5 million over 4 years for **fast-track sentencing and case management of matters**.
- \$10 million over 3 years for a trial to subsidise the costs to **install vehicle immobilisers** in Cairns, Townsville and Mount Isa.

Analysis

Despite committing to \$441.9 million over 5 years to “help boost police resources and tackle the complex causes of youth crime and support community safety”, the budget does not include a comprehensive, service system response for diverting all children younger than 14 years old away from the justice system.

The budget highlights a focus on punitive approaches, including the building of a new 80 bed detention centre at Woodford and securing a location for a Cairns detention centre.

Funding of \$64 million is allocated over 3 years for high visibility policing and \$109.9 million over 5 years to address budget pressures in youth detention. At present, Queensland jails more children

than any other jurisdiction and also has the highest recidivist rate.³ It is unfortunate that the Queensland Government continues to direct significant funds into incarcerating more children. This approach increases trauma and is likely to increase problematic behaviour because prisons do not have the capacity to provide care and support for children.

QCOSS welcomes the funding for community-based, early intervention and diversion programs, such as the funding for On Country Programs, after hours support, cultural mentoring, bridging to flexi-school, case management, activities for at-risk young people and Street University in Townsville. The additional funding of \$5 million over 4 years to establish place-based, justice reinvestment initiatives within Queensland is an important investment.

Funding has been allocated to government-led programs including intensive case management (\$30.1 million), the co-responder program (\$96 million) and early action groups (\$1.8 million). To secure the best possible outcomes, community-controlled organisations and other community services should be included in the funding, design, and implementation of these initiatives.



*QCOSS acknowledges Aboriginal and Torres Strait Islander people as the original inhabitants of Australia and recognises these unique cultures as part of the cultural heritage of all Australians.
We pay respect to the Elders of this land; past and present.*

³ Productivity Commission. Report on Government Services 2023: Youth Justice services data tables. Tables 17A.1 and 17A.26. 24 January 2023. <https://www.pc.gov.au/ongoing/report-on-government-services/2023/community-services/youth-justice>