



Anna Bligh MP  
Member for South Brisbane



Queensland  
Government

## Media statement

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Deputy Premier,  
Treasurer and  
Minister for Infrastructure

**\*\*\*STRICTLY EMBARGOED UNTIL 2.30PM, JUNE 5, 2007\*\*\***

5 June 2007

### **BLIGH UNVEILS STATE'S BIGGEST-EVER CAPITAL PROGRAM**

Capital outlays in 2007-08 State Budget are estimated to be more than **\$14 billion** - an increase of 15.6% or \$1.9 billion on last year's estimated actual capital outlays - Deputy Premier and Treasurer Anna Bligh told State Parliament today.

In delivering her second Budget – and the Beattie Government's 10<sup>th</sup> Budget - Ms Bligh said that spending on water projects accounts for the majority of the increase with additional capital outlays on roads and transport, including Queensland Rail, contributing.

"Capital outlays will support some 101,000 jobs in Queensland in 2007-08," she said.

**Capital outlays in 2007-08 reflect the Queensland Government's ongoing commitment to regional and rural Queensland, with more than 50% of capital expenditure occurring outside the Brisbane Statistical Division.**

**Queensland's capital program is the highest of all states on a per capita basis.**

- Regional investment in 2007-08 includes \$19.3 million for improvements to Rockhampton Hospital, \$120.8 million for redevelopment and expansion of Cairns Airport Domestic and International Terminals and \$163.8 million for continuing work on two correctional centres in Townsville.
- In 2007-08 there will be capital outlays of
  - \$5.767 billion for transport and main roads
  - \$2.5 billion in water infrastructure
  - \$619.1 million for education, training and the arts
  - \$635 million for health
  - \$487 million for housing
  - \$2.76 billion for energy.

Key initiatives include:

- \$465 million in 2007-08 for design and construction of the Southern Regional Water Pipeline between Brisbane and the Gold Coast

- \$175 million in 2007-08 to complete corridor assessment surveys and a range of studies to support preliminary engineering design work for the Northern and Eastern Pipeline Interconnectors
- \$354.9 million (including strategic land purchases) to progress development of the Wyaralong Dam and the Traveston Dam
- \$1.183 billion for the continuation of design and construction of the Western Corridor Recycled Water Scheme (*does not include \$630 million announced on 29 May*).
- \$46.6 million in 2007-08 towards to construction of the \$1.2 billion South East Queensland (Gold Coast) Desalination Plant at Tugun
- \$129 million in 2007-08 to complete the construction of the Inner Northern Busway linking the Queensland Street Bus Station to the already completed stages of the Busway near Roma Street
- \$285.8 million towards construction of the Eastern and Northern Busways including \$85.8 million for an Eastern Busway corridor connection from the Eleanor Schonell Bridge to Ipswich Road
- \$187.6 million for track works on the coal network and \$163.4 million for new and upgrade locomotives and wagons in Central Queensland to allow for increased haulage of coal
- \$104.6 million for additional rollingstock for Citytrain service enhancements
- \$58.3 million towards stages 2 and 3 of the Townsville Ring Road to be constructed at a total estimated cost of \$119.3 million (\$39.8 million State, \$79.5 million – Australian Government)
- combined capital network expenditure for Ergon and ENERGEX of \$1.738 billion to improve the quality and reliability of State's electricity distribution network assets
- \$53.9 million for a range of strategies to respond to the housing needs of people who require particular assistance including providing appropriate housing responses to people being discharged from the Spinal Injuries Unit of the Princess Alexandra Hospital, people with mental illness, homeless people and Indigenous people living in remote locations.
- \$194.9 million in 2007-08 on major hospital projects including redevelopments at Ingham, Innisfail, the Prince Charles and Yeppoon Hospitals and Emergency Department upgrades at Rockhampton, Dalby, Gold Coast, Gympie, Logan, Redcliffe, Redland and Robina Hospitals. Of this amount, \$32 million will be spent to commence the development of the new tertiary hospitals and the Queensland Children's Hospital.

Ms Bligh said that with a capital program of this size, it is necessary for the Government to borrow.

"The next stages of our ambitious infrastructure program that we are embarking on will be partially funded from borrowings.

“Given our population growth and industrial expansion, it has never been more important for the State to invest in infrastructure.

“This infrastructure will benefit Queensland for generations to come. By borrowing money, we ensure that the burden is shared across those who will benefit – both the taxpayers of today and those of tomorrow.

“This year we are borrowing \$3.6 billion to fund capital projects of \$5.46 billion in the general government sector.

**“The State remains lowly geared and debt servicing costs have remained low, with interest costs as proportion of revenue averaging just over 2% over the forward estimates.”**

Borrowing to meet this responsibility is affordable and appropriate. It ensures intergenerational equity.

Most importantly of all – it means the Queensland economy will continue to flourish.

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