

# QUEENSLAND PUBLIC SECTOR REPORT



**JUNE 2025**

Prepared by

**QUEENSLAND  
COUNCIL OF UNIONS**



**Foreword:**

There is truly no other State in the world like Queensland and no other public sector.

No other State has as many large regional centres or is as geographically dispersed and decentralised. That's because Queensland has the nation's most diversified economy with more than 1 in 2 Queenslanders living outside greater Brisbane. Queensland's public service is larger as a share of population than New South Wales and Victoria because of this while remaining smaller as a share of population than other decentralised States and Territories.

Throughout Queensland's history the tyranny of distance has been a significant challenge to delivering equity in essential health, education and community services to every Queenslanders. Indeed, that was the reason for Queensland's separation from New South Wales with Sydney too far away to ensure the maintenance of public infrastructure across Queensland's regional centres.<sup>1</sup>

Queensland has the second largest population of First Nations peoples with a greater share than New South Wales living in remote and regional areas. There's still much to do to close the gap in outcomes for First Nations peoples and to provide equal living standards for Queenslanders living in remote and regional communities.

All of this will only become a greater challenge as the population grows while the impacts from climate change become larger.

The Queensland Government makes a significant investment into the public service with a direct economic return to the State. Queensland is still experiencing the strongest jobs growth in history out of the COVID-19 pandemic with exports more than doubling over the last decade and the largest infrastructure build underway since Federation. Queensland's economy has now surpassed half a trillion dollars to be larger than Finland or Greece.

The indirect economic returns from backing the Queensland public service are even greater from improvements in life expectancy<sup>2</sup>, to improved literacy and education outcomes<sup>3</sup> translating to higher wages and a better quality of life.

Australians have been consistently voting with their feet on the success of the Queensland public service to improve services and deliver a stronger economy. Over the last decade, and particularly out of the COVID-19 pandemic, Queensland has become the destination of choice for people moving interstate and this is forecast to continue even as overseas migration slows to respond to the national housing shortage.

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<sup>1</sup> <https://www.qld.gov.au/about/about-queensland/history/creation-of-state> and <https://qldspatial.information.qld.gov.au/qldborders/>

<sup>2</sup> In 2021–2023, Queensland male life expectancy at birth reached 80.5 years, increasing from 76.9 in 1999–2001. Female life expectancy increased from 82.3 to 84.7 years during the same period.

<sup>3</sup> While trailing New South Wales, Queensland's Writing and Reading results have been improving <https://www.pc.gov.au/ongoing/report-on-government-services/2025/child-care-education-and-training/school-education>

With record growth in population and new jobs comes the need to continue to increase investment in the Queensland public sector and housing to maintain services and the public sector's share of Queensland's economy. Just as most governments have sought to do over the last two decades.

This report outlines why the Queensland public sector is truly unique delivering services and across a network of infrastructure unlike any other. Queensland has more hospital and health facilities than any other Australian State, higher shares of public and government employee housing than many States, the most geographically dispersed network of police stations, the longest road and heavy rail network, the most diversified network of regional ports, the longest power transmission network and is required to act in greater areas of regional market failure from primary health, to electricity to corner stores through to petrol stations.

As a geographically big and fast growing state Queensland will continue to require a bigger public service as a share of the population than southern States to service more regional locations.

That means Queensland will need to continue to lead the way in providing housing for regional workers and regional incentives. It will require the Queensland Government to continue to focus on fair and decent wages through collective bargaining to fill positions and continue to lift productivity and improve service delivery outcomes.

Investment in frontline staff with fair and decent wages and conditions is an economic investment into the future of Queensland. As are investments in policies to lift labour productivity and participation over the long-term including paid parental leave.

With a growing population, a failure to make investments in public services should not be viewed as a budget saving. It will ultimately leave Queenslanders worse off with fewer job opportunities and less access to health, education and community services, undermining the productivity of the workforce and the private sector economy.

Backing the Queensland public sector is an investment in our best asset, Queenslanders to build a stronger more productive economy and a better future.

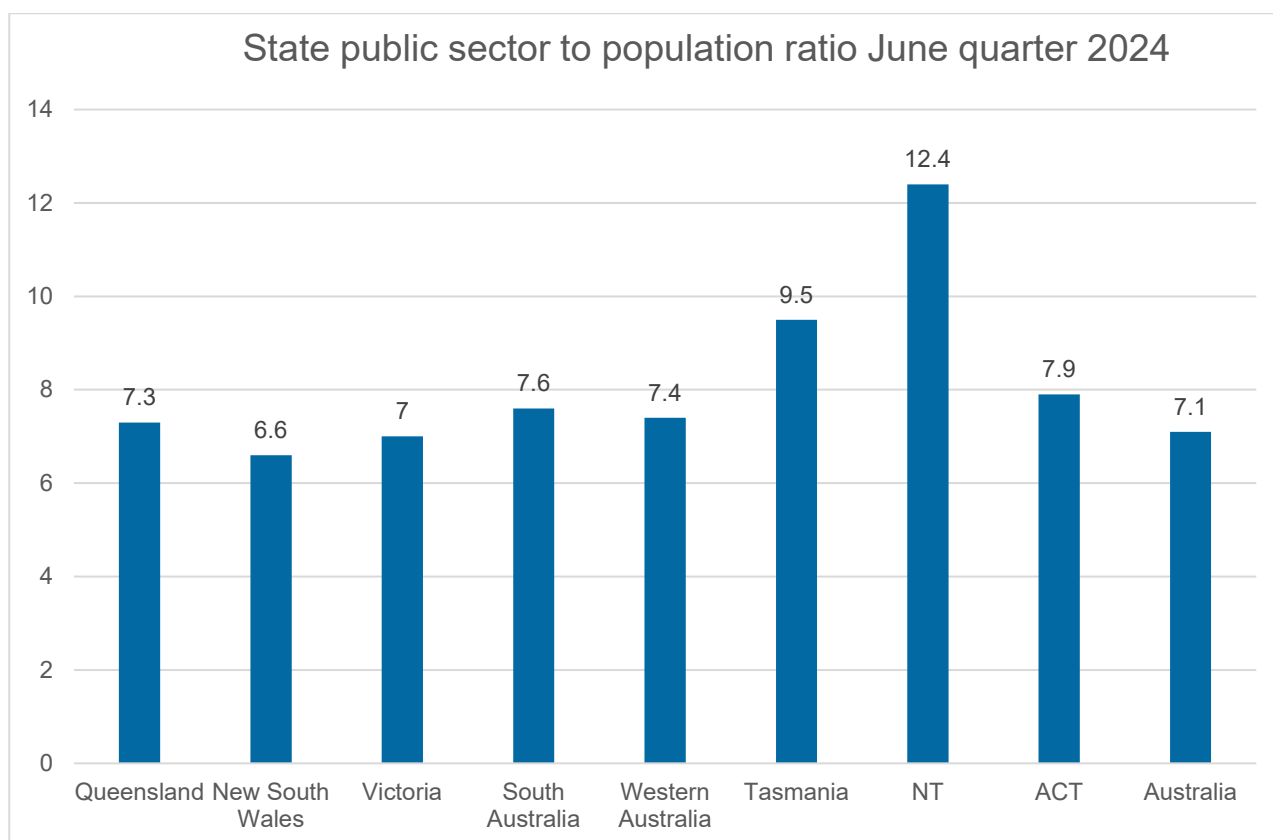
This report has been prepared for the Queensland Council of Unions and is delivered in three parts. First, by providing an overview of the Queensland public sector including the diversity of roles and geographies needed to deliver a unique set of services to a decentralised population. Second, by analysing the economic contribution the Queensland public service makes and the importance of fair and decent wages to continuing that contribution. Third, by providing interstate and interjurisdictional comparisons of retention arrangements and best practice employment conditions that are needed to deliver public servants where they are needed across a growing State.

This report acknowledges the significant work of the Queensland public service in providing the data and analysis to make this overview possible.

## Queensland Public Sector Report 2025 Part 1 - An overview of the role of Queensland public sector

The Queensland public sector is made up of 308,033 Queenslanders or 258,012 full-time-equivalent positions excluding government owned corporations as at March quarter 2024. The broader count from the Australian Bureau of Statistics of total Queensland State employees is 408,800 at June 2024.<sup>4</sup>

The total number of State public sector employees as measured by the Australian Bureau of Statistics in Queensland is the third highest in the nation as would be expected as the third most populated State behind New South Wales at 557,400 and Victoria at 486,000.



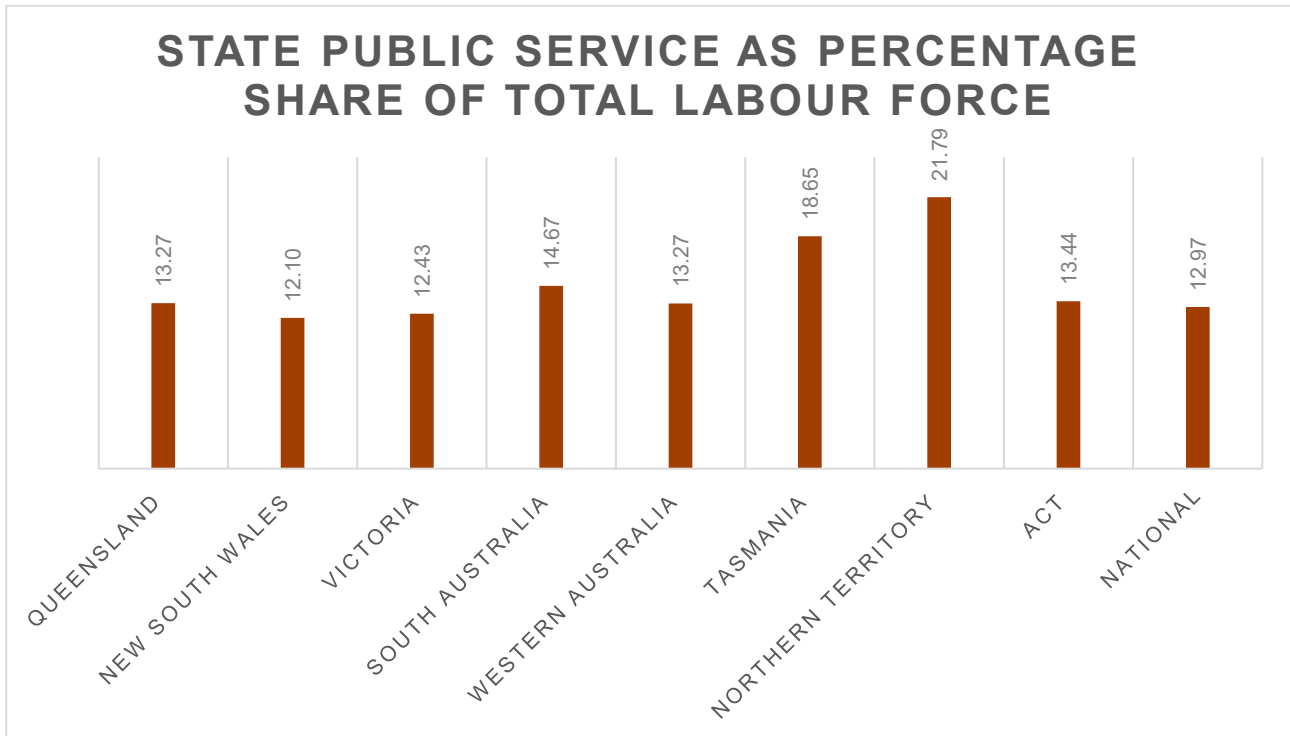
(Sources Australian Bureau of Statistics<sup>5</sup>)

While Queensland's state public sector to population ratio of 7.3 per cent is above the national average of 7.1 per cent it is low relative to other decentralised jurisdictions including Tasmania at 9.5 per cent and the Northern Territory at 12.4 per cent.

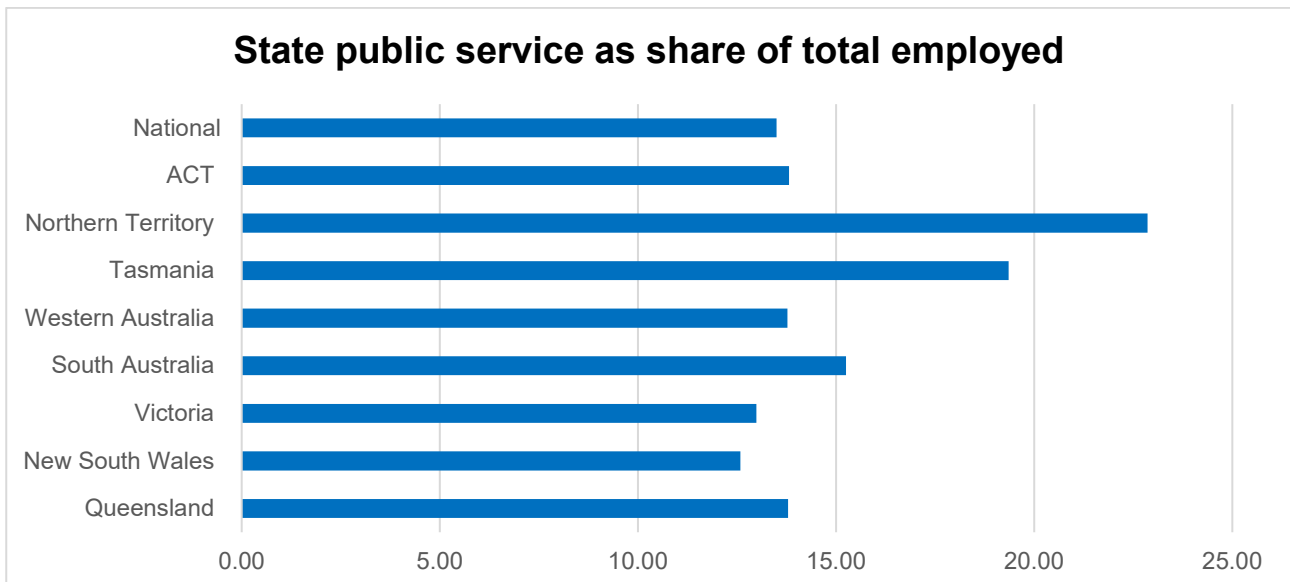
<sup>4</sup> <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/public-sector-employment-and-earnings/latest-release#states-and-territories>

<sup>5</sup> <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/public-sector-employment-and-earnings/latest-release#states-and-territories> and <https://population.gov.au/data-and-forecasts/key-data-releases/national-state-and-territory-population-june-2024>

Queensland's state public service as a share of the total labour force and as a share of total employed is slightly above the national average while again remaining considerably lower than other decentralised States including Tasmania and Northern Territory.

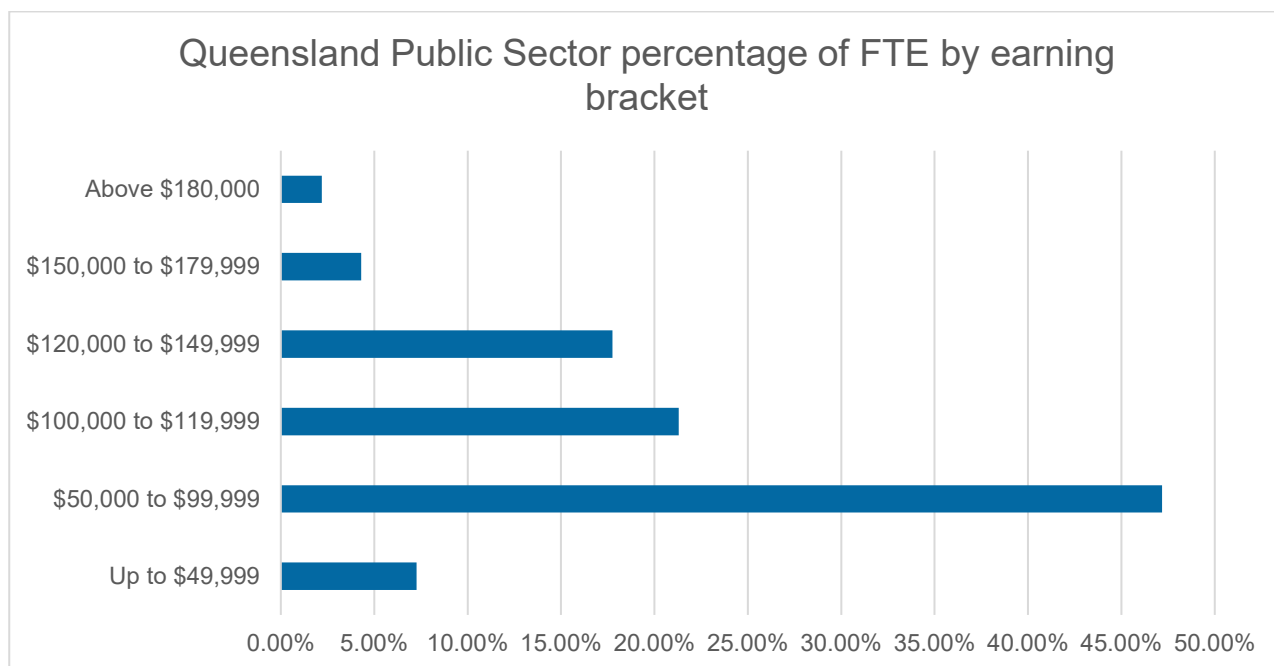


(Source ABS 6248.0.55.002 and ABS Labour Force March 2025 dataset)



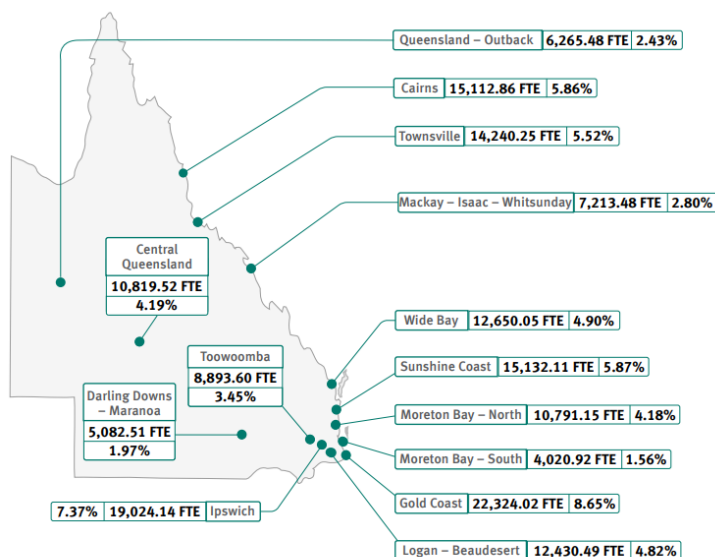
(Source ABS 6248.0.55.002 and ABS Labour Force March 2025 dataset)

When excluding government owned corporations nearly half of Queensland public sector employees earn \$50,000 to \$99,999 a year or 47%.



(Queensland Public Service Commission open data)

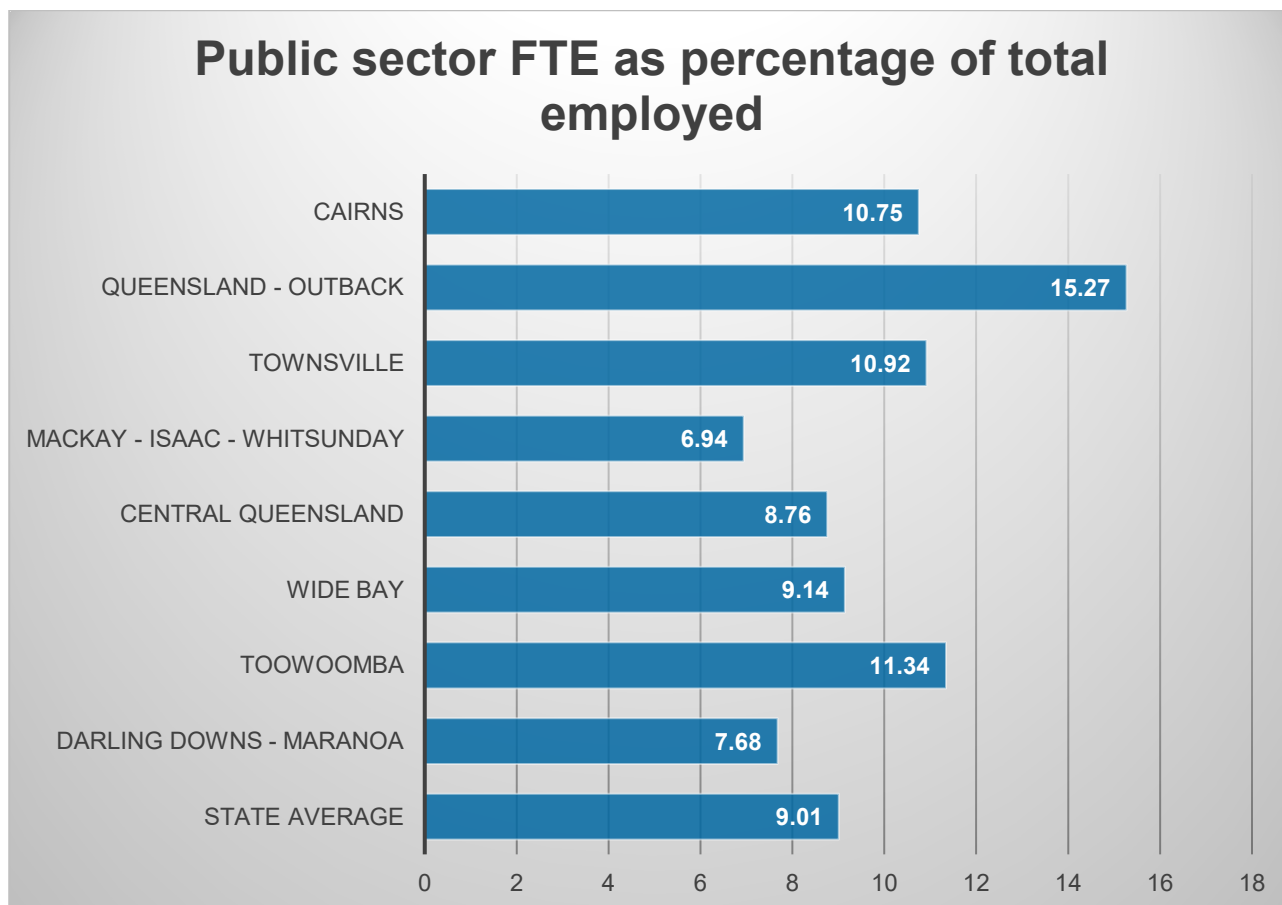
While the ABS do not produce a regional breakdown of State public sector workers the Queensland Public Service Commission provides an FTE count as set out below:



(Source Queensland Public Service Commission<sup>6</sup>)

Nearly two thirds or 63.57% of Queensland Public Service FTEs are located outside the greater Brisbane area.

<sup>6</sup> <https://www.data.qld.gov.au/dataset/queensland-public-service-workforce-quarterly-profile/resource/279438f3-7be0-4dd3-a63a-3b7d1750a54e>

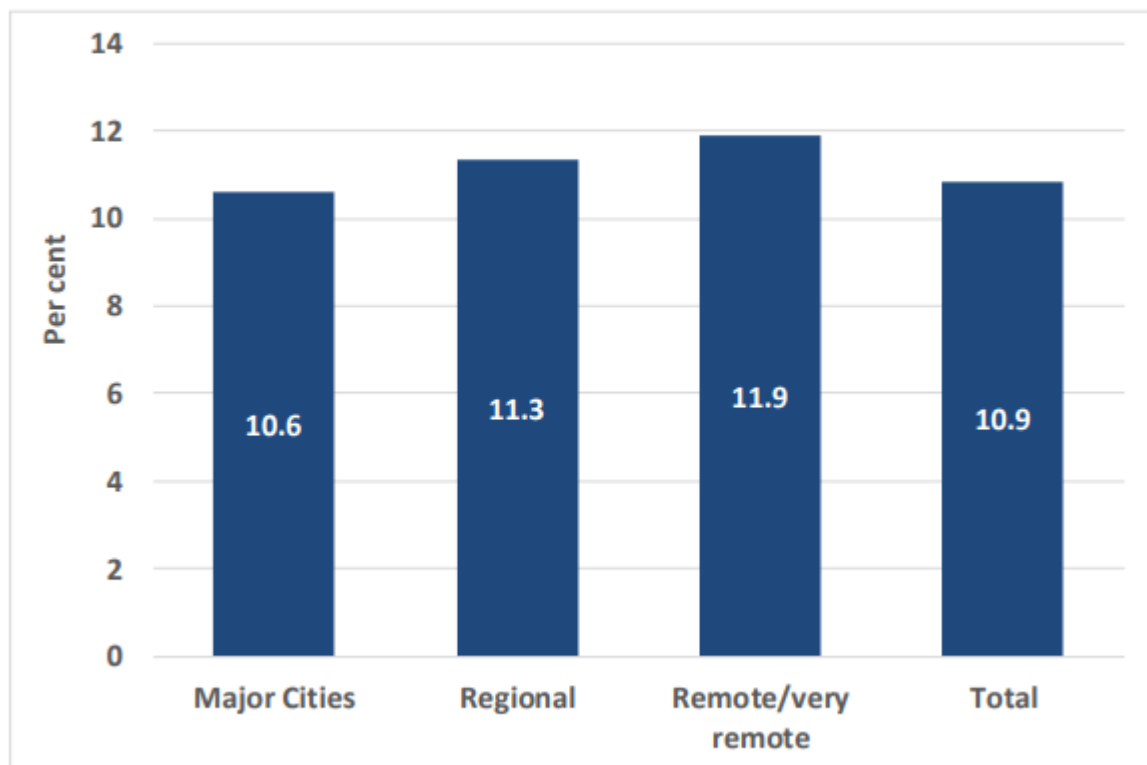


(Source Queensland Public Service Commission data and ABS Labour Force detailed April 2025 annual average of original total employed)

In Outback Queensland State government FTEs are equivalent to 15.3 per cent of the total employed population. Other regions including Cairns, Townsville and Toowoomba also have a higher share of State government FTEs as a share of total employed than the State average. Regional unemployment rates were historically low in March 2024.

During periods of higher regional unemployment regional economies are more dependent on public service employment. This was evident in the previous analysis by the Australia Institute based on 2016 Census data when regional unemployment in Queensland was higher following significant redundancies to the Queensland public sector in the 2012 Queensland State Budget.

**Figure 6. Queensland state public sector workers as a proportion of all workers, by remoteness category, 2016**



*Source: Author's calculations from ABS Census 2016 TableBuilder.*

(Table by the Centre for Future Work at the Australia Institute<sup>7</sup>)

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<sup>7</sup> [https://australiainstitute.org.au/wp-content/uploads/2020/10/The\\_Value\\_of\\_the\\_Queensland\\_Public\\_Sector.pdf](https://australiainstitute.org.au/wp-content/uploads/2020/10/The_Value_of_the_Queensland_Public_Sector.pdf)

Key frontline workers make up 61.8 per cent of the Queensland public sector at June 2024 as set out in the table by the Queensland Public Service Commission below.

## Diversity of roles

There are different key frontline, frontline and frontline support, and corporate roles.

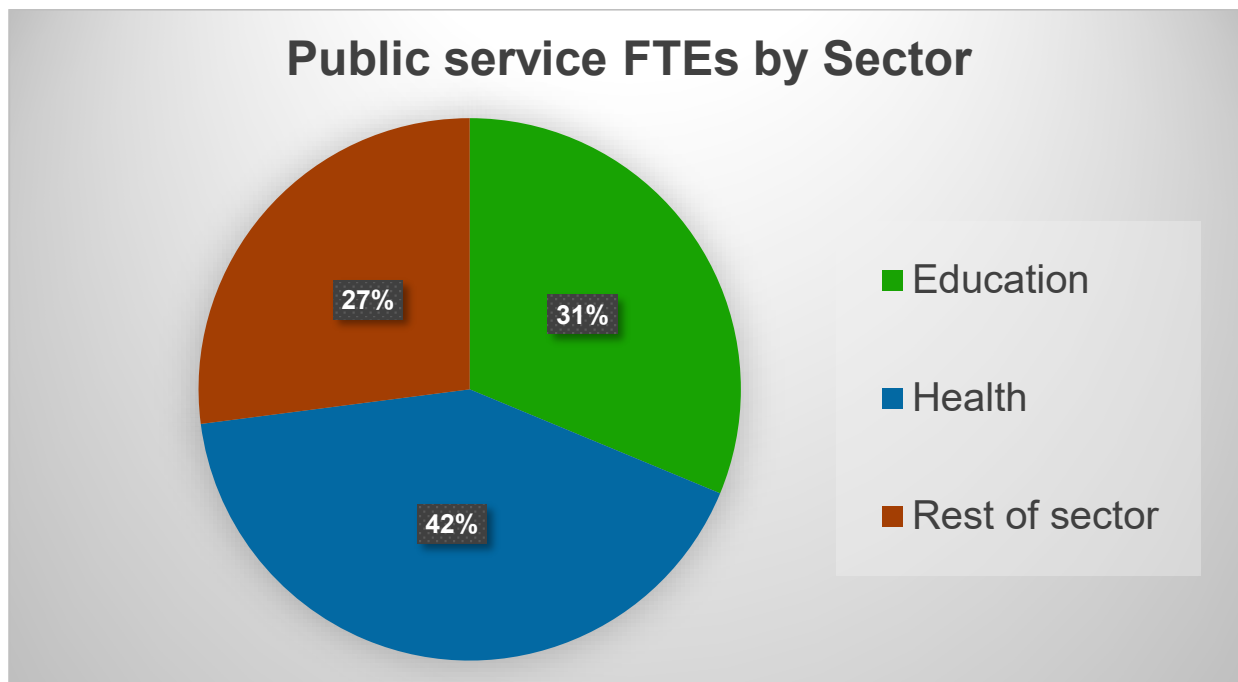
There are 159,550.51 key frontline FTE in the Queensland public sector.



Source: MOHRI March 2024.

(Table by the Queensland Public Service Commission in the State of the Sector Report 2024)

Healthcare and education make up 72% of employment in the Queensland public service FTEs.



When combining health, education and police these agencies make up nearly 8 in 10 public service FTE roles.

Over the last decade general government operating expenses on health have increased from 27.6% of the total budget in 2014-15 to 29.5% of the total budget.<sup>8</sup> Two decades ago health made up 22% of general government operating expenses by purpose.<sup>9</sup> These increases in funding to health correlate with an ageing population, increased life expectancies and improvements in medical technology and practices.

From March 2020 to March 2024, the health workforce has grown faster than the rest of the sector and education at 15.9% from 92,837 FTEs to 107,584 FTEs. Over the same period more than two thirds of the growth in FTEs have been in health and education.

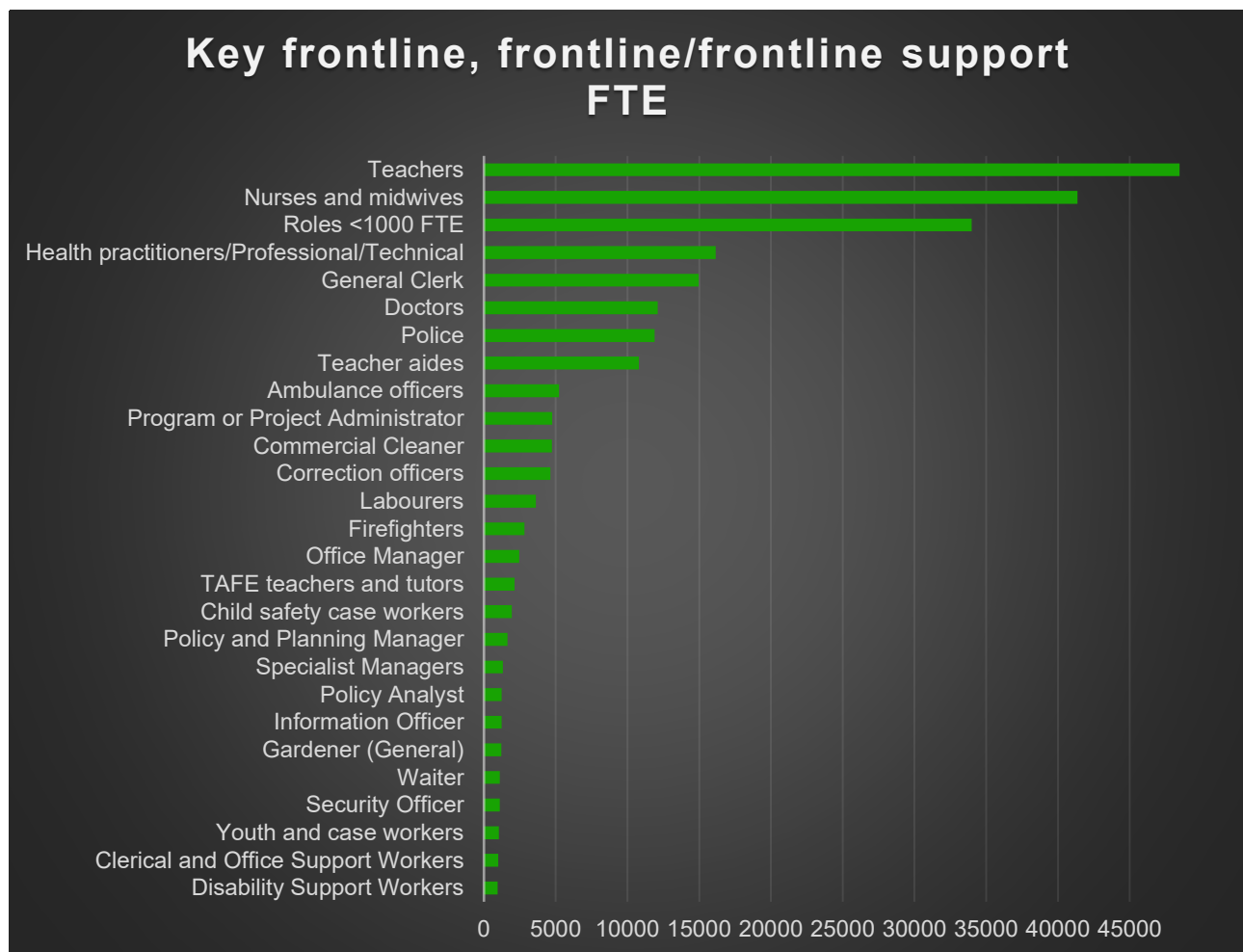
Just under 70 per cent of the Queensland public service identify as woman or female, 30.4 per cent as man or male and 0.2 per cent as non-binary in the 2023 Working for Queensland survey. The gender pay gap on earnings in the Queensland public sector is 6.31% compared with 13% across the Australian labour market.<sup>10</sup> Currently 2.66% of the workforce identify as Aboriginal and Torres Strait Islander peoples below the target of 4% and relative population share.

<sup>8</sup> <https://s3.treasury.qld.gov.au/files/bp2-2014-15.pdf> page 86 and [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP2\\_Strategy\\_Outlook.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP2_Strategy_Outlook.pdf) page 141

<sup>9</sup> [https://s3.treasury.qld.gov.au/files/budget-paper-2\\_2004-05.pdf](https://s3.treasury.qld.gov.au/files/budget-paper-2_2004-05.pdf) page 95

<sup>10</sup> [https://www.forgov.qld.gov.au/\\_data/assets/pdf\\_file/0034/487960/State-of-the-sector-report-2024.pdf](https://www.forgov.qld.gov.au/_data/assets/pdf_file/0034/487960/State-of-the-sector-report-2024.pdf)

Key frontline and frontline support FTEs make up 233,933.28 FTEs or nine out of ten Queensland public service workers.



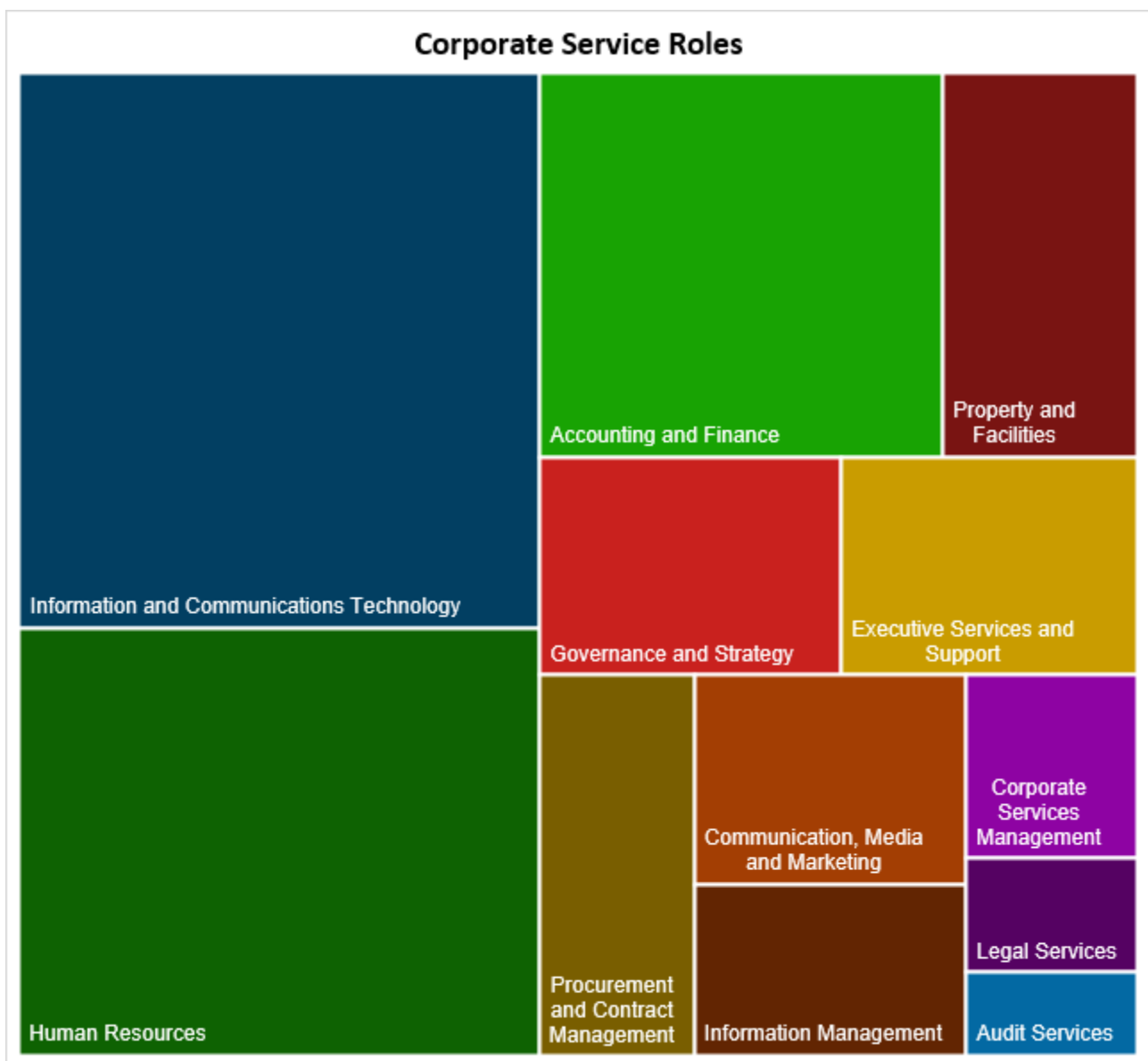
(Source Public Service Commission Open Data)

As set out in the State of the Sector Report 2024 frontline and frontline support roles classified under the Roles less than 1,000 FTE include:

- Social workers
- Public prosecutors, bailiffs, clerks of court and registry officers
- Front counter and customer enquiry employees, call centre and online customer service employees in Queensland government service centres
- School crossing supervisors
- Art gallery and museum curators and guides
- Archivists and librarians
- Mine inspectors, park rangers, fisheries officers, road engineers, surveyors, regulatory inspectors and quarantine officers
- Earth science, environmental and agricultural scientist / officers, laboratory technicians, marine biologists and geologists
- Builders, electricians and other construction industry tradespersons
- Radio dispatchers
- Recreation facilitators and instructors
- Grant management officers
- Hospital and health service employees (non-corporate roles)

- School employees
- Prison and community corrections employees
- Clerical and administrative support employees in police, fire or ambulance stations and other centres accessible by the community for government services
- Program or project planners, administrators, managers and strategy employees who formulate public policies for the provision of government services, programs and outcomes affecting communities (e.g. fisheries, forestry, waste management, public health, youth programs, tourism, environment, planning services and systems, economic strategy and industry development).

The remainder of the Queensland public service FTE is made up of 24,078 corporate service FTE roles as at March 2024.



(Treemap of Corporate Service Roles representing proportions by size).

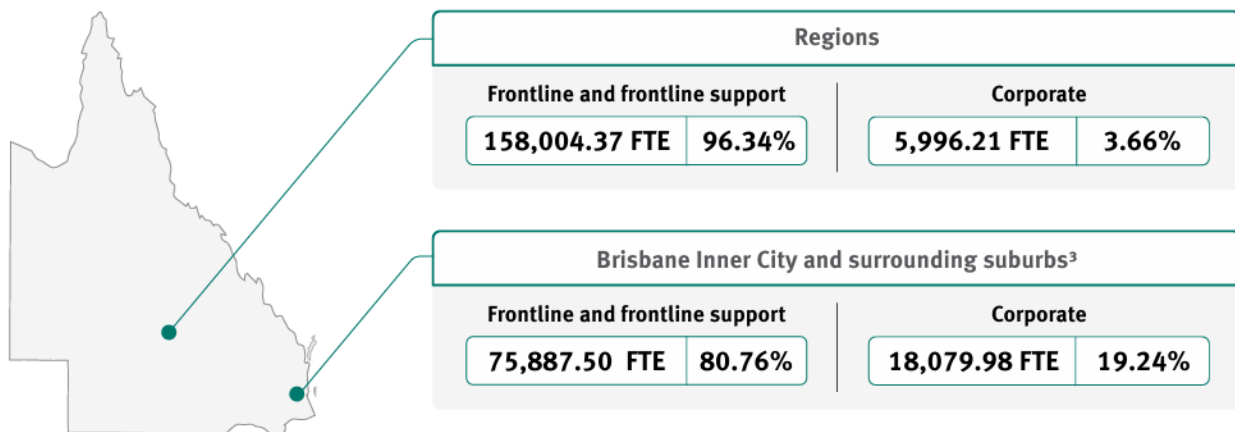
As set out in the State of the Sector Report 2024 some employees in corporate roles are classified as frontline/frontline support including:

- General clerks officers directly supporting child safety case workers for meetings with children and families, supporting seniors and carers in relation to cost of living concessions or providing services in call centres or customer service centres.
- Administrative staff in Queensland state schools
- ICT technicians assisting teachers in school computer labs and libraries, or implementing public facing systems such as public transport ticketing systems
- Professional trainers coaching employees such as: firefighters, police officers, emergency workers, disability support workers, child safety case workers and community recovery workers; and
- Communication professionals providing messages on public safety communication channels warning the community of potential disaster situations.

Three quarters of public service corporate roles are located in Brisbane, while over two thirds of frontline and frontline support roles are located outside Brisbane.

Brisbane remains the administrative or corporate heart of the Queensland public sector.

#### Regionally-based FTE as % of total sector workforce



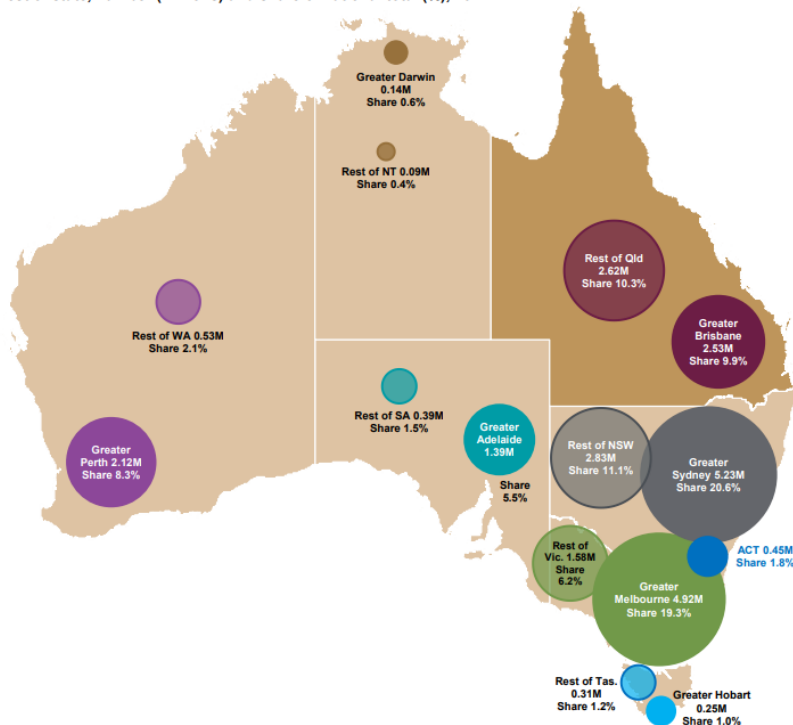
(Graphic by the Queensland Public Service Commission State in the Sector Report 2024)

The regional composition and focus of frontline and frontline support roles in the Queensland public service aligns with the most decentralised and dispersed population.

Queensland is the most decentralised State in mainland Australia with more than 1 in 2 Queenslanders living outside Greater Brisbane as at the last Census.<sup>11</sup> That compares with a national average of 1 in 3 or one third of a State's population living outside the capital city.

Queensland Government Statistician's Office

Figure 1 Population by GCCSA and rest of state, number (millions) and share of national total (%), 2021



Note: Circles are proportional to the share of the national population

Queensland compared with other jurisdictions, Census 2021

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Queensland is the most decentralised mainland State and the most decentralised State by geographic distance between major population centres. Queensland is the third most populated State in Australia and the sixth largest sub-division or State territory or province in the world.<sup>12</sup> The value of land held by the Queensland Government is larger than any other state.<sup>13</sup> Queensland has the second highest Aboriginal and Torres Strait Islander population with 66 per cent of that population living in remote areas.<sup>14</sup>

To overcome the tyranny of distance the Queensland Government has historically been required to cover more service delivery areas where there is no private sector capacity. As a result, the Queensland Government is the State's largest employer and a significant purchaser of goods and services.<sup>15</sup> Queensland has the largest number of hospital and health facilities, the nation's longest State controlled road network, the longest electricity transmission network, the longest rail heavy rail system, the most diversified network of regional ports and most geographically disparate police service.

<sup>11</sup><https://www.qgso.qld.gov.au/issues/11951/qld-compared-other-jurisdictions-census-2021.pdf>

<sup>12</sup><https://www.worldatlas.com/articles/the-world-s-largest-country-subdivisions.html>

<sup>13</sup><https://www.abs.gov.au/statistics/economy/government/government-finance-statistics-annual/latest-release>

<sup>14</sup>[https://www.health.qld.gov.au/\\_data/assets/pdf\\_file/0020/1142066/Rural-and-Remote-Health-and-Wellbeing-Strategy-2022-2027.pdf](https://www.health.qld.gov.au/_data/assets/pdf_file/0020/1142066/Rural-and-Remote-Health-and-Wellbeing-Strategy-2022-2027.pdf) page 8

<sup>15</sup><https://www.forgov.qld.gov.au/pay-benefits-and-policy/state-of-the-sector-report/our-future-sector> and [https://www.forgov.qld.gov.au/\\_data/assets/pdf\\_file/0021/367023/queensland-procurement-policy-2023.pdf](https://www.forgov.qld.gov.au/_data/assets/pdf_file/0021/367023/queensland-procurement-policy-2023.pdf)

Unlike other States Queensland has maintained public ownership of public utilities including energy generation, distribution and transmission assets with around half a billion dollars allocated annually from the returns from energy businesses to keep prices in regional areas comparable with the more densely populated South East Queensland.<sup>16</sup> This subsidy is a significant economic enabler for economic activity in regional and remote parts of the State.

**Services provided in Queensland that are not as extensively provided or necessarily publicly owned in other States and Territories:**

<b>Service Delivery Area:</b>	<b>Services not as extensively provided in other States or not publicly owned</b>
<b>Healthcare</b>	<p>Rural and remote health services including access to medical specialists, the Mobile Women’s Health Service, Royal Flying Doctor Service and the Indigenous and Remote Eye Health Service.<sup>17</sup></p> <p>Aeromedical services.</p> <p>13Health phone access to a registered nurse.</p> <p>Residential Aged Care services in areas of market failure.</p> <p>Oral health services with broader access and subsidies compared to other States.</p> <p>Clinical support services including pathology, radiology and pharmacy.</p> <p>Non-clinical support services including catering, cleaning, laundry and ward support.</p>

<sup>16</sup> [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP2\\_Strategy\\_Outlook.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP2_Strategy_Outlook.pdf) page 219

<sup>17</sup> <https://www.qld.gov.au/firstnations/health-staying-active/health-medical-services/remote-rural-health-services>

<b>Service Delivery Area:</b>	<b>Services not as extensively provided in other States or not publicly owned</b>
<b>Healthcare continued</b>	<p>In-house security services that play an essential role in maintaining clinical services with “increased control over recruitment, training, operations, increased supervision and better flexibility for changes to duties within changing clinical environments.”<sup>18</sup></p> <p>Outpatient services.</p> <p>Medically authorised transports.</p> <p>Mental health sub-acute and community care.</p>
<b>Energy</b>	<p>Public ownership of transmission and distribution networks with a policy to keep prices broadly consistent across the State.</p> <p>Majority public ownership of electricity generation assets</p> <p>Queensland’s electricity infrastructure is significantly impacted by natural disasters on a regular basis. Public ownership provides important capacity to reconnect electricity infrastructure after cyclones, storms and floods. Effective maintenance of electricity infrastructure is important for lowering bush fire risk.<sup>19</sup></p>

<sup>18</sup> [https://www.health.qld.gov.au/\\_data/assets/pdf\\_file/0023/1197023/qh-gdl-502.pdf](https://www.health.qld.gov.au/_data/assets/pdf_file/0023/1197023/qh-gdl-502.pdf)

<sup>19</sup> [https://www.sciencedirect.com/science/article/abs/pii/S0169204617301548#:~:text=The%20State%20of%20Victoria%2C%20Australia%2C%20has%20a%20long%20history%20of,%2C%20&%20Pascoe%2C%202010\).](https://www.sciencedirect.com/science/article/abs/pii/S0169204617301548#:~:text=The%20State%20of%20Victoria%2C%20Australia%2C%20has%20a%20long%20history%20of,%2C%20&%20Pascoe%2C%202010).)

<b>Service Delivery Area:</b>	<b>Services not as extensively provided in other States or not publicly owned</b>
<b>Housing</b>	<p>As a percentage of total social housing delivered Queensland's public housing and State Owned and Managed Indigenous Housing (77.1%) is higher than New South Wales, Western Australia, South Australia and Tasmania.<sup>20</sup></p> <p>The Queensland Government is the largest residential lessor in the state.<sup>21</sup></p>
<b>Police</b>	Police traffic escorts and wide-load escorts, mobile traffic cameras and watch house roles.
<b>Corrective Services</b>	<p>Public operation of correctional facilities.</p> <p>Support services including:</p> <ul style="list-style-type: none"> <li>- Psychological and counselling services</li> <li>- 24-hour electronic monitoring of offenders</li> <li>- Rehabilitation programs</li> <li>- Drug testing services</li> <li>- Prison catering; and</li> <li>- Prisoner escort services.</li> </ul>
<b>Youth Detention Centres</b>	The Queensland Government operates the Brisbane Youth Detention Centre, the Wacol Youth Remand Centre and the Cleveland Youth Detention Centre in Townsville.
<b>Emergency Services</b>	A statewide professionalised Queensland Fire and Rescue Service that operates across the sixth largest State, Territory or Province and with increasing challenges from climate change and population growth. <sup>22</sup>

<sup>20</sup> <https://www.aihw.gov.au/reports/housing-assistance/housing-assistance-in-australia/contents/social-housing-dwellings>

<sup>21</sup> [https://www.statedevelopment.qld.gov.au/\\_data/assets/pdf\\_file/0026/72098/state-infrastructure-strategy-social-affordable-housing.pdf](https://www.statedevelopment.qld.gov.au/_data/assets/pdf_file/0026/72098/state-infrastructure-strategy-social-affordable-housing.pdf)

<sup>22</sup> <https://statements.qld.gov.au/statements/100727>

<b>Service Delivery Area:</b>	<b>Services not as extensively provided in other States or not publicly owned</b>
<b>Disaster Recovery</b>	<p>The Queensland Government has a permanently established Queensland Reconstruction Authority to coordinate disaster recovery and improved disaster response management. The Authority is recognised globally as a world leading model for responding to natural disasters.</p> <p>The Queensland Reconstruction Authority works alongside and supports the lead role of Local Disaster Management Groups and Local Recovery Groups including ensuring adequate funding for local governments.</p>
<b>Disability Services</b>	<p>The Queensland Government continues to operate Accommodation Support and Respite Services for people with high support needs.</p>
<b>Remote retail stores and petrol stations</b>	<p>Community Enterprise Queensland operate 30 stores against the Torres Strait Northern Peninsula Area providing groceries, household items, appliances, furniture, hardware, fuel and ATM facilities.<sup>23</sup></p>
<b>Commercial Business Units</b>	<p>QBuild responsible for building and maintaining public infrastructure across Queensland including schools and social housing with 35 depots and a workforce of 1700.<sup>24</sup> QBuild has become even more important in providing capacity to the State to quickly reopen schools following natural disasters.</p>

<sup>23</sup> <https://www.ceqld.org.au/about/>

<sup>24</sup> <https://www.housing.qld.gov.au/about/department/business-areas/public-works/qbuild/about-qbuild>

Service Delivery Area:	Services not as extensively provided in other States or not publicly owned
<b>Commercial Business Units continued</b>	CITEC as the Queensland Government's primary ICT services provider delivering whole-of-government and agency specific services. The role of CITEC has become more important as cyber security threats continue to grow. <sup>25</sup>

### **Accommodation and Respite Services:**

The Queensland Government continues to offer Accommodation and Respite Services (AS&RS) with the transition to the National Disability Insurance Scheme to provide high quality care and support for individuals with an intellectual disability who have standard or high-support needs to live as independently as possible.<sup>26</sup>

Accommodation and Respite Services are operated by the Department of Families, Seniors, Disability Services and Child Safety. These services ensure that individuals including those with an intellectual and/or cognitive disability subject to involuntary detention, care, support and protection under a forensic order (disability) are covered with the appropriate level of support.<sup>27</sup>

AS&RS supports participants with Residential Care Officers working on a 24-hour roster and provides:

- Supported Independent Living (SIL) services; and
- Short Term Accommodation Services (STA)

For SIL services can include assistance with eating and drinking, daily personal care, managing health and wellbeing including medication and disability related health supports or behaviour needs.

Short-term accommodation support services include assistance with daily living activities, 24-hour support with an awake nightshift, individual supports and disability-specific supports.

Government provision of these services ensures that staff are well-trained and experienced to provide the highest quality care model needed for individuals with high needs. While this model of care is resource intensive the social and flow on economic costs of not providing this level of care particularly across regional areas is much higher.

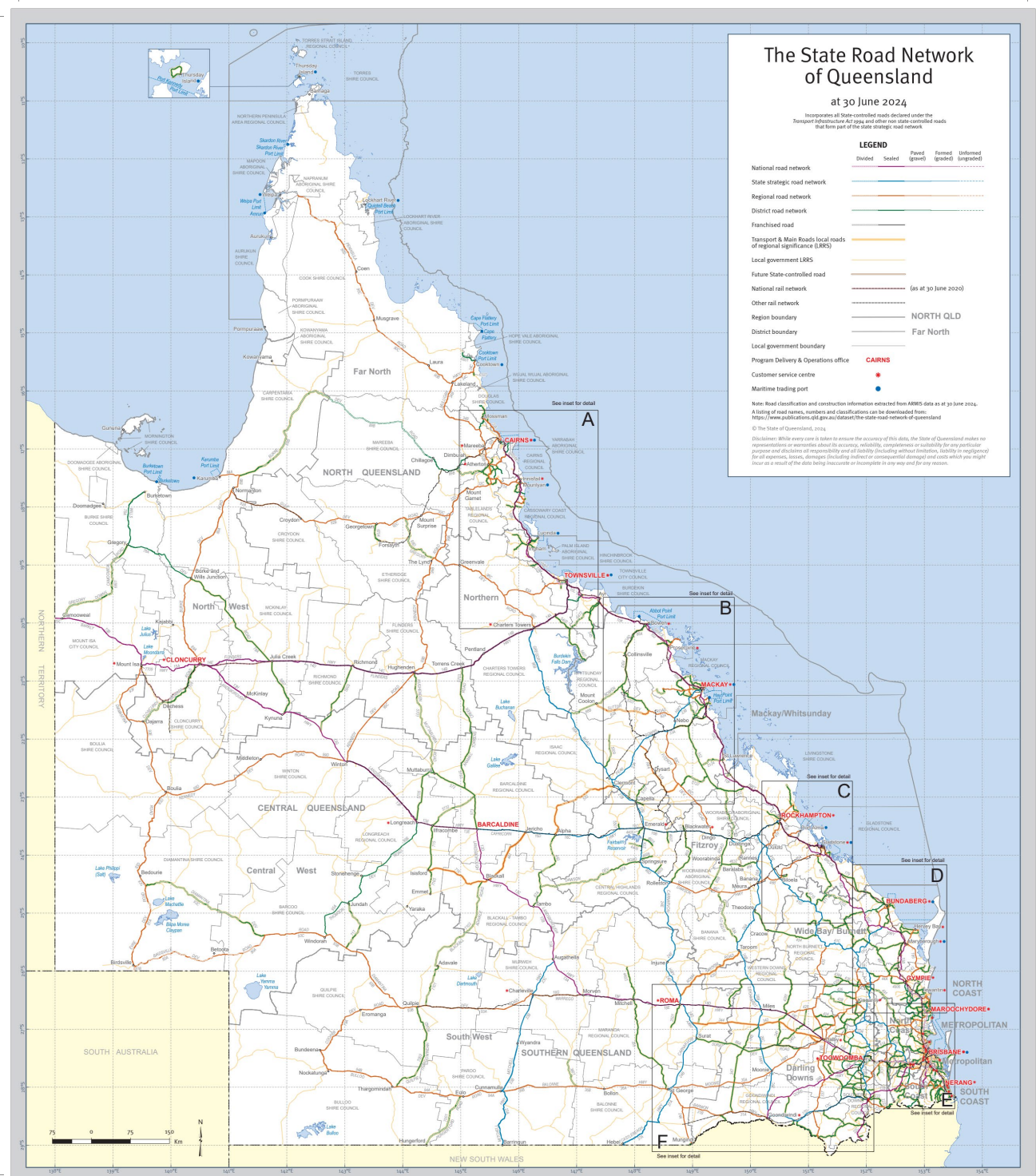
<sup>25</sup> (Sources some public services in this table have been identified from the Queensland Commission of Audit)

<sup>26</sup> <https://www.families.qld.gov.au/our-work/disability-services/accommodation-support-respite-services>

<sup>27</sup> <https://statements.qld.gov.au/statements/87592>

**Roads:**

Queensland has the longest state-controlled road network of any Australian state or territory with 33,412 kilometres of roads.<sup>28</sup>



(Source Department of Transport and Main Roads<sup>29</sup>)

<sup>28</sup> <https://www.tmr.qld.gov.au/QTRIPonline/About-QTRIP/State-controlled-transport-and-road-infrastructure>

<sup>29</sup> <https://www.publications.qld.gov.au/ckan-publications-attachments-prod/resources/f9a56c39-356b-4556-9dac-5c33349973f4/the-state-road-network-of-queensland-front-2024.pdf?ETag=74de7023a59b6c6fb7880a5d751dbf80>

## Rail:

Queensland has the longest operational heavy rail network in the nation at 7,759.7 kilometres (excluding the light rail network for the sugar industry).<sup>30</sup>



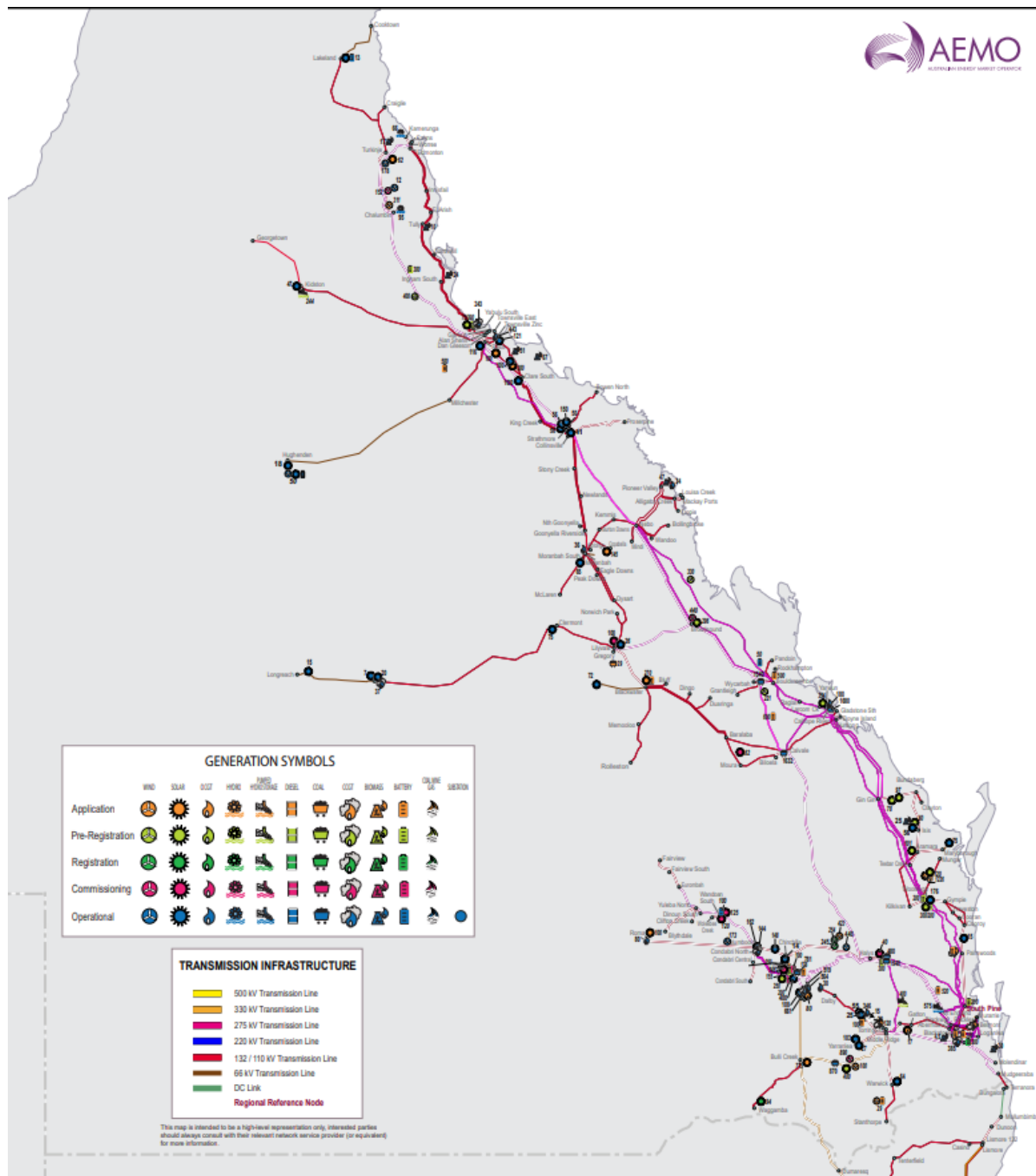
(Source Queensland Rail<sup>31</sup>)

<sup>30</sup> <https://www.bitre.gov.au/sites/default/files/documents/infra6384-bitre-trainline-11.pdf>

<sup>31</sup> (<https://www.queenslandrail.com.au/forbusiness/the-regional-network>)

## Energy:

Powerlink operates the longest electricity transmission network in the national electricity market at 14,547 kilometres. One third of the east coast transmission network by length is located in Queensland. In addition, Energy Queensland operate the second longest electricity distribution network at more than 210,000 kilometres.<sup>32</sup> That network includes over 1.7 million power poles, connections into over 850,000 small-scale solar systems and 44 large-scale solar connections.<sup>33</sup>



(Source Queensland Generation Map Australian Energy Market Operator<sup>34</sup>)

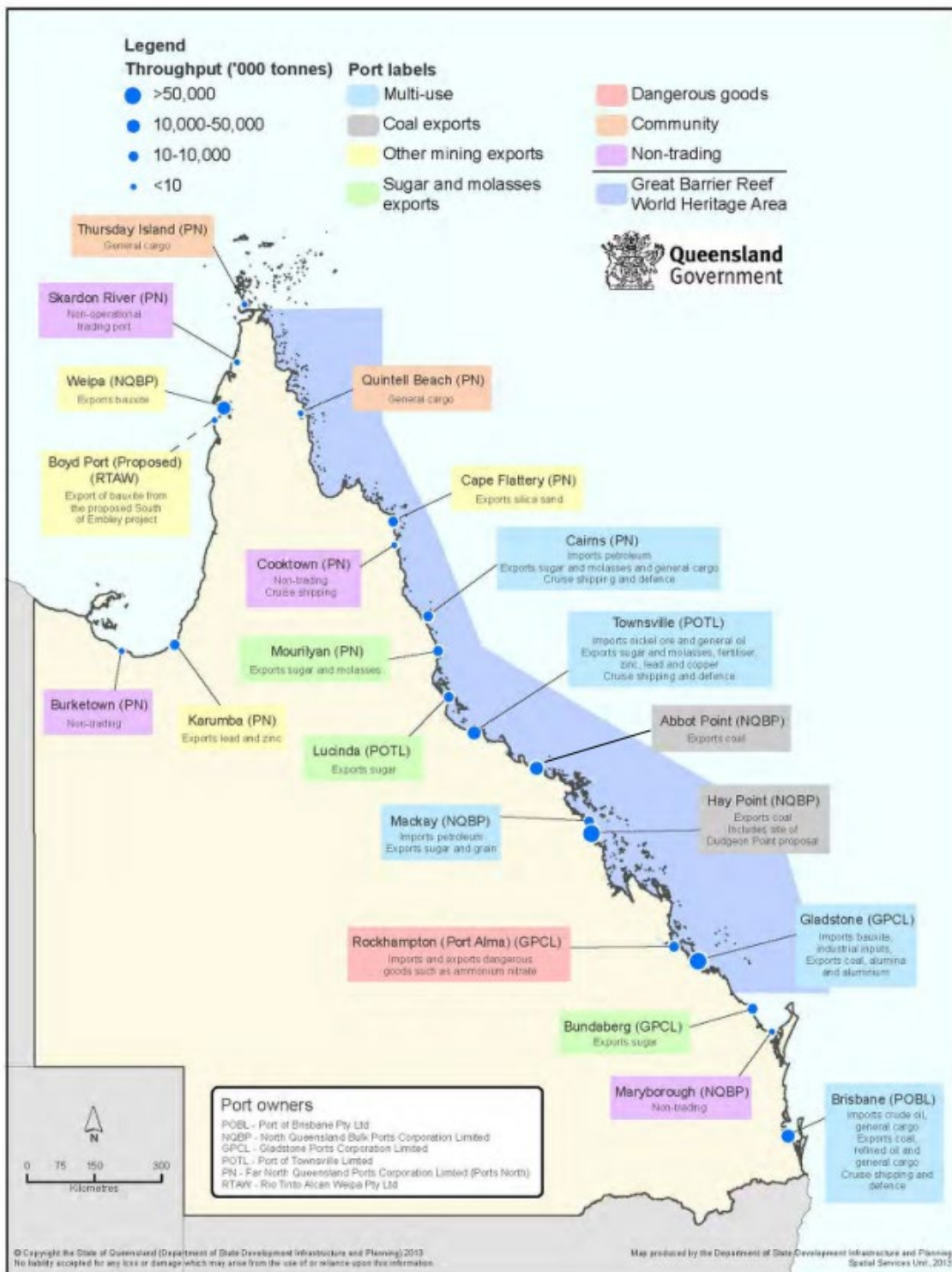
<sup>32</sup> <https://www.aer.gov.au/system/files/2024-11/State%20of%20the%20energy%20market%202024.pdf>

<sup>33</sup> [https://www.energyq.com.au/\\_data/assets/pdf\\_file/0003/1406604/Energy-Queensland-Ltd-Annual-Report-2023-24.pdf](https://www.energyq.com.au/_data/assets/pdf_file/0003/1406604/Energy-Queensland-Ltd-Annual-Report-2023-24.pdf)

<sup>34</sup> [https://aemo.com.au/-/media/files/electricity/nem/network\\_connections/generation-maps/qld-map.pdf?la=en](https://aemo.com.au/-/media/files/electricity/nem/network_connections/generation-maps/qld-map.pdf?la=en)

## Ports:

Queensland has the most extensive network of regional ports with the largest import and export volumes on the east coast of Australia.<sup>35</sup> Queensland's regional port network is the most diversified in nation.



(Source Queensland Ports Strategy 2014<sup>36</sup>)

<sup>35</sup> <https://www.bitre.gov.au/publications/2023/australian-infrastructure-and-transport-statistics-yearbook-2023/shipping#:~:text=Chapter%209&text=This%20chapter%20provides%20information%20on.and%20Adelaide%20n%202022%2D23>.

<sup>36</sup> [ibid.](#)

**Health:**

The Queensland Health website currently lists 266 hospital and health facilities in Queensland.<sup>37</sup> Queensland Health state in their performance data that they manage over 230 different facilities.<sup>38</sup> New South Wales Health state that they manage more than 220 public hospitals and health services.<sup>39</sup> Based on publicly available information Queensland Health operates the most individual hospital and health facilities in the nation with the greatest geographic spread between facilities.

**Hospital and Health Services, Queensland Health by Recognised Public Hospitals and Primary Health Centres**



Prepared by: Statistical Reporting and Coordination, Statistical Services Branch, 2 March 2021  
Hospital and Health Services by recognised public hospitals and primary health centres as at October 2020

(Source Queensland Health<sup>40</sup>)

<sup>37</sup> <https://www.health.qld.gov.au/services>  
<sup>38</sup> <https://www.performance.health.qld.gov.au/>  
<sup>39</sup> <https://www.health.nsw.gov.au/Hospitals/Pages/default.aspx>  
<sup>40</sup> <https://www.health.qld.gov.au/maps>

Queensland has 106 reporting hospitals admitting 1.6 million patients and providing more than 2.3 million emergency services and more than 6.5 million outpatient services.<sup>41</sup>

Due again to the need to overcome the tyranny of distance Queensland Health provides a broader range and more public patient transport services than other States as well as greater provision of public pathology services and public dental services.

In Queensland there is greater demand for aeromedical plane patient transport, inter-hospital transport and emergency services provision for rural and remote services.

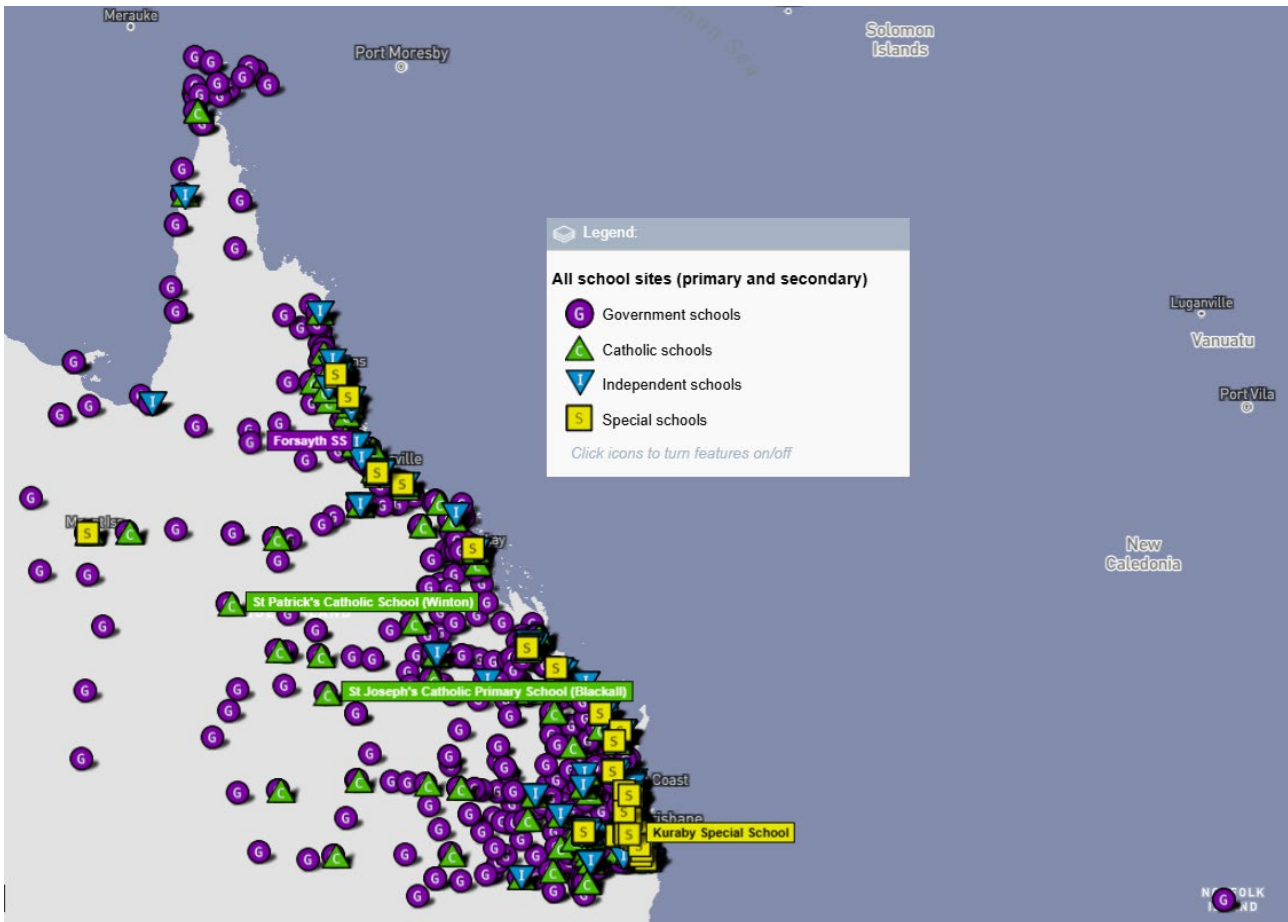
Other services provided in Queensland that aren't necessarily provided in other States include residential aged care in areas of market failure, tropical health services in the far north including for residents from Papua New Guinea, Mobile Women's Health Services and parental support services.

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<sup>41</sup> <https://www.performance.health.qld.gov.au/statewide-performance>

## Schools:

The Queensland Department of Education supports 1,252 primary, secondary, combined and special schools across a geographic area that extends from the Torres Strait to the Northern Territory border down to the New South Wales border and Norfolk Island.



(Source Queensland Government Statistician's Office<sup>42</sup>)

<sup>42</sup> <https://www.qgso.qld.gov.au/maps/psap/>

**TAFES:**

TAFE Queensland operates across 60 locations extending from Thursday Island to Coolangatta and out west to Mount Isa<sup>43</sup>.

Far North Queensland - there are campuses located in Cairns, Atherton, the Great Barrier Reef International Marine College, Innisfail, Northern Peninsula and Thursday Island

North Queensland - there are campuses located in Bowen, Burdekin, Charters Towers, Cloncurry, Ingham, Mount Isa, the Gulf, Palm Island, Townsville (Pimlico), Townsville (Bohle) and Cannonvale

Darling Downs and South West - there are campuses located in Charleville, Chinchilla, Dalby, Roma, Toowoomba and Warwick

Wide Bay Burnett - there are campuses located in Bundaberg, Gympie, Hervey Bay, Kingaroy, Maryborough and Nurunderi (Cherbourg)

Sunshine Coast - there are campuses located in Mooloolaba, Nambour, Sunshine Coast Health Institute and Maroochydore

Gold Coast - there are campuses located in Ashmore, Coolangatta, Coomera, Coomera Marine, Southport and Robina

Greater Brisbane - there are campuses located in Inala, Ipswich, Loganlea, Mt Gravatt, Redcliffe, South Bank, Springfield and Yarrabilba.

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<sup>43</sup> <https://tafeqld.edu.au/about/campus-locations>

## Natural Disaster Response:

Queensland is Australia's most disaster-prone state with more than 100 significant natural disaster events since 2011 and over \$20 billion in insurance claims.<sup>44</sup>

In 2024 Queensland's area-averaged mean temperature was 1.4°C above the 1961-1990 average and the seventh warmest on record for all years since 1910. The averaged area mean minimum temperature was 1.85°C above the 1961-1990 average, the second warmest on record for all years since 1910.<sup>45</sup>

The increasing prevalence of floods, bushfires, cyclones and heatwaves are impacting across larger parts of the State and more people. More intense wet seasons both lead to immediate flooding impacts and greater risks of bush fires during the dry season from increasing vegetation fuel load.

Over the 2023-24 bushfire season Queensland experienced 7,500 bushfires with nearly 3.29 million hectares of land burnt and five lives tragically lost including response personnel.<sup>46</sup> Over that financial year the Fire and Rescue Service and Rural Fire Service responded to 82,917 incidents up by 20 per cent per day on the previous financial year.

In 2024 the Queensland Fire Department was established with increased investment including to deliver an additional 143 firefighter positions and additional facilities equipment and fleet for the Rural Fire Service including an extra 114 support positions to assist volunteers.<sup>47</sup> The total workforce of the Queensland Fire and Rescue Service at 30 June 2024 was 3,846.8 FTE or a headcount of 5,598.

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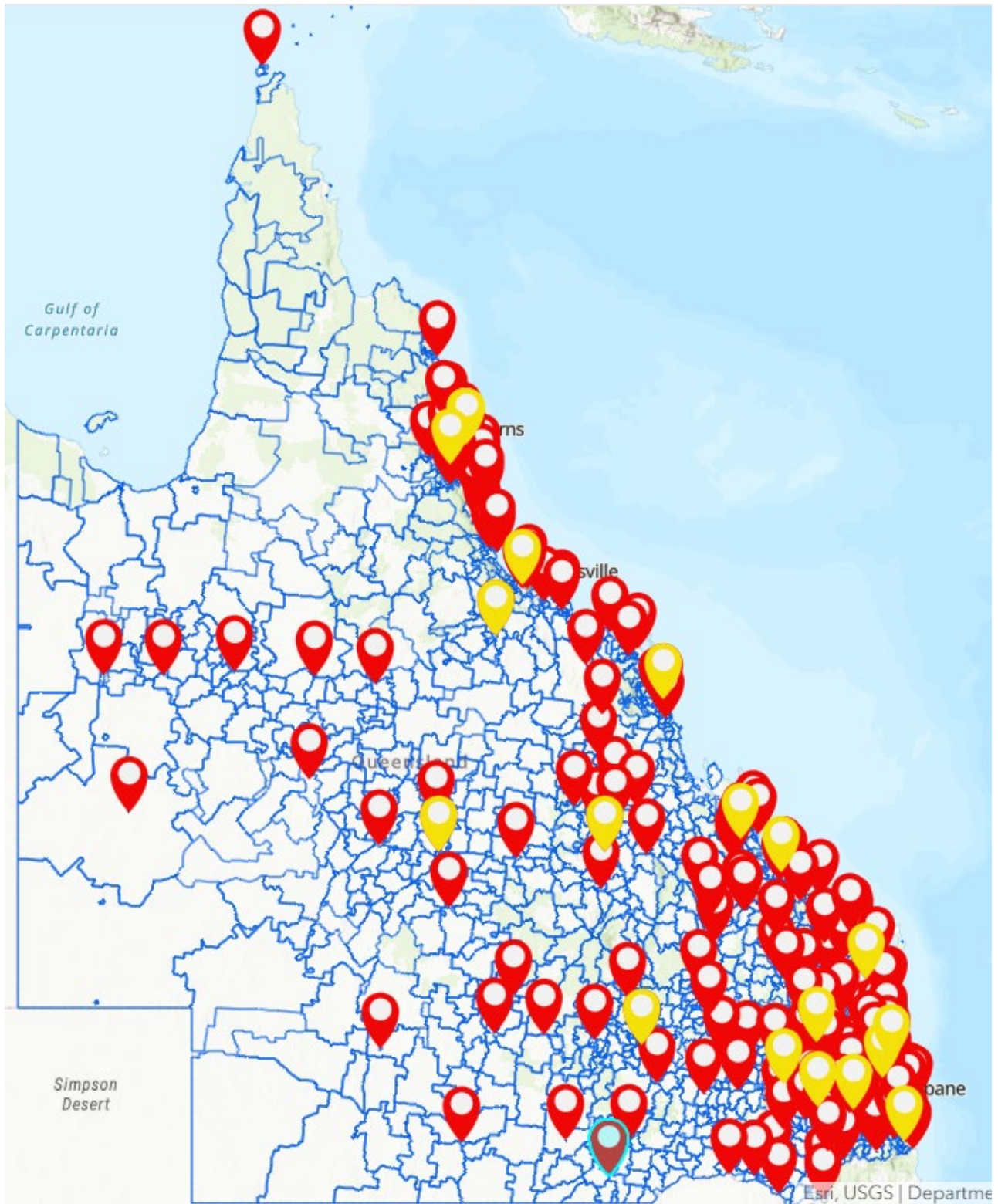
<sup>44</sup> <https://www.getready.qld.gov.au/understand-your-risk/disaster-risk>

<sup>45</sup> <http://www.bom.gov.au/climate/current/annual/qld/summary.shtml>

<sup>46</sup> <https://www.fire.qld.gov.au/sites/default/files/2024-09/Annual-Report-2023-24.pdf>

<sup>47</sup> <https://www.fire.qld.gov.au/about-us>

Queensland has one of the most geographically disparate networks of fire stations and offices in the world across the Queensland Fire Rescue and Rural Fire Service. The demand for professionalised fire and rescue services to support State Emergency Services is only set to grow.

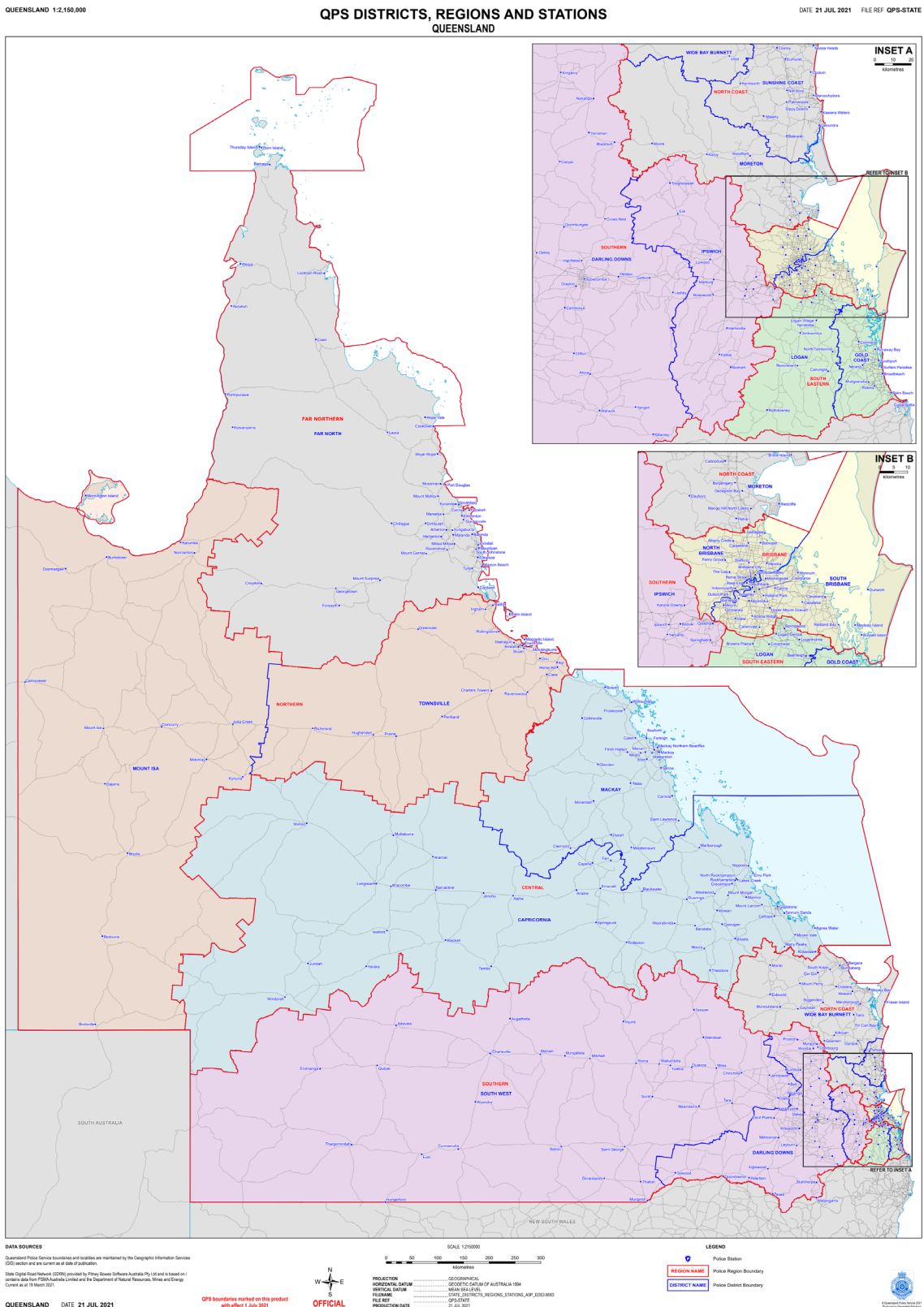


(Source Queensland Fire Department<sup>48</sup>)

<sup>48</sup> <https://www.fire.qld.gov.au/contact-us/find-us>

### Queensland Police Service Districts:

Queensland has the most geographically disparate police service by distance and number of regional stations.

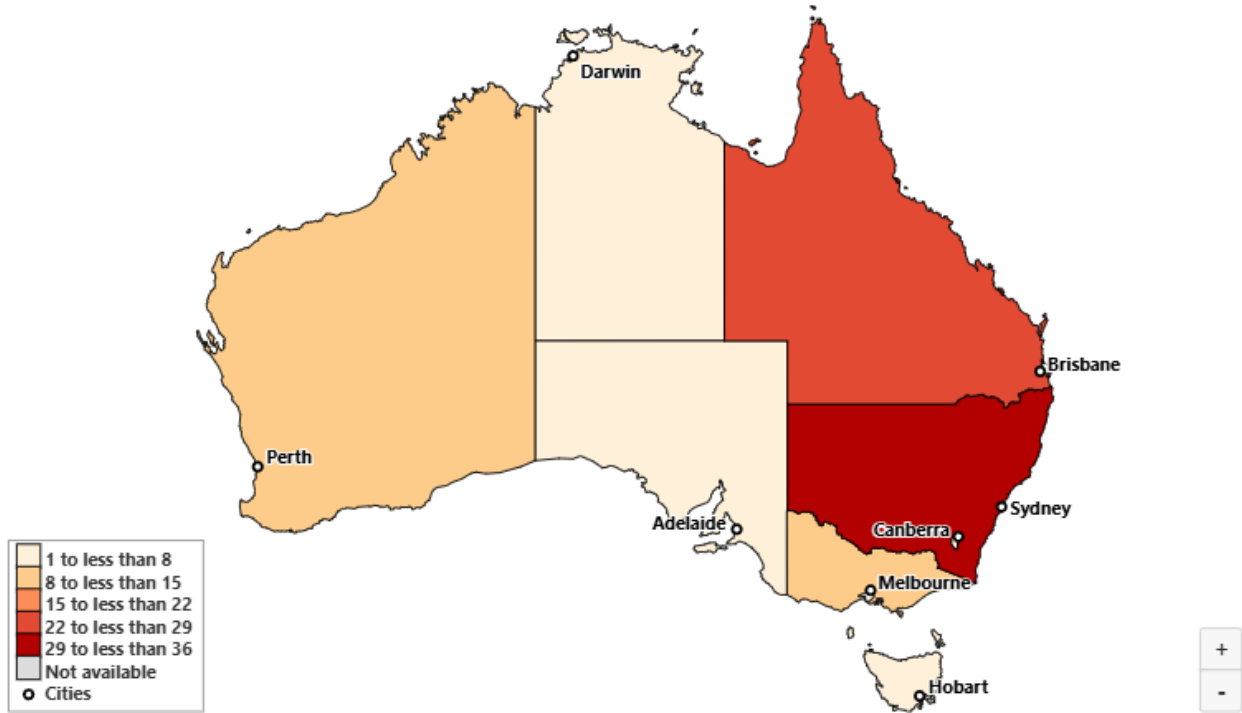


(Source Queensland Police Service<sup>49</sup>)

<sup>49</sup> ([https://www.policerecruit.qld.gov.au/sites/default/files/2024-05/QPS\\_Regions\\_Districts\\_Stations\\_A0P.pdf](https://www.policerecruit.qld.gov.au/sites/default/files/2024-05/QPS_Regions_Districts_Stations_A0P.pdf))

Queensland's Aboriginal and Torres Strait Islander population is the second largest in the nation behind New South Wales as at the 2021 Census.<sup>50</sup>

### Distribution of Aboriginal and Torres Strait Islander population by state and territory of usual residence – 30 June 2021 (%)



Queensland has experienced a record period of population growth post the COVID pandemic partly in reaction to the strong management by the government and public service of the response which included fewer days of shutdowns than New South Wales and Victoria. As at the 2021 Queensland budget update Queensland had experienced 21 days in lockdown, compared to 116 days in New South Wales and 114 days in Victoria.<sup>51</sup>

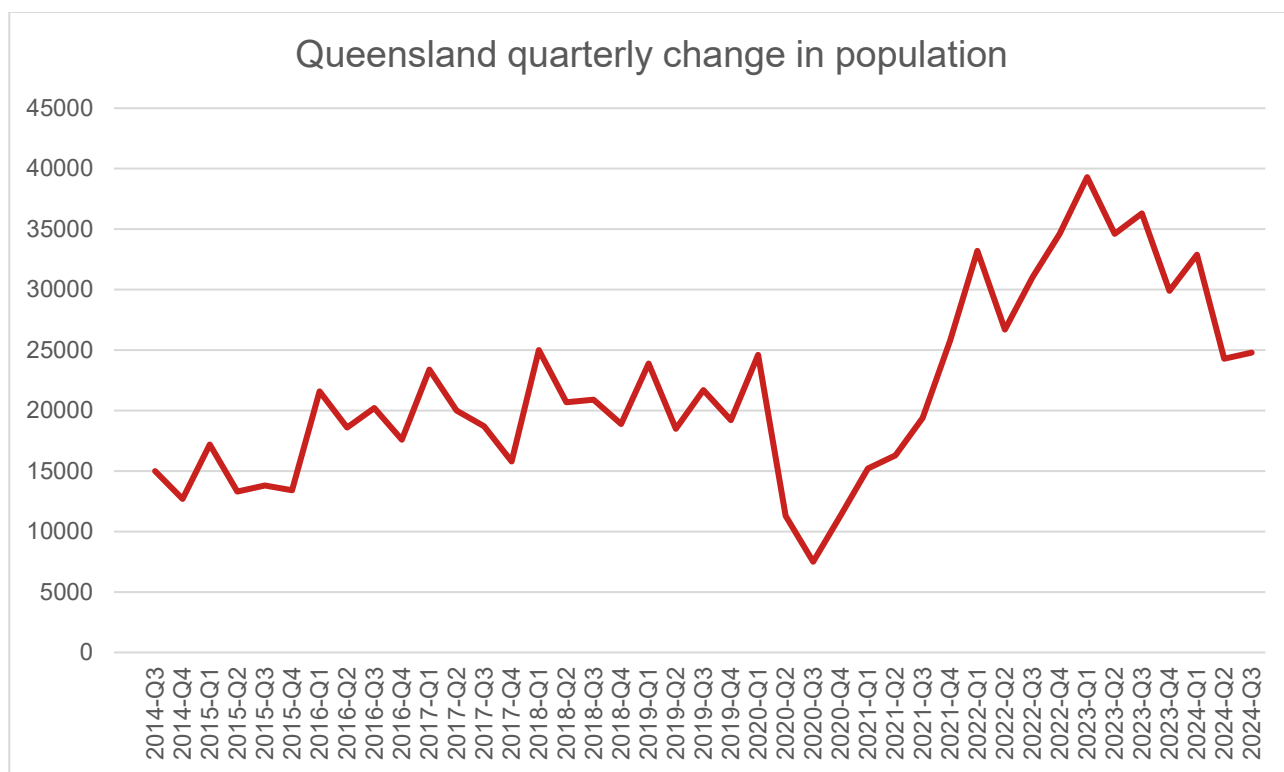
Unlike other states Queensland's population continued to increase from strong interstate migration prior to the impacts of international borders reopening with a peak of 17,639 people moving from interstate in the fourth quarter of 2021.

From the second quarter of 2020 to the third quarter of 2024 a total of 162,915 people moved from interstate to Queensland on a net basis equivalent to nearly twice the population of Rockhampton.

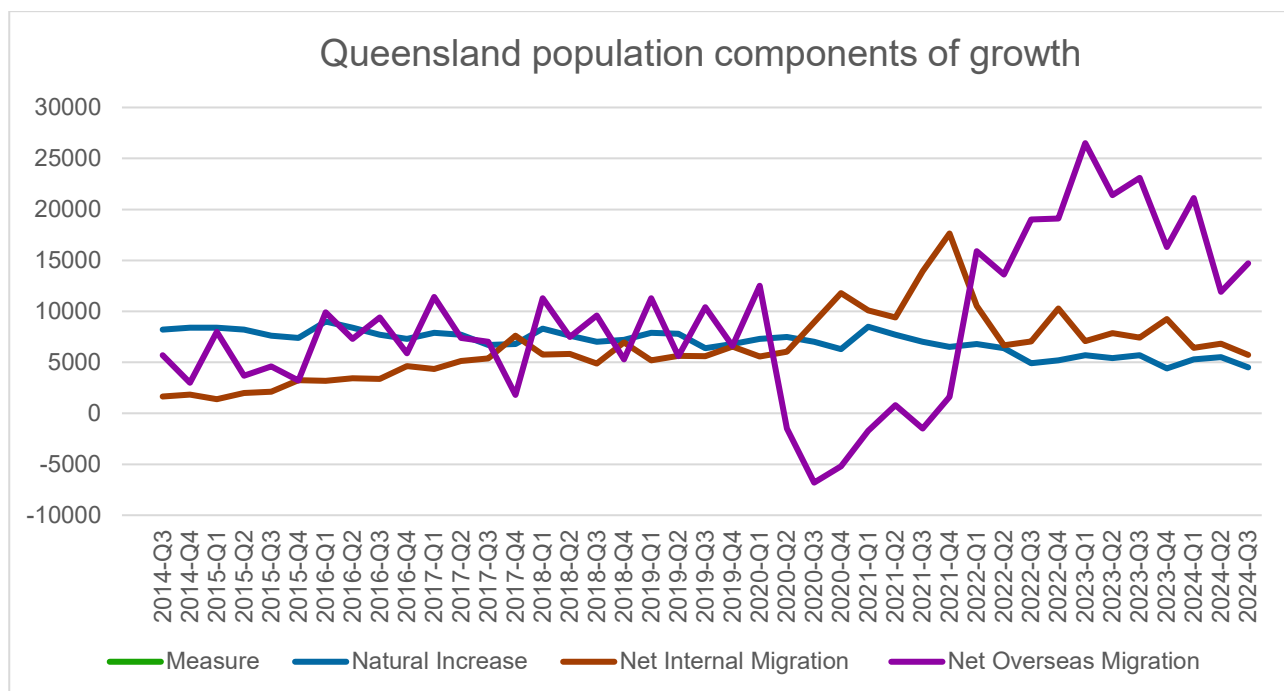
<sup>50</sup> <https://www.abs.gov.au/statistics/people/aboriginal-and-torres-strait-islander-peoples/estimates-aboriginal-and-torres-strait-islander-australians/latest-release#states-and-territories>

<sup>51</sup> [https://s3.treasury.qld.gov.au/files/2021-22\\_Budget-Update\\_web.pdf](https://s3.treasury.qld.gov.au/files/2021-22_Budget-Update_web.pdf)

Over the same period and even after accounting for departures during COVID the net number of people coming from overseas to Queensland increased by 188,300. That's a total increase from migration of 351,215 or more than the population of Townsville and Mackay combined.



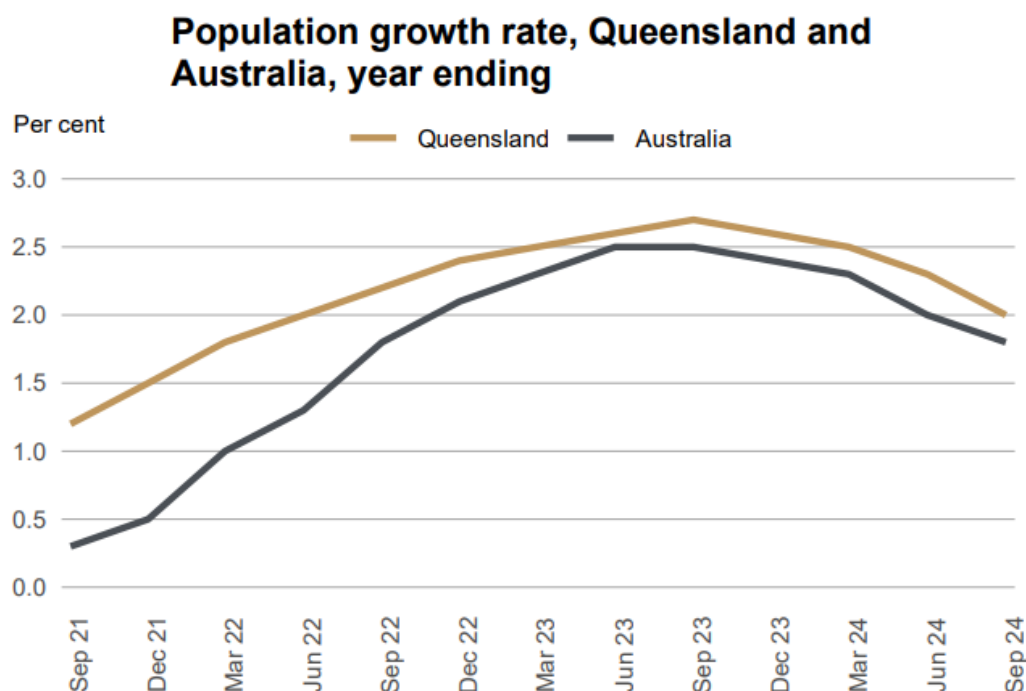
(Source ABS National, state and territory population<sup>52</sup>)



(Source ABS National, state and territory population<sup>53</sup>)

<sup>52</sup> <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/sep-2024#data-downloads>

Queensland's population growth has been faster than the nation.



(Source table by Queensland Government Statistician's Office<sup>54</sup>)

While there has been some moderation, net interstate migration levels remain more than three times higher than a decade ago.

The Federal budget papers project only a slight moderation in net interstate migration levels to Queensland over the forward estimates period. In total it is expected that another 84,000 people will move on a net basis to Queensland from interstate over the forward estimates period. These levels of net interstate migration would remain historically high.

### Interstate migration

The Centre projects net interstate migration (Table A.6), using historical interstate movements data supplied by the Australian Bureau of Statistics.

**Table A.6: Net interstate migration by state, for years ending 30 June**

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2023-24(a)	-30,900	700	29,900	9,700	-1,600	-2,600	-1,600	-3,800
2024-25	-28,300	1,800	26,500	7,800	-2,200	-1,800	-700	-3,000
2025-26	-24,300	2,800	23,200	4,200	-2,900	-700	-200	-2,200
2026-27	-21,000	3,700	20,400	1,400	-3,400	200	300	-1,500
2027-28	-20,800	3,800	20,200	1,100	-3,400	200	300	-1,500
2028-29	-20,900	3,700	20,200	1,100	-3,300	300	300	-1,400

a) Estimate for 2023–24, from ABS National, state & territory population, June 2024.

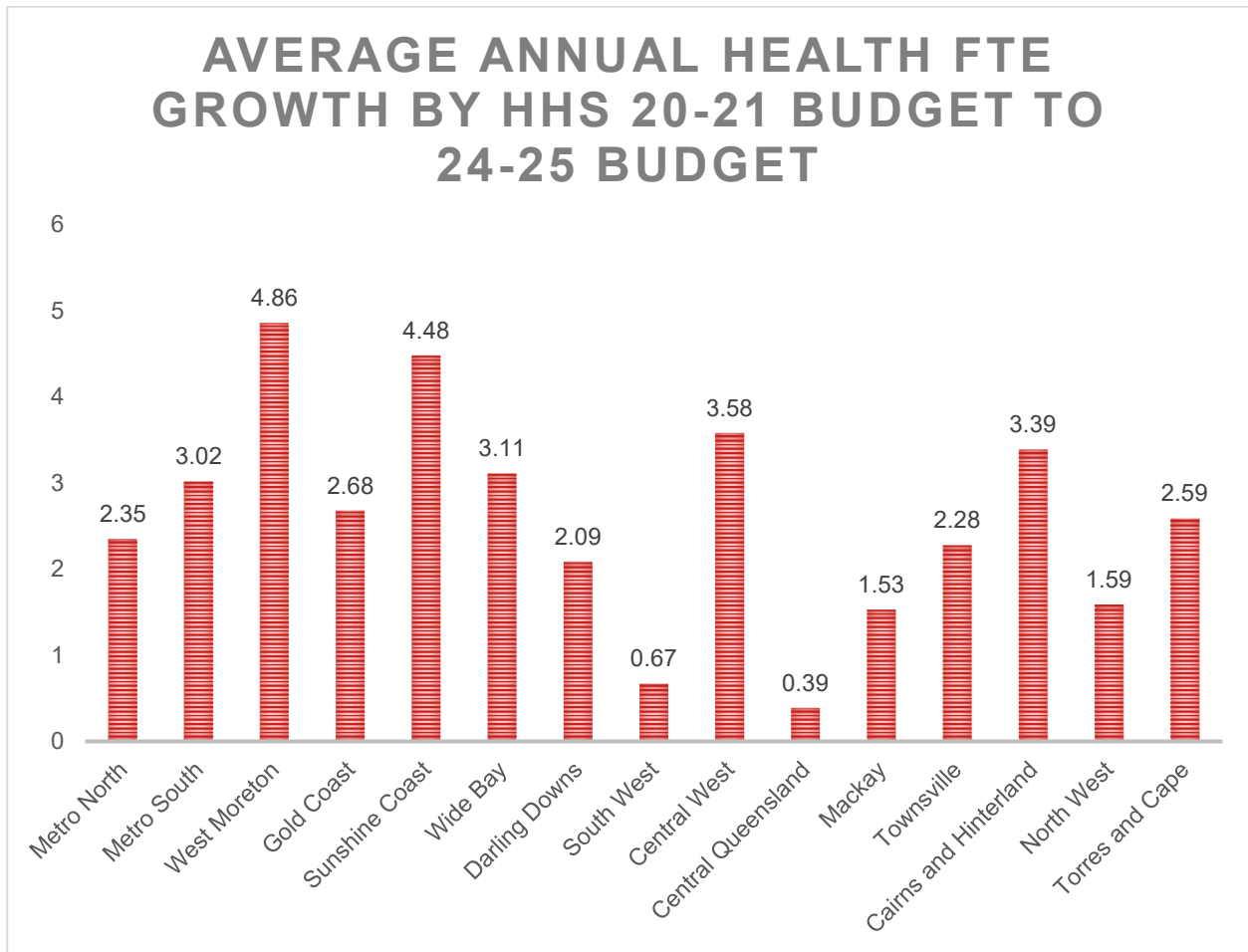
(Source 2025 Federal Budget Papers<sup>55</sup>)

<sup>53</sup> <https://www.abs.gov.au/statistics/people/population/national-state-and-territory-population/sep-2024#data-downloads>

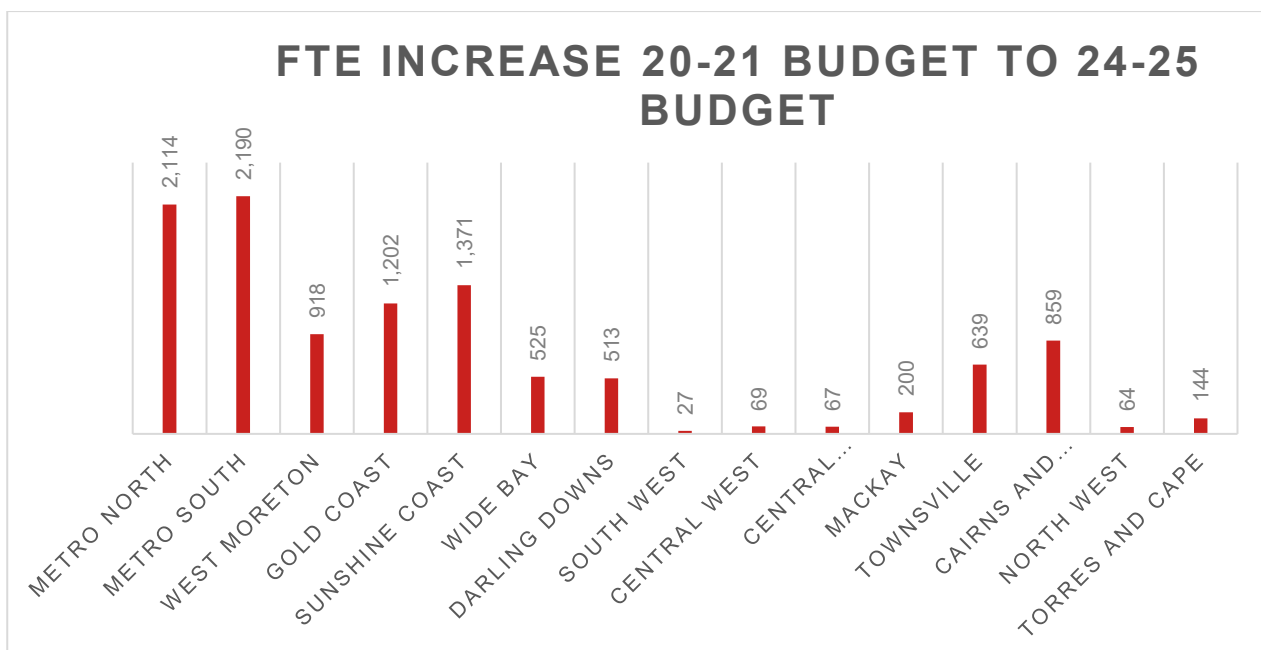
<sup>54</sup> <https://www.qgso.qld.gov.au/issues/3091/population-growth-ql-202409.pdf>

<sup>55</sup> [https://budget.gov.au/content/bp3/download/bp3\\_2025-26.pdf](https://budget.gov.au/content/bp3/download/bp3_2025-26.pdf) page 130

Queensland's strong population growth over the last five years has led to demand exceeding population growth for health staff to maintain service levels.



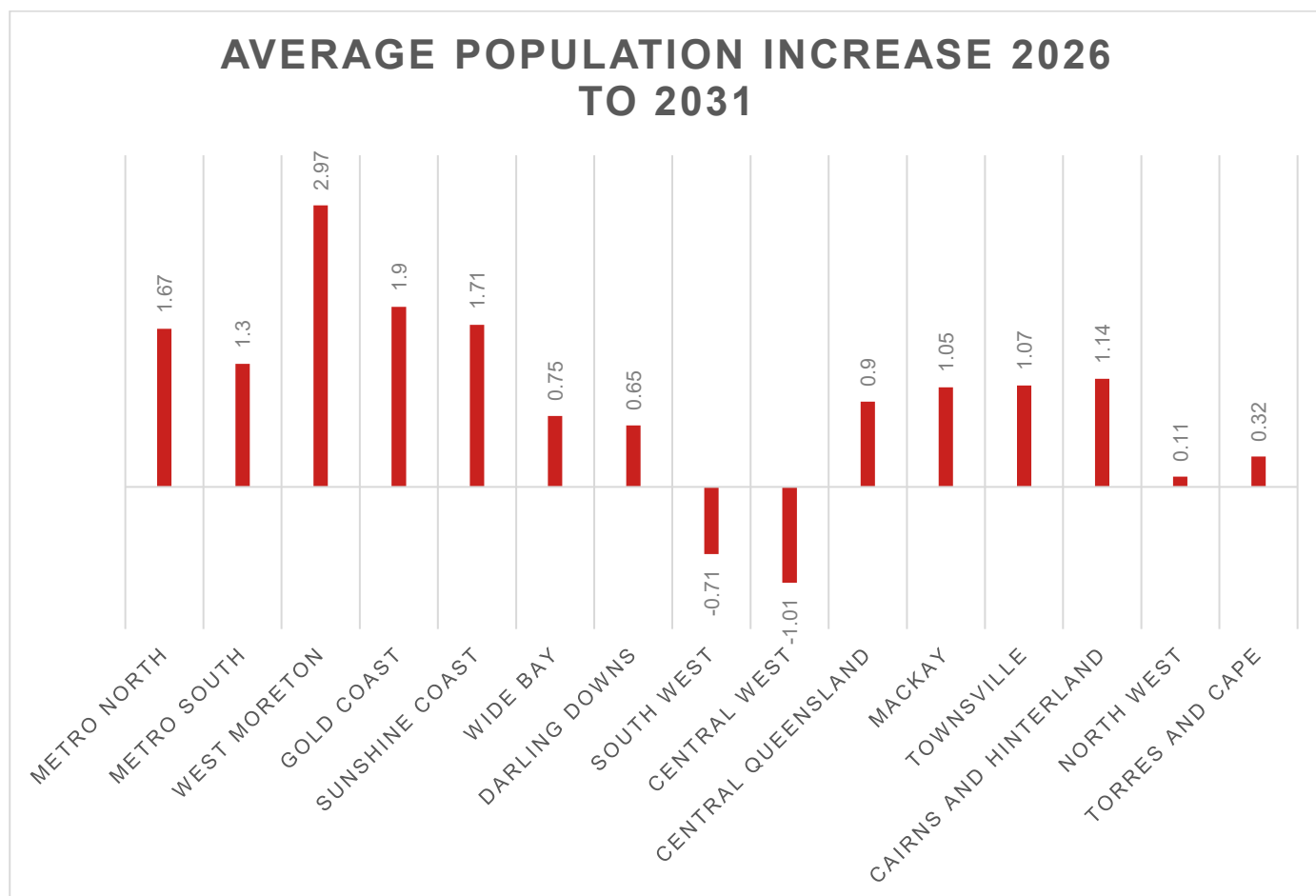
(Source 2021-22 and 2024-25 Health Service Delivery Statements<sup>56</sup>)



<sup>56</sup> [https://s3.treasury.qld.gov.au/files/Budget\\_2021-22\\_SDS\\_Queensland\\_Health-1.pdf](https://s3.treasury.qld.gov.au/files/Budget_2021-22_SDS_Queensland_Health-1.pdf) and [https://budget.qld.gov.au/files/Budget\\_2024-25\\_SDS\\_Queensland\\_Health.pdf](https://budget.qld.gov.au/files/Budget_2024-25_SDS_Queensland_Health.pdf)

Metro North, Metro South, Sunshine Coast, Gold Coast, West Moreton and Cairns and Hinterland HHS and Townsville have had the highest increase in FTEs with population growth. West Moreton and Sunshine Coast have the highest percentage increases in health FTEs.

The forecasts for population growth by HHS from 2026 to 2031 forecast ongoing strong growth in West Moreton, Gold Coast, Sunshine Coast, Metro North and Metro South with Cairns and Hinterland recording the fastest growth in regional Queensland.



(Source Report of the Chief Health Office Queensland<sup>57</sup>)

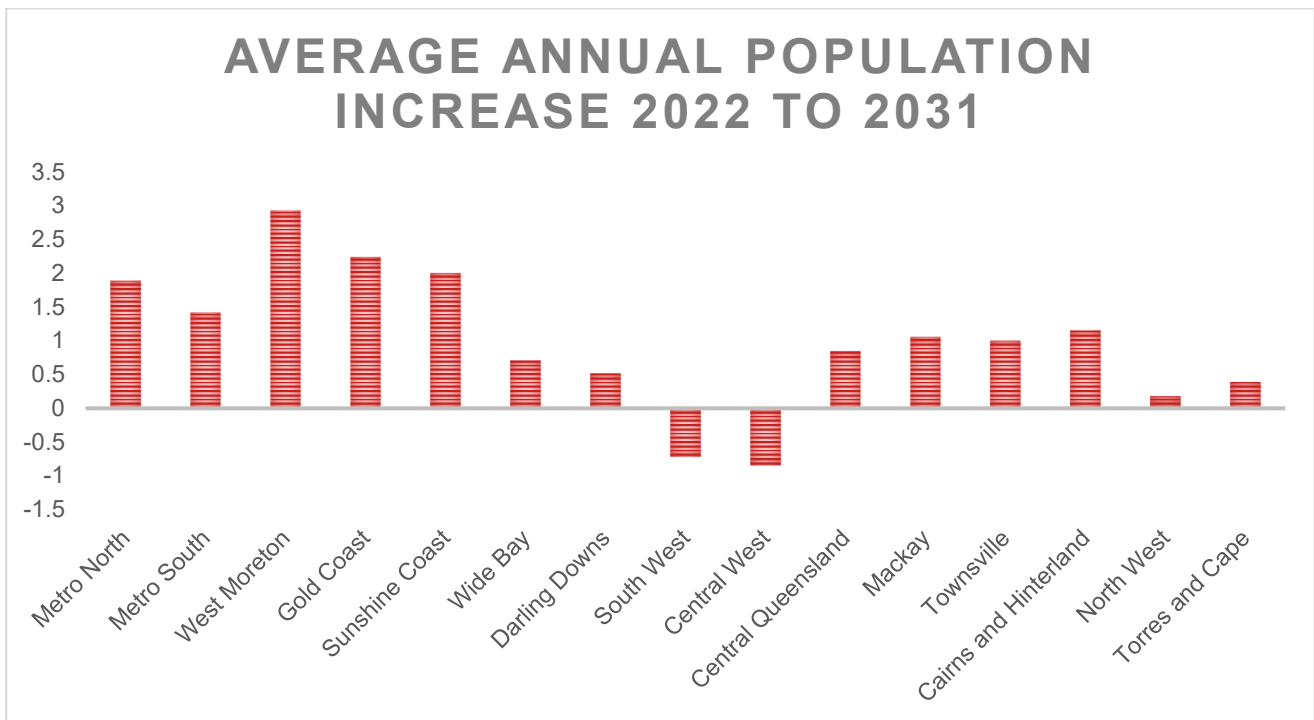
Within individual HHS areas there are strong pockets of population growth forecast including in the Logan local government area at 2.37 per cent per annum on average from 2026 to 2031 and 2.42 per cent per annum on average in Moreton Bay in Metro North.<sup>58</sup>

Queensland Treasury's population forecasts have not been updated post the designation of the Thornlands Priority Development Area which is likely to see an increase in population growth to the Redland local government area within the Metro South HHS.

Based on historical performance maintaining service delivery levels at existing levels will require significant uplifts in staffing exceeding population growth or 2 per cent per annum in high growth areas including West Moreton, Gold Coast, Sunshine Coast, Metro North and Metro South.

<sup>57</sup> <https://www.choreport.health.qld.gov.au/our-people/demography>

<sup>58</sup> <https://www.qgso.qld.gov.au/statistics/theme/population/population-projections/regions>



Queensland's population is projected to increase from 5.775 million to exceed 6 million by 2028-29 with Queensland's population share rising from 20.62 per cent to 20.69 per cent.

**Table A.2: Population by state, at 30 June (million)**

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2023-24(b)	8.484	6.981	5.586	2.965	1.878	0.575	0.474	0.255	27.200	27.205
2024-25	8.597	7.109	5.690	3.030	1.896	0.576	0.481	0.257	27.636	27.641
2025-26	8.695	7.221	5.775	3.080	1.912	0.578	0.487	0.259	28.007	28.012
2026-27	8.788	7.324	5.852	3.123	1.925	0.580	0.493	0.260	28.346	28.351
2027-28	8.882	7.429	5.930	3.168	1.938	0.582	0.500	0.262	28.692	28.697
2028-29	8.979	7.535	6.010	3.213	1.952	0.585	0.506	0.265	29.044	29.049

a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

b) Estimate for 2023-24, from ABS National, state and territory population, June 2024.

(Source 2025 Federal Budget Papers<sup>59</sup>)

Total Australian Government payments to Queensland in 2025-26 were 19.14 per cent of the total payments to the states or below population share and are forecast to remain below population share in 2028-29 at 19.5 per cents of the total payments. That includes payments for specific purposes and GST-related payments. While payments for specific purposes to Queensland are higher than population share the current GST redistribution lowers the overall payments to Queensland.

<sup>59</sup> [https://budget.gov.au/content/bp3/download/bp3\\_2025-26.pdf](https://budget.gov.au/content/bp3/download/bp3_2025-26.pdf) page 129

## Payments to the states

Total Australian Government payments to the states are shown in Table 1.1 and as a proportion of GDP in Table 1.2.

**Table 1.1: Australian Government payments to the states, 2024–25 to 2028–29**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
<b>2024-25</b>									
Payments for specific purposes(a)	26,468	20,305	19,847	12,356	7,048	2,190	1,433	2,279	92,343
GST-related payments(b)	26,280	23,948	18,917	7,408	9,129	3,589	1,997	4,318	95,587
Other general revenue assistance	-	-	-	648	-	-	45	-	694
<b>Total payments to the states</b>	<b>52,748</b>	<b>44,253</b>	<b>38,764</b>	<b>20,412</b>	<b>16,176</b>	<b>5,779</b>	<b>3,475</b>	<b>6,597</b>	<b>188,624</b>
<b>2025-26</b>									
Payments for specific purposes(a)	27,511	22,689	20,985	10,991	7,536	2,530	1,636	2,551	95,881
GST-related payments(b)	27,668	27,989	16,625	7,835	9,529	3,778	2,064	4,603	100,091
Other general revenue assistance	-	-	-	487	-	-	46	-	534
<b>Total payments to the states</b>	<b>55,179</b>	<b>50,678</b>	<b>37,610</b>	<b>19,313</b>	<b>17,065</b>	<b>6,309</b>	<b>3,746</b>	<b>7,154</b>	<b>196,506</b>
<b>2026-27</b>									
Payments for specific purposes(a)	26,646	22,877	21,419	9,809	7,329	2,529	1,564	2,370	94,617
GST-related payments(b)	28,843	29,351	17,548	9,317	9,939	3,930	2,162	4,821	105,910
Other general revenue assistance	-	-	-	400	-	-	47	-	447
<b>Total payments to the states</b>	<b>55,488</b>	<b>52,228</b>	<b>38,967</b>	<b>19,526</b>	<b>17,268</b>	<b>6,459</b>	<b>3,774</b>	<b>7,191</b>	<b>200,975</b>
<b>2027-28</b>									
Payments for specific purposes(a)	27,257	23,468	22,389	9,620	7,512	2,419	1,487	2,069	97,285
GST-related payments(b)	30,285	30,960	18,561	9,863	10,417	4,110	2,278	5,068	111,542
Other general revenue assistance	-	-	-	369	-	-	48	-	418
<b>Total payments to the states</b>	<b>57,542</b>	<b>54,428</b>	<b>40,950</b>	<b>19,852</b>	<b>17,929</b>	<b>6,529</b>	<b>3,813</b>	<b>7,137</b>	<b>209,245</b>
<b>2028-29</b>									
Payments for specific purposes(a)	28,752	23,254	22,954	9,738	7,251	2,297	1,454	2,224	100,519
GST-related payments(b)	31,716	32,569	19,582	10,415	10,890	4,287	2,393	5,317	117,171
Other general revenue assistance	-	-	-	293	-	-	49	-	343
<b>Total payments to the states</b>	<b>60,468</b>	<b>55,823</b>	<b>42,536</b>	<b>20,446</b>	<b>18,142</b>	<b>6,585</b>	<b>3,897</b>	<b>7,541</b>	<b>218,032</b>

a) State allocations for a number of programs have not yet been determined. These payments are not reflected in state totals. As a result, total payments for specific purposes may not equal the sum of the state figures.

b) Includes GST entitlement (GST pool and Commonwealth funded GST pool boost) and HFE transition payments. State allocations are dependent upon the GST relativities for each financial year. They are calculated using the Commonwealth Grants Commission's recommended 2025–26 GST relativities as the starting point. At the time of the 2025–26 Budget, the Treasurer had not yet made a determination of the 2025–26 GST relativities. The estimates do not reflect any attempt to project future GST relativities. See Part 3 for further information.

(Source 2025 Federal Budget Papers<sup>60</sup>)

The Commonwealth Grants Commission GST Relativities for 2025-26 decreased GST by \$208 per person in Queensland or \$1.2 billion in total. The main driver of the increase was a reduction of \$398 per person or \$2.28 billion in higher coal royalties received by the Queensland Government being redistributed to other States.<sup>61</sup> Victoria was the main beneficiary under the principle of horizontal fiscal equalisation receiving \$116 per person from higher coal royalty raising capacity.

<sup>60</sup> [https://budget.gov.au/content/bp3/download/bp3\\_2025-26.pdf](https://budget.gov.au/content/bp3/download/bp3_2025-26.pdf) page 5

<sup>61</sup> [https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26\\_Final.pdf](https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26_Final.pdf)

**Figure 3-3 Queensland: main changes in assessed GST needs, 2025–26 relativities**

Method changes			
Driver	Change		Explanation
	\$m	\$pc	
COVID-19 in services to industry	-478	-83	The Commission introduced an actual per capita assessment of COVID-19 business support expenses covered by the national partnership agreements. Queensland's below-average COVID-19 business support expenses reduced its assessed GST needs.
COVID-19 in health	-324	-57	The Commission introduced an actual per capita assessment of COVID-19 health expenses covered by the national partnership agreement. Queensland's below-average COVID-19 health expenses reduced its assessed GST needs.
Changes to model in wage costs	-237	-41	Changes to the model used to estimate relative state wage costs produced lower estimates for wage costs in Queensland than the previous model, reducing Queensland's assessed GST needs.
Investment - Changes to urban transport assessment	-193	-34	To improve comparability and reduce volatility, the Commission amended the methods used to model passenger numbers (replacing a grouping cities approach with a regression of population size) and to calculate population-weighted density (using square kilometres rather than SA1s). Both these changes reduced the relative growth of these measures for Brisbane, reducing Queensland's assessed GST needs for urban transport investment.
Changes in circumstances (a)			
Driver	Change		Explanation
	\$m	\$pc	
Mining production	-2,283	-398	Higher coal prices and average coal royalty rates in 2023–24 compared with 2020–21 combined with Queensland's above-average share of coal production significantly increased its relative capacity to raise revenue from coal royalties and reduced its assessed GST needs.
Taxable land values	208	36	Below-average growth in taxable land values in 2023–24 compared with 2020–21 reduced Queensland's relative revenue raising capacity from land taxes, increasing its assessed GST needs.
Relative growth of investment needs for urban transport	-185	-32	The below-average growth in population-weighted density in Brisbane in 2023–24 compared with 2020–21, reduced Queensland's need for urban transport investment, reducing its assessed GST needs.

(a) Change of circumstances refers to the impact of replacing the 2020–21 assessment year data with the 2023–24 assessment year data in the calculation of relativities.

(Summary table by the Commonwealth Grants Commission<sup>62</sup>)

The Commonwealth Grants Commission noted that Queensland, Western Australia, Tasmania and the Northern Territory continued to have above-average expense needs reflecting population dispersion with higher costs to provide services in more remote regions. The Commission notes that on average it “costs more to provide services to First Nations people because of complexity of needs and higher use of services”.<sup>63</sup> As a result, Queensland was assessed as having above-average expense needs.

Queensland was assessed as receiving \$1.242 billion to account for population dispersion the second highest behind the Northern Territory at \$1.725 billion. Queensland also received \$1.346 billion for indigenous status the highest in the country. All of that was offset by a \$5.664 billion downward revision related to mining production on the revenue assessment.

<sup>62</sup> [https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26\\_Final.pdf](https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26_Final.pdf) page 48

<sup>63</sup> [https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26\\_Final.pdf](https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26_Final.pdf) page 38

The principle of horizontal fiscal equalisation is a cornerstone of equity in service delivery across the Australian Federation. That said the system will never be perfect and can result in periods of expense to revenue mismatch for individual jurisdictions. This is likely to be the situation Queensland again finds itself in with GST revised down while population growth continues to be historically high and coal royalties moderate from historically high levels.

**Table 2-11 Drivers of difference from an equal per capita distribution of GST, 2025–26**

	NSW	Vic	Qld	WA	SA	Tas	ACT	NT	Total effect
	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m	\$m
<b>REVENUE RAISING CAPACITY</b>									
Mining production	4,385	9,125	-5,664	-11,075	1,931	601	630	66	16,739
Taxable land values	-2,945	-627	1,687	777	613	223	180	93	3,572
Property sales	-2,755	-206	679	964	867	319	-30	163	2,991
Taxable payrolls	-586	178	859	-1,485	713	274	51	-4	2,075
Other revenue effects	215	188	-186	-179	-147	-6	93	21	517
<b>TOTAL REVENUE</b>	<b>-1,687</b>	<b>8,659</b>	<b>-2,624</b>	<b>-10,998</b>	<b>3,976</b>	<b>1,412</b>	<b>924</b>	<b>339</b>	<b>15,310</b>
<b>COMMONWEALTH PAYMENTS</b>									
	-109	984	-478	-181	328	-131	129	-542	1,442
<b>EXPENSE NEEDS</b>									
Socio-demographic composition (SDC)									
Population dispersion	-2,372	-1,882	1,242	714	102	809	-340	1,725	4,593
Indigenous status	385	-3,062	1,346	300	-282	185	-132	1,260	3,476
Non-Indigenous disadvantage	-152	-277	458	-177	492	147	-355	-136	1,097
Age	292	-169	-179	-79	294	-24	-41	-94	586
Other SDC	-141	-226	246	42	20	-35	-39	133	441
<b>Total SDC</b>	<b>-1,987</b>	<b>-5,615</b>	<b>3,113</b>	<b>801</b>	<b>627</b>	<b>1,082</b>	<b>-907</b>	<b>2,887</b>	<b>8,510</b>
COVID-19	1,325	1,558	-1,618	-637	-532	-84	21	-34	2,904
Administrative scale	-705	-493	-298	73	212	381	396	434	1,496
Wage costs	561	137	-640	392	-496	-211	199	60	1,347
Population weighted density	884	279	-536	-244	-184	-127	-22	-49	1,162
Natural disaster relief	909	-701	172	-95	-163	-56	-52	-14	1,080
Other expenses	-1,088	-645	288	1,341	15	-88	4	173	1,821
<b>TOTAL EXPENSES</b>	<b>-102</b>	<b>-5,481</b>	<b>481</b>	<b>1,630</b>	<b>-522</b>	<b>898</b>	<b>-362</b>	<b>3,458</b>	<b>6,467</b>
<b>INVESTMENT</b>									
Capital improvements	1,008	139	-544	-25	-420	-246	-271	359	1,506
Cost of construction	396	-836	-125	496	-64	-38	40	132	1,064
Population growth	-1,360	333	728	792	-287	-126	-40	-41	1,853
<b>TOTAL INVESTMENT</b>	<b>44</b>	<b>-364</b>	<b>58</b>	<b>1,263</b>	<b>-771</b>	<b>-410</b>	<b>-271</b>	<b>450</b>	<b>1,816</b>
<b>NET BORROWING</b>									
	269	-35	-207	-203	81	64	7	24	445
<b>Total effect of assessed relativities (a)</b>	<b>-1,586</b>	<b>3,763</b>	<b>-2,770</b>	<b>-8,488</b>	<b>3,093</b>	<b>1,833</b>	<b>427</b>	<b>3,729</b>	<b>12,844</b>
Blending relativities	-2,498	-2,073	-217	5,728	-553	-169	-140	-79	5,728
Floor applied	-52	-43	-34	149	-11	-3	-3	-2	149
<b>TOTAL</b>	<b>-4,137</b>	<b>1,647</b>	<b>-3,021</b>	<b>-2,610</b>	<b>2,528</b>	<b>1,660</b>	<b>284</b>	<b>3,648</b>	<b>9,768</b>

Note: This table shows the drivers for each state receiving more or less than an equal per capita share of GST in 2025–26.

(a) Assessed relativities reflect the GST each state needs to have the same capacity to provide services as the other states. Legislation specifies how these are adjusted to derive GST relativities, which determine GST distribution.

(Table by the Commonwealth Grants Commission<sup>64</sup>)

<sup>64</sup> [https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26\\_Final.pdf](https://www.cgc.gov.au/sites/default/files/2025-03/GST%20Sharing%20Relativities%202025-26_Final.pdf) page 39)

## Queensland Public Sector Report Part 2 - The Economic contribution of the Queensland public sector:

As the largest and most diverse employer in the State the Queensland public sector's contribution to the Queensland economy is significant.

Of the total employed Queenslanders more than 1 in 10 are directly working for the State Government via departments or government owned corporations with 408,800 employed in June 2024 injecting \$39.8 billion in cash wages and salaries.<sup>65</sup>

The 2024 budget papers estimate that the 2024-25 infrastructure program is supporting another 72,000 jobs with 50,000 located outside of the Greater Brisbane region.<sup>66</sup>

The planning and delivery of public infrastructure is supported by the Queensland public service.

Code	Statistical Area	Capital purchases \$'000	Capital grants \$'000	Total capital program \$'000	Direct jobs
301	Brisbane East	420869	175186	596055	1584
302	Brisbane North	524464	148104	672568	1787
303	Brisbane South	706620	245915	952535	2531
304	Brisbane West	312326	75481	387807	1030
305	Inner Brisbane	2237041	376731	2613772	6944
306	Cairns	874470	273628	1148098	3050
307	Darling Downs Maranoa	941858	235127	1176985	3127
308	Central Queensland	2085815	202843	2288658	6081
309	Gold Coast	2410056	344274	2754330	7318
310	Ipswich	1539164	231503	1770667	4704
311	Logan Beaudesert	1356433	182013	1538446	4087
312	Mackay	1141720	114315	1256035	3337
313	Moreton Bay North	541524	105446	646970	1719
314	Moreton Bay South	504147	131320	635467	1688
315	Outback	1109821	483956	1593777	4234
316	Sunshine Coast	1037197	268497	1305694	3469
317	Toowoomba	663244	88307	751551	1997
318	Townsville	1257198	250218	1507416	4005
319	Wide Bay	3293893	209225	3503118	9307
<b>Total</b>		<b>22957860</b>	<b>4142089</b>	<b>27099949</b>	<b>72000</b>

(Pro rata of estimated jobs supported by region based on capital purchases and grants<sup>67</sup>)

<sup>65</sup> <https://www.abs.gov.au/statistics/labour/employment-and-unemployment/public-sector-employment-and-earnings/latest-release>

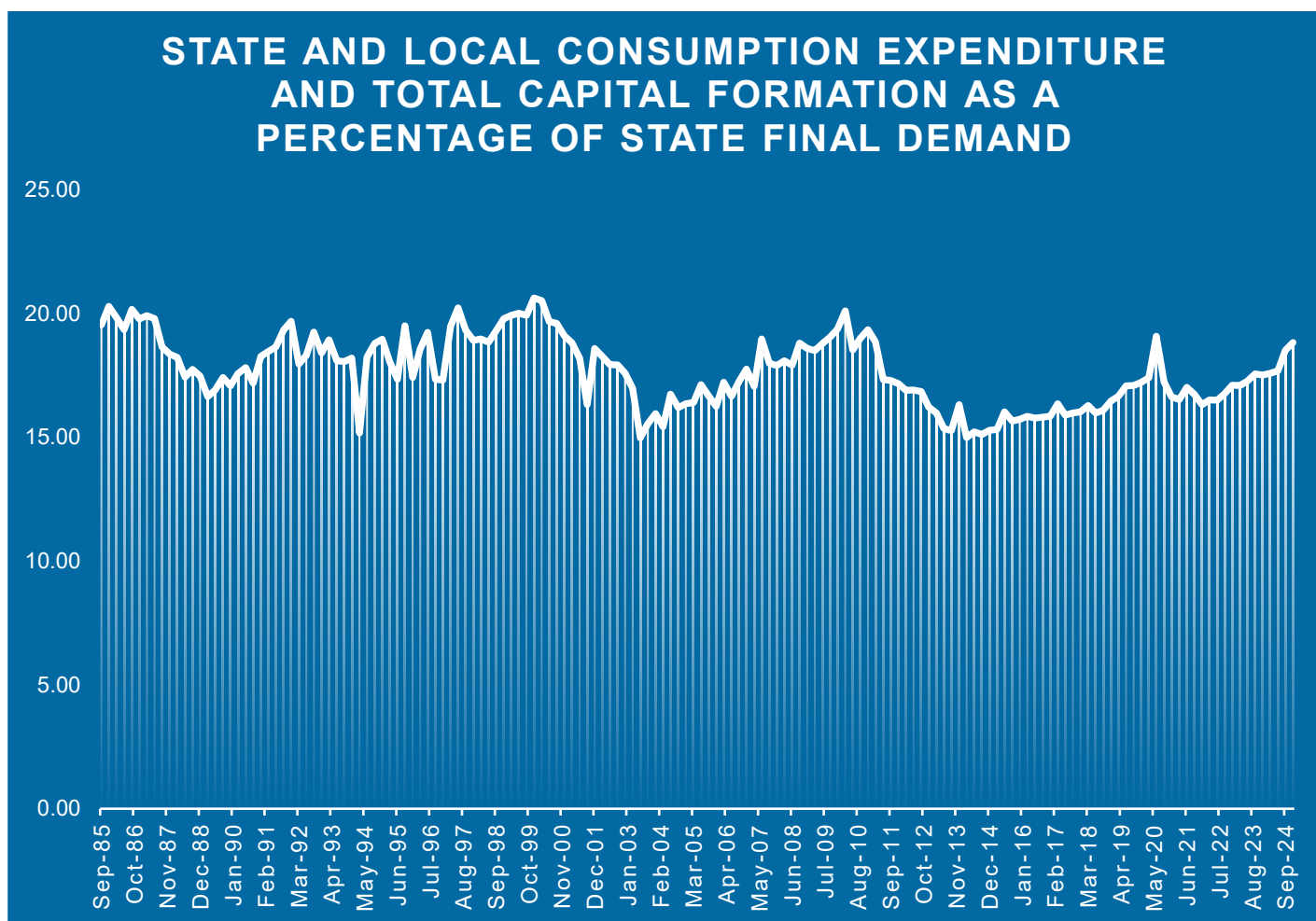
<sup>66</sup> [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP3\\_Capital\\_Statement.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP3_Capital_Statement.pdf) page 3

<sup>67</sup> [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP3\\_Capital\\_Statement.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP3_Capital_Statement.pdf)

Over the year to December quarter 2024 total state and local consumption expenditure reached \$64.8 billion seasonally adjusted with another \$24.6 billion in fixed capital formation including public corporations.

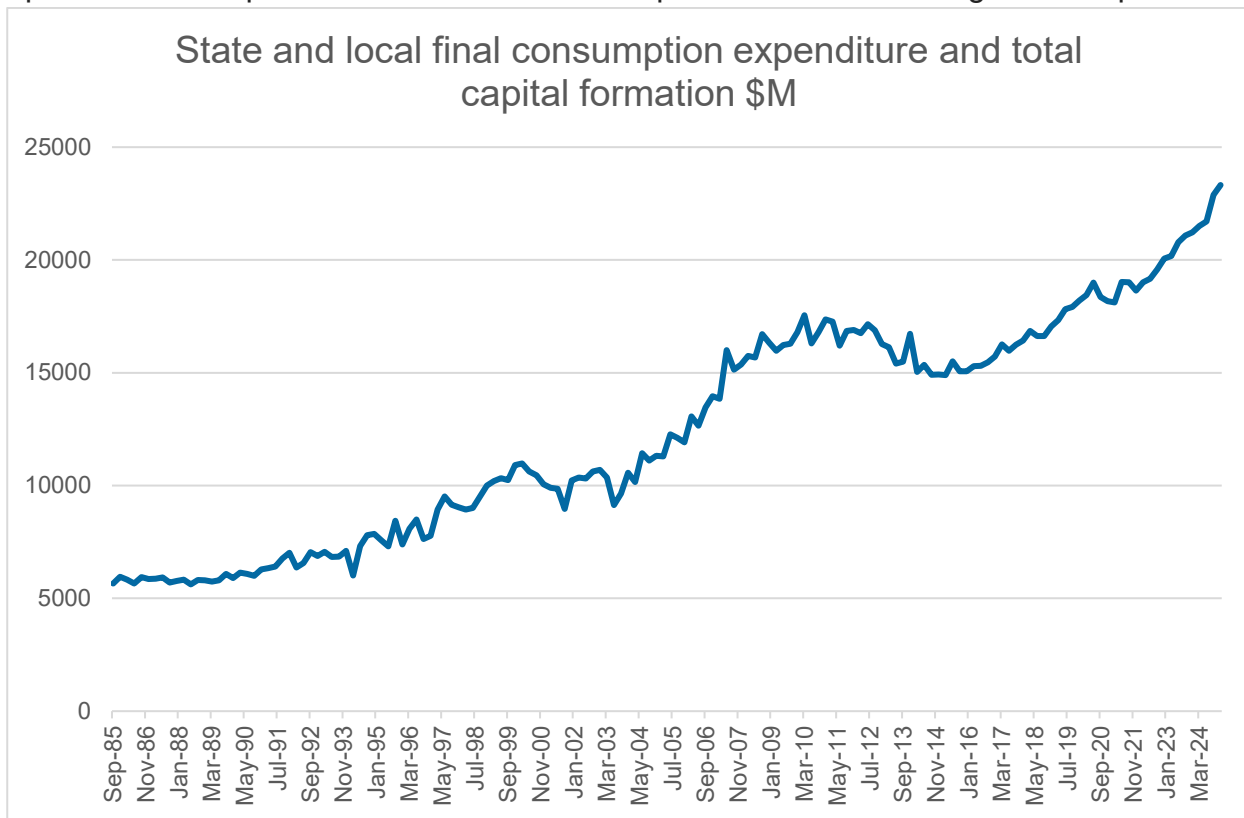
ABS government final consumption expenditure measures expenditure by government entities within a state encompassing both government consumption and investment less imports of goods and services. That includes spending on goods and services for consumption purposes such as salaries for government employees and spending on healthcare and education as well as investment in fixed assets including infrastructure buildings and machinery.

In Queensland total state and local consumption expenditure and fixed capital formation was 18.8 per cent of the total domestic economy or Queensland state final demand in December quarter. Historically total state and local spending and investment in infrastructure has ranged between 15 per cent and 20 per cent of the total domestic economy in Queensland.

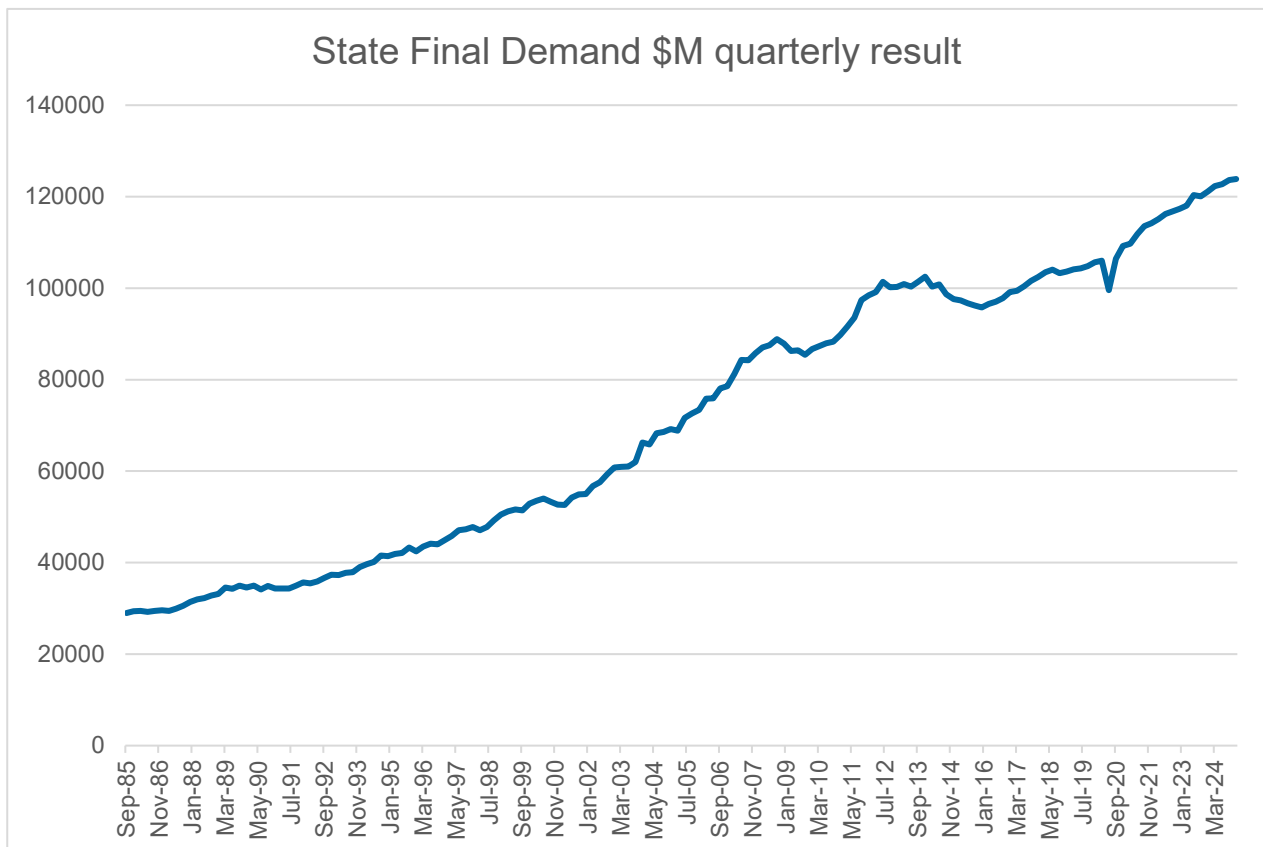


(Source ABS National Accounts)

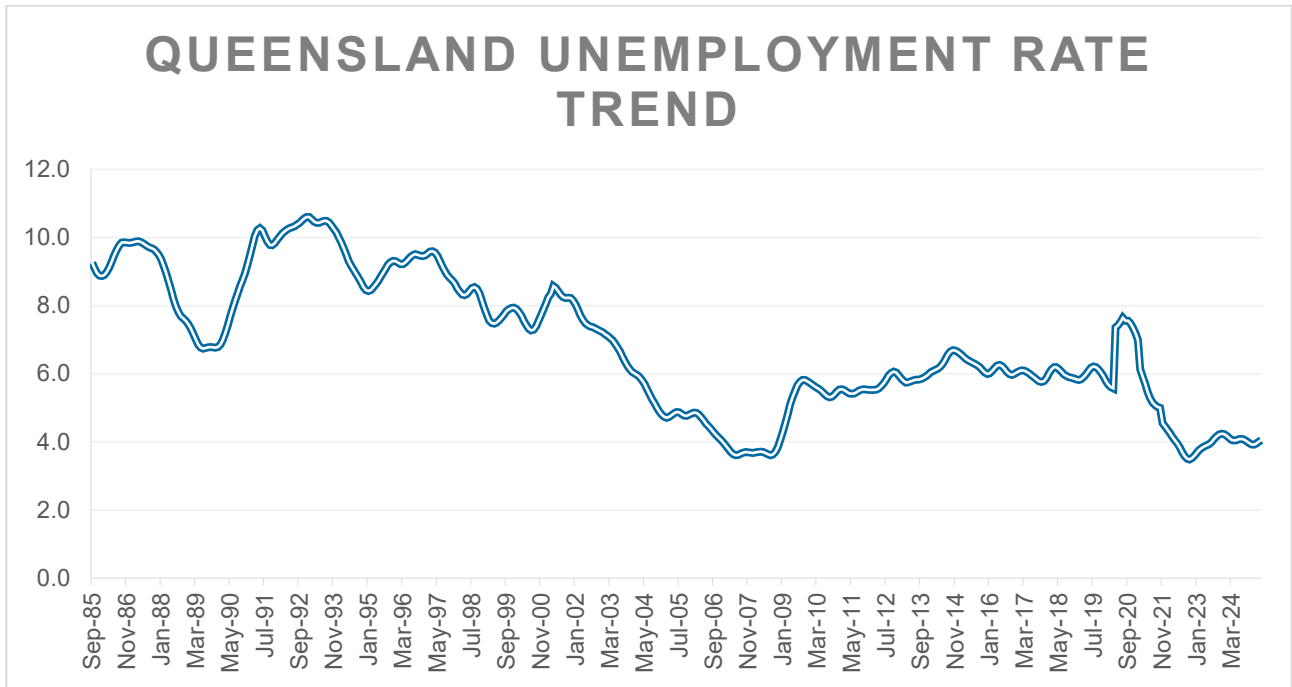
Note that the state and local share of the economy has not increased despite a significant uplift in actual expenditure in the Queensland public service including frontline positions.



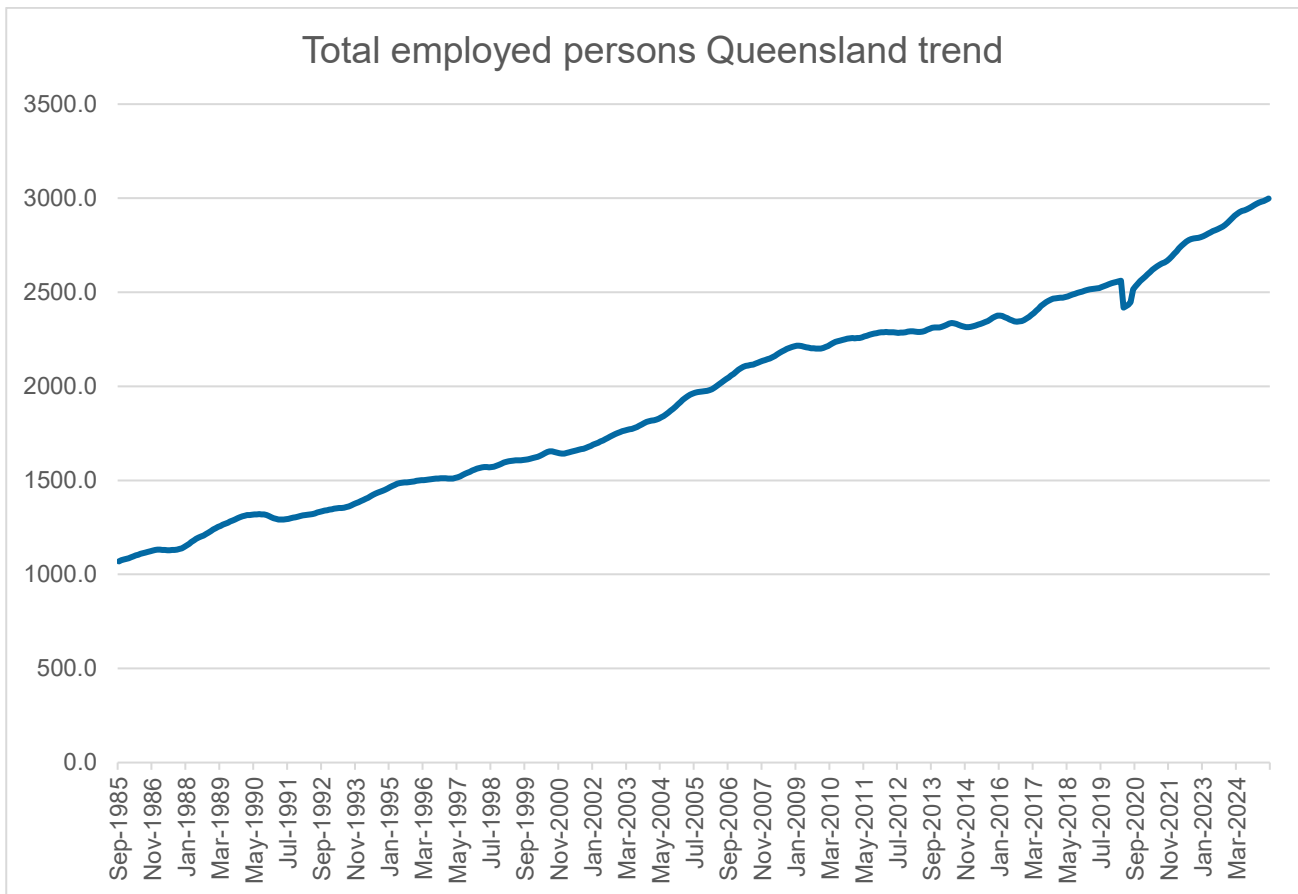
This is because of significant strength in the broader domestic economy over the same period including Queensland recording the lowest unemployment rate on record.



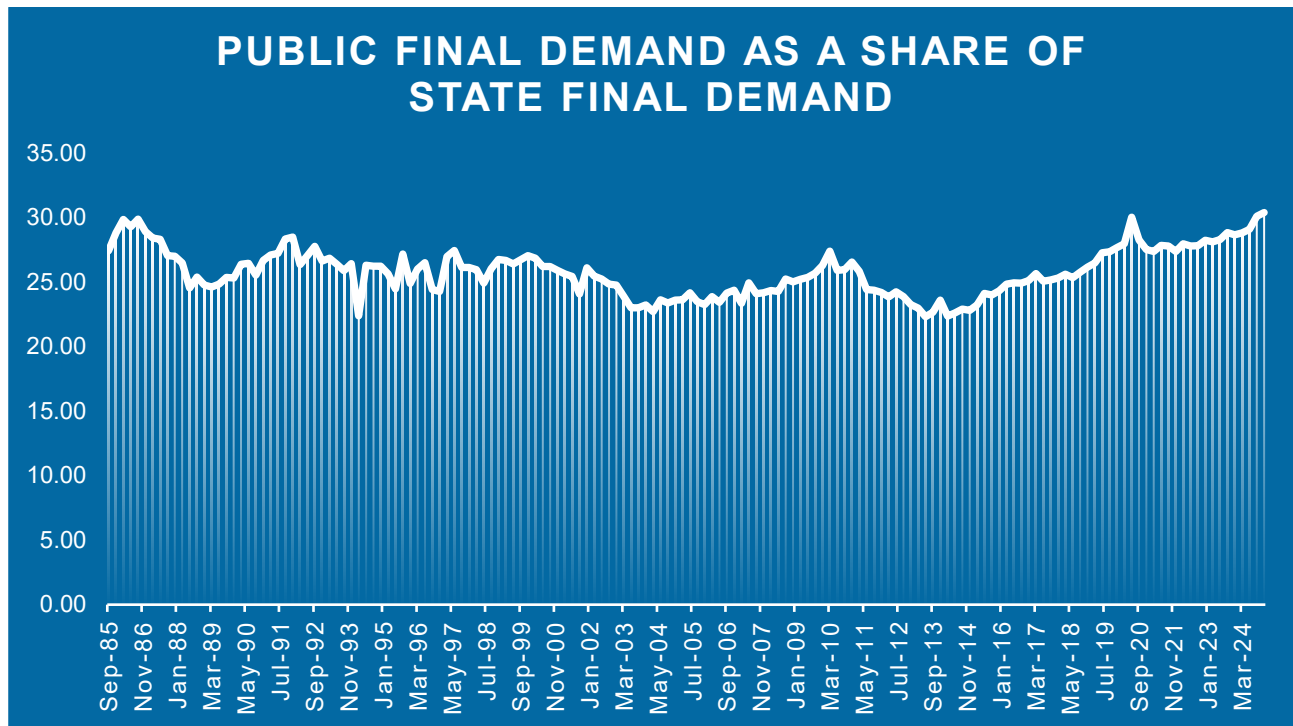
Significant ongoing uplifts in investment in the Queensland public service will be needed to maintain ongoing strength in Queensland’s economy and improvements to service delivery standards.



Queensland is still experiencing the strongest period of employment growth on record following the COVID-pandemic.



Total public final demand including Commonwealth consumption expenditure and capital investment provides a complete picture including for example the transfer of functions relating to the National Disability Insurance Scheme between the States and the Federal Government. Public final demand as a share of state final demand has trended upwards to exceed 30 per cent of state final demand over the last decade as the population has aged and services have been expanded.



The ABS estimates of state employees do not include an estimate of indirect jobs supported. Economist Dan Nahum in 2020 estimated in a report for the Australia Institute Centre for Future Work that “for every 10 jobs in the state public service, there are another 4.5 jobs supported in private businesses” through combined upstream and downstream linkages.<sup>68</sup> If the same ratio broadly held constant that would equate to more than 183,000 jobs supported in the private sector with more than half a million or 590,000 jobs in Queensland either directly or indirectly supported from provision of state-funded public services.

The economic benefits of the Queensland public sector are delivered not only by keeping up with population growth and an expanding economy but also through maintaining fair and decent wages through collective bargaining that supports public servants to contribute effectively.

<sup>68</sup> [https://australiainstitute.org.au/wp-content/uploads/2020/10/The\\_Value\\_of\\_the\\_Queensland\\_Public\\_Sector.pdf](https://australiainstitute.org.au/wp-content/uploads/2020/10/The_Value_of_the_Queensland_Public_Sector.pdf)

In the report 'Negotiating Our Way Up Collective Bargaining World of Work' the OECD find that collective bargaining "fosters good labour market performance" and that "unions, by giving employees the opportunity to express their concerns and improve their situation, contribute to reduce voluntary quits, ultimately reducing labour turnover". The report states that this benefits both workers and employers, "as lower turnover and longer tenure can reduce hiring and training costs and increase productivity".<sup>69</sup>

International studies have found that perceptions of job quality, satisfaction and wellbeing are better where onsite union representation is present with "higher productivity, increased discretionary effort, fewer quits and lower absenteeism".<sup>70</sup>

In the paper on Public Sector Employment and Compensation the World Bank state that: "Public sector wages affect the selection, retention and motivation of public sector workers which in turn impacts productivity, or the amount and quality of government outputs such as infrastructure, regulations, and public services produced per public sector worker".<sup>71</sup>

The New South Wales Treasury guideline on public sector productivity and efficiency makes the same point around wages stating that:

"Productivity measures physical inputs and outputs, rather than financial costs and revenues. It is not just about saving money. Cutting wages paid or working longer hours for the same pay does not necessarily improve productivity. Some productivity improvements do save money, others may require investing money".<sup>72</sup>

This was reinforced by recent statements from the Chair of the Productivity Commission that significant reductions to public service capability might reduce the capacity to deliver productivity enhancing reforms.<sup>73</sup>

The World Bank in their paper on public sector productivity note the challenges with measurement of productivity particularly because many services are public goods that are not provided by the private sector and assessments of productivity do not always account for social benefits and externalities.<sup>74</sup>

An analysis of seasonally adjusted wage price index data shows that while public sector wages are better insulated during periods of economic weakness, private sector wage increases often lead or exceed the public sector during periods of strong economic growth.

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<sup>69</sup> [https://www.oecd.org/en/publications/negotiating-our-way-up\\_1fd2da34-en.html](https://www.oecd.org/en/publications/negotiating-our-way-up_1fd2da34-en.html)

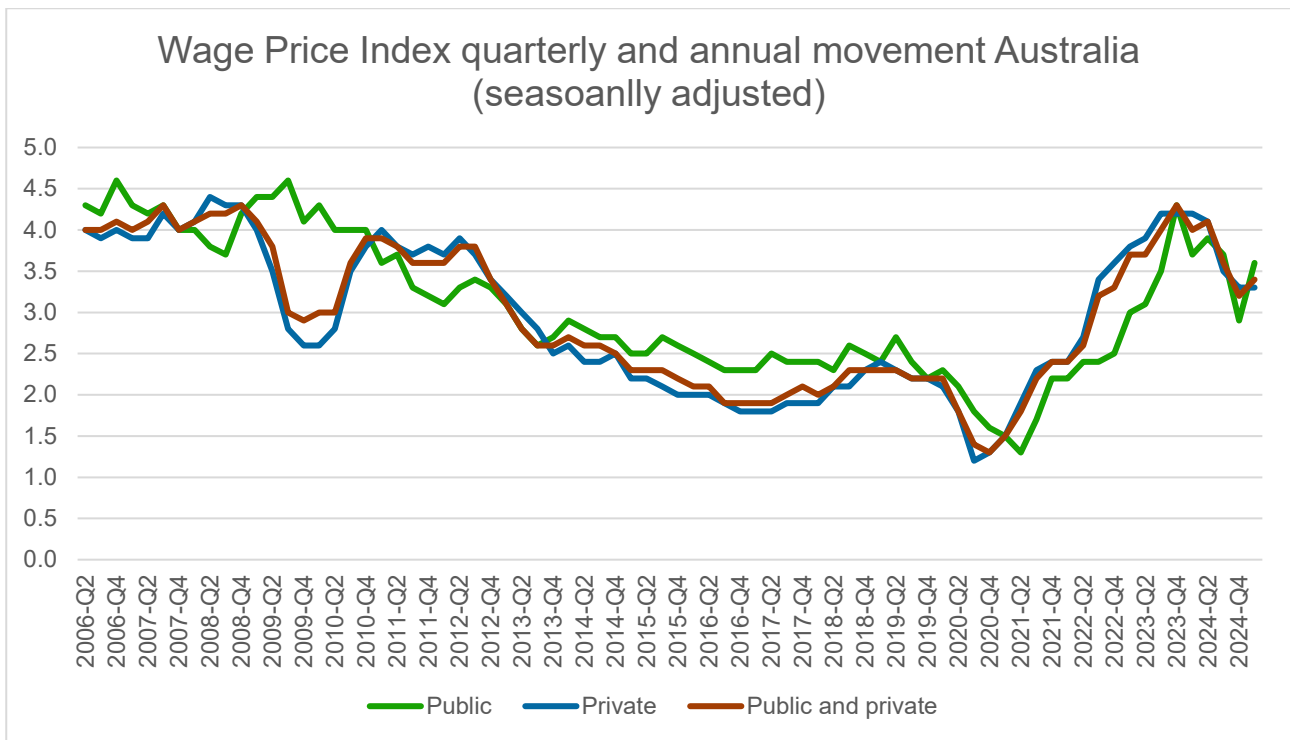
<sup>70</sup> <https://openaccess.city.ac.uk/id/eprint/12003/1/Union%20representation,%20collective%20voice.pdf>

<sup>71</sup> <https://documents1.worldbank.org/curated/en/710421625760208867/pdf/Public-Sector-Employment-and-Compensation-A-Framework-6.pdf>

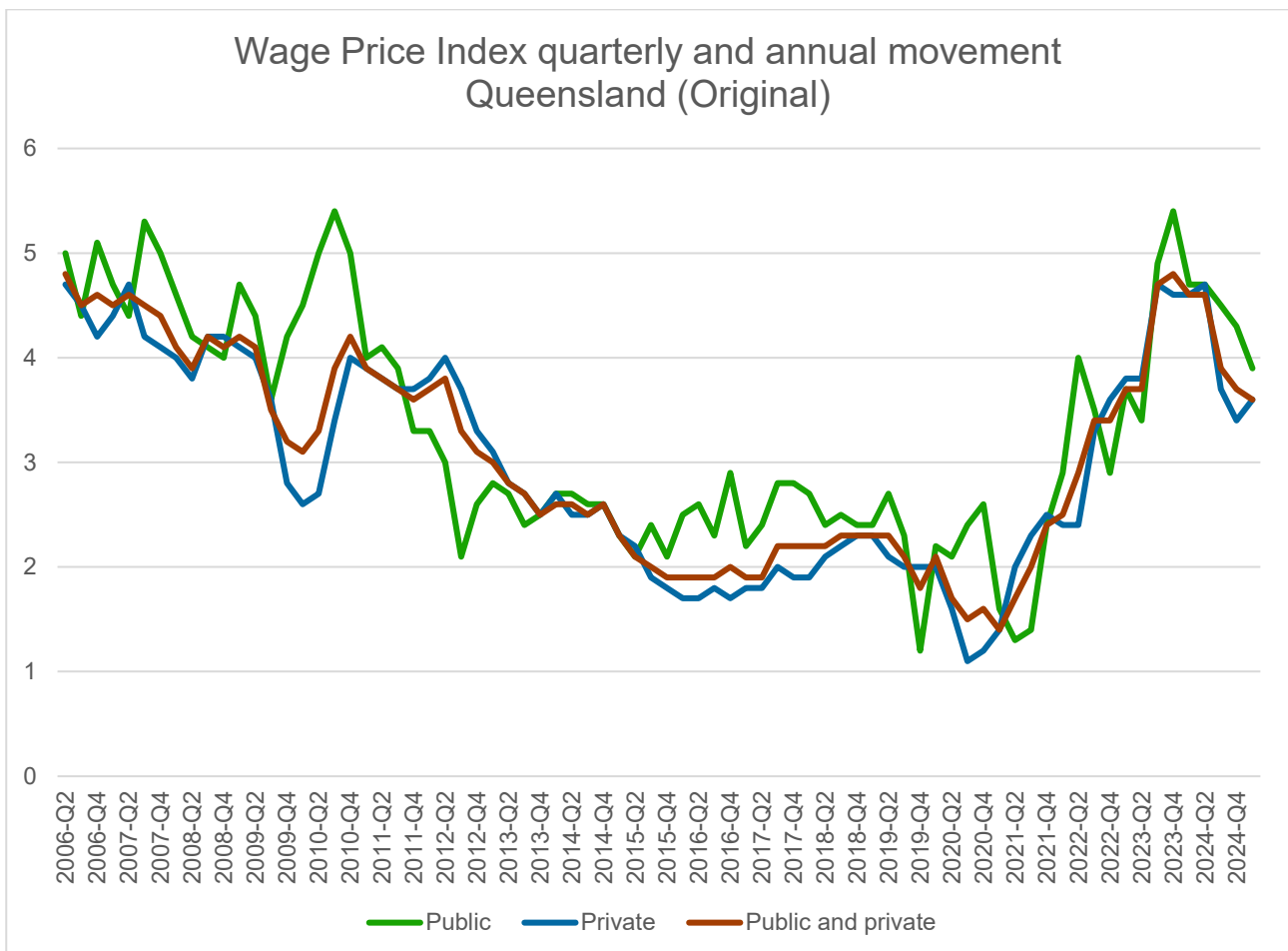
<sup>72</sup> <https://www.psc.nsw.gov.au/assets/psc/documents/Public-Sector-Productivity-Agency-Guidance-24.10.2023.pdf>

<sup>73</sup> <https://amp.abc.net.au/article/105081342>

<sup>74</sup> <https://documents1.worldbank.org/curated/en/913321612847439794/pdf/Public-Sector-Productivity-Part-One-Why-Is-It-Important-and-How-Can-We-Measure-It.pdf>

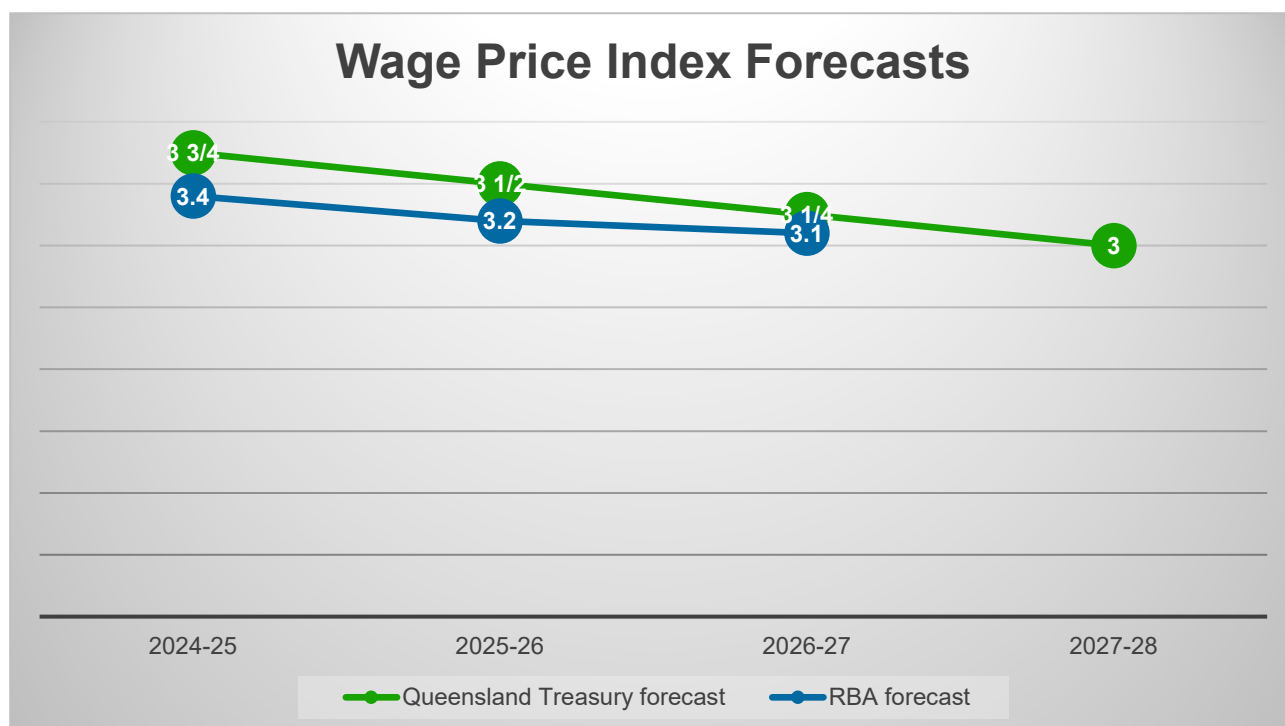


Even in the more volatile original data at a State level there is a strong connection between private sector and public sector wage increases.



The recent increase in wage price growth has followed a decade of subdued wage price growth averaging 2.7 per a year from 2010 to 2020 compared to an average of 3.7 per cent in the decade prior to that.<sup>75</sup> For wage offers to be competitive going forward they will need to average higher than 3 per cent per annum based on the latest forecasts by Queensland Treasury and the Reserve Bank of Australia.

This ongoing growth in wages is reflected in State Government wages policy outcomes landed last year including a 12% wage increase in Victoria or 3 per cent per annum plus a lump sum bonus and 12.5% in Western Australia with increases of 5% in the first year 4% in the second year and 3.5% in the third year.<sup>76</sup>



(Forecasts in the Queensland 2024 Budget and 2024 Mid-Year Fiscal and Economic Review and the Reserve Bank Statement on Monetary Policy<sup>77</sup>)

The Reserve Bank of Australia's February Statement on Monetary Policy states that: "Reports from liaison continue to suggest that some firms are offering larger wage increases than otherwise to attract and retain staff, consistent with tight labour market conditions".

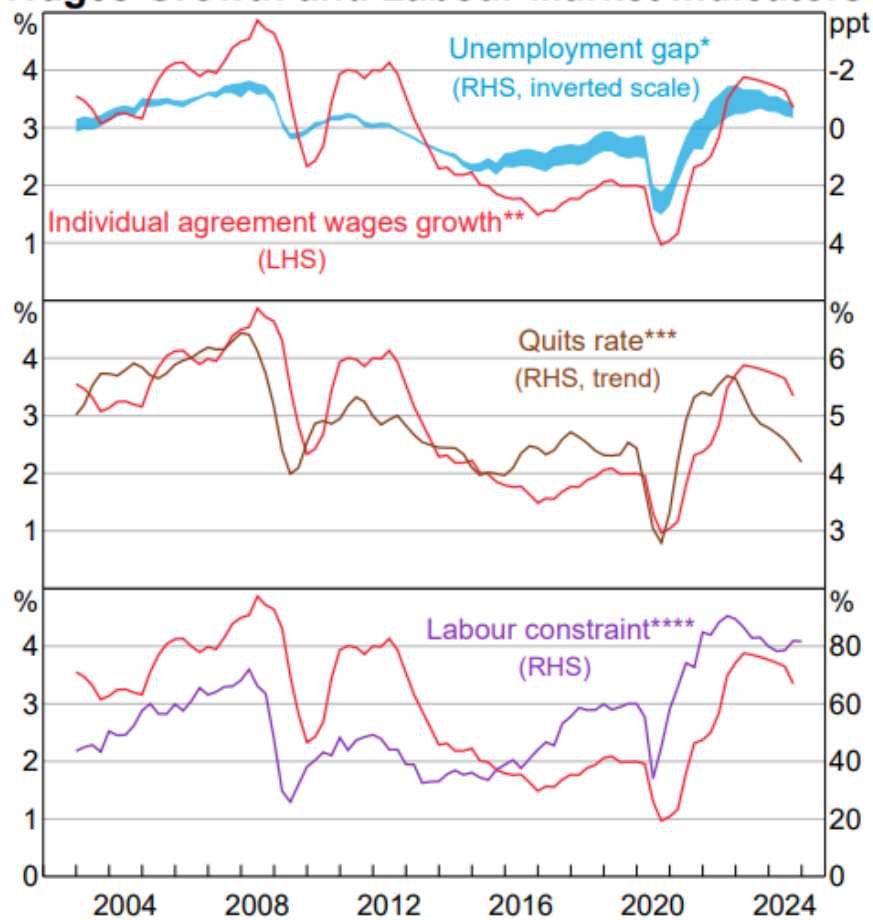
<sup>75</sup> <https://treasury.gov.au/sites/default/files/2023-10/p2023-447996-05-ch3.pdf>

<sup>76</sup> <https://www.premier.vic.gov.au/sites/default/files/2023-04/230404-New-Wages-Policy-Strikes-Responsible-Balance-For-Victoria.pdf> and <https://www.dtf.vic.gov.au/victorian-public-service-enterprise-agreement-2024> and <https://www.wa.gov.au/government/media-statements/Cook-Labor-Government/Public-servants-accept-State-Government-pay-offer-20240930>

<sup>77</sup> [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP2\\_Strategy\\_Outlook.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP2_Strategy_Outlook.pdf) page 4 and <https://www.rba.gov.au/publications/smp/2025/feb/> page 61

The Reserve Bank's forecast for a moderation in wage rises is based on a decline in job switching indicating lower labour mobility. However, there is little indication of any softening in labour constraints or employment growth despite market volatility from changes in global trade tariffs.

**Graph 2.15**  
**Wages Growth and Labour Market Indicators**

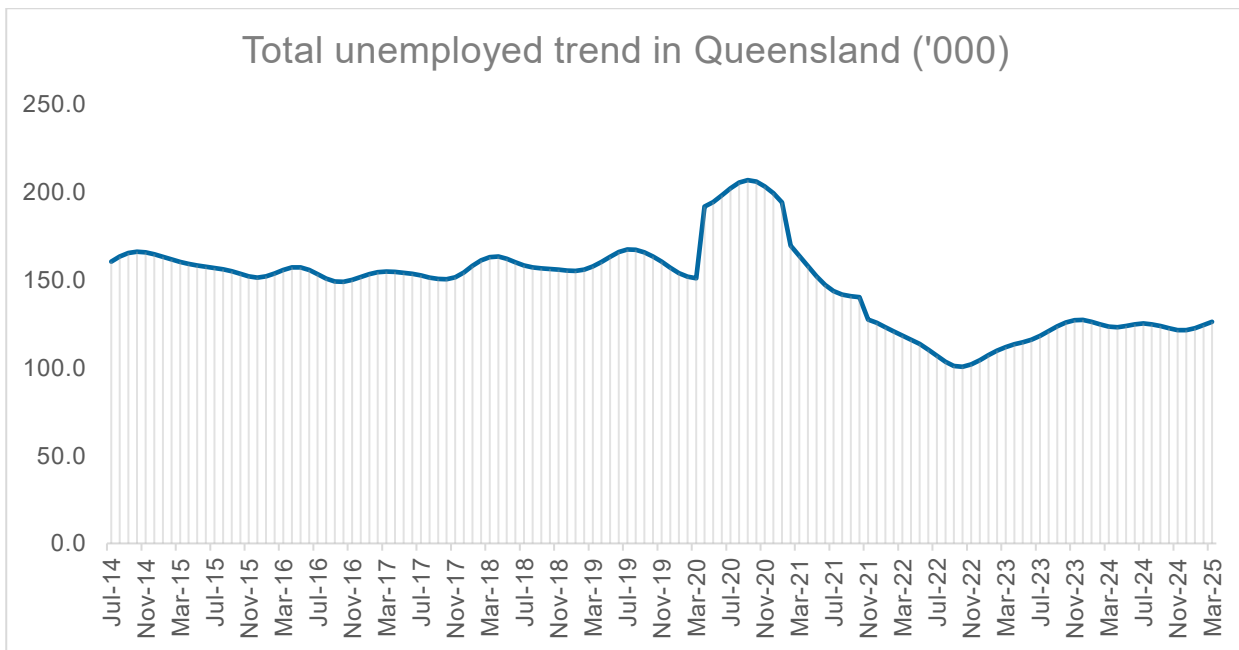


- \* Unemployment gap is the unemployment rate minus the range of estimates of the NAIRU.
  - \*\* Year-ended; non-seasonally adjusted.
  - \*\*\* Voluntary separations as a share of total filled jobs; seven-term Henderson trend.
  - \*\*\*\* NAB survey; share of firms reporting labour availability as a constraint.
- Sources: ABS; NAB; RBA.

(Table from the Reserve Bank Statement on Monetary Policy page 31)<sup>78</sup>

There remains significant competition for labour between the private and public sector with Queensland's unemployment rate at 4.1 per cent trend in April 2025 and the total number of unemployed remaining 33,000 persons lower than in July 2014 despite a large increase in population over the same period.

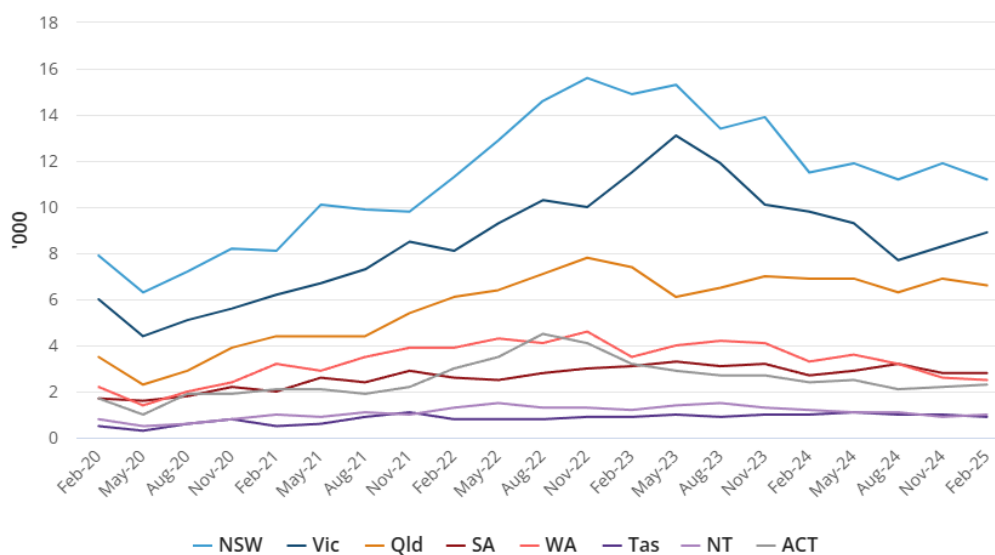
<sup>78</sup> <https://www.rba.gov.au/publications/smp/2025/feb/pdf/statement-on-monetary-policy-2025-02.pdf>



These recruitment challenges in a tight labour market are also reflected in the ABS Job Vacancies data release with public sector vacancies in Queensland at 6,600 in February 2025 up from 3,500 in February 2020.

## Public sector

### Job vacancies, public sector, states and territories, original

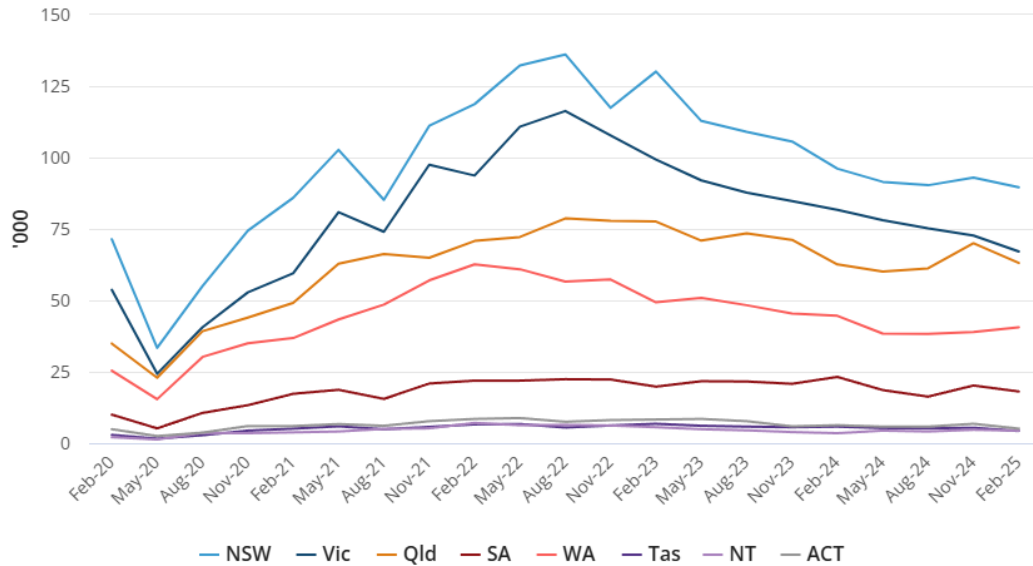


(ABS Job Vacancies online table<sup>79</sup>)

<sup>79</sup> <https://www.abs.gov.au/statistics/labour/jobs/job-vacancies-australia/latest-release#states-and-territories>

That's in direct competition with job vacancies in the private sector which have increased from 34,900 in February 2020 to 63,100 in February 2025.

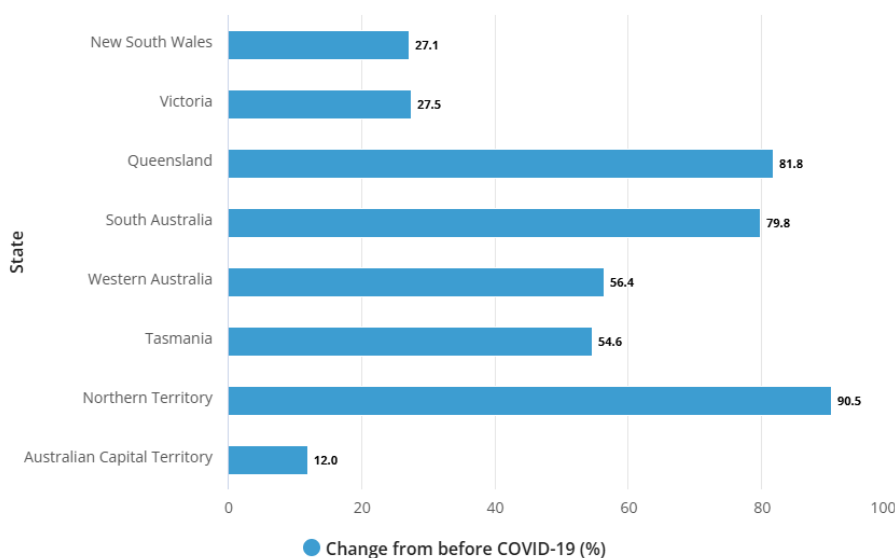
**Job vacancies, private sector, states and territories, original**



(ABS Job Vacancies online table<sup>80</sup>)

Queensland has recorded the second highest percentage increase in job vacancies compared with before the COVID-19 pandemic reflecting broader economic strength out of the pandemic.

**Job vacancies, change from February 2020 to February 2025, states and territories, original**



(ABS Job Vacancies online table<sup>81</sup>)

<sup>80</sup> <https://www.abs.gov.au/statistics/labour/jobs/job-vacancies-australia/latest-release#states-and-territories>

Fair and decent wages and conditions are critical in the current labour market to securing the frontline workers needed to deliver health, education and police services.

Moreover, job security broadly defined as reasonable tenure of employment, pay and conditions has been shown across multidisciplinary research to be linked to physical and mental health and subsequently the capacity of workers to deliver services effectively and productively.<sup>82</sup>

That's why further attraction and retention initiatives to attract and retain key staff will be critical to the ongoing success of the Queensland public sector to deliver world class services for Queenslanders.

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<sup>81</sup> <https://www.abs.gov.au/statistics/labour/jobs/job-vacancies-australia/latest-release#states-and-territories>

<sup>82</sup> <https://treasury.gov.au/sites/default/files/2023-10/p2023-447996-05-ch3.pdf> and <https://pmc.ncbi.nlm.nih.gov/articles/PMC3813007/#:~:text=Earnings%20from%20employment%20are%20the,et%20a1.%2C%201998>). and <https://www.epi.org/publication/unions-and-well-being/#:~:text=Economic%20well%2Dbeing,states%20with%20lower%20union%20density>.

### Queensland Public Sector Report Part 3 – Best Practice Attraction and Retention initiatives to deliver world leading services:

The ongoing success of the Queensland public sector to improve living standards that drive Queensland's economy will depend on the capacity to source and keep workers.

As the State with the most geographically disparate population and services the Queensland public sector has been required to lead the way with providing attraction and retention initiatives to provide remote and regional services including 3,000 residences under the employee housing portfolio.<sup>83</sup> In the 2023 Queensland State budget funding was committed to build an additional 400 government employee residences in addition to maintenance funding for the existing portfolio.<sup>84</sup>

The challenge for many regions in Queensland is that better infrastructure, services and amenities are needed to attract workers over the long-term, while workers are needed to deliver these lifestyle improvements and services to build the region.<sup>85</sup> The cost of living is also structurally higher in regional and remote parts of Queensland because of the cost of transporting goods making it harder to attract workers and population.<sup>86</sup> The tyranny of distance results in higher fuel and food costs in remote towns and regional locations. The challenge of needing services to attract workers to regional and remote areas is most acute in education and healthcare particularly in supporting young families.

The World Health Organisation is estimating a shortfall of 11 million health workers by 2030. While shortfalls are estimated to be less acute in higher income countries the lack of health workers in training is a global challenge.<sup>87</sup> When looking at employment by sector the health sector is the state's largest and employed 455,700 in 2022-23, with the second largest economic contribution after the mining sector.<sup>88</sup>

That was one of the key drivers in the delivery of the previous Queensland Health Workforce Attraction Incentive Scheme to provide \$20,000 to health workers moving from interstate or overseas and \$70,000 for health workers taking up a role in a rural or remote location.<sup>89</sup> These incentives are no longer offered as of 1 February 2025.<sup>90</sup> This will make it more challenging to compete for workers with the New South Wales Government continuing to offer up to \$20,000 per annum in relocation assistance, housing, additional

<sup>83</sup> [https://www.housing.qld.gov.au/about/departments/business-areas/public-works/queensland-government-accommodation-office/government-employee-housing#:~:text=Government%20Employee%20Housing%20\(GEH\)%20owns,Queensland%20Government%20frontline%20service%20staff](https://www.housing.qld.gov.au/about/departments/business-areas/public-works/queensland-government-accommodation-office/government-employee-housing#:~:text=Government%20Employee%20Housing%20(GEH)%20owns,Queensland%20Government%20frontline%20service%20staff).

<sup>84</sup> <https://statements.qld.gov.au/statements/97927>

<sup>85</sup> <https://www.anzrsai.org/assets/Uploads/PublicationChapter/545-Beckeretal.pdf> page 344

<sup>86</sup> <https://www.qgso.qld.gov.au/statistics/theme/economy/prices-indexes/retail-price-index-regional>

<sup>87</sup> <https://mckellinstitute.org.au/wp-content/uploads/2024/10/AHealthyQueensland.pdf> and [https://www.who.int/health-topics/health-workforce#tab=tab\\_1](https://www.who.int/health-topics/health-workforce#tab=tab_1)

<sup>88</sup> <https://www.treasury.qld.gov.au/queenslands-economy/about-the-queensland-economy/>

<sup>89</sup> <https://statements.qld.gov.au/statements/101119#:~:text=The%20Workforce%20Attraction%20Incentive%20Scheme%20provides%20interstate%20and,Queensland%20Health%20in%20a%20rural%20or%20remote%20location>

<sup>90</sup> <https://www.careers.health.qld.gov.au/working-for-us/workforce-attraction-incentive-scheme>

leave and access to training and education under the Rural Health Workforce Incentive Scheme.<sup>91</sup>

Access to good teachers is a crucial factor for young families deciding whether to stay living in a regional or remote location. The Queensland Government continues to offer a Rural and Remote Housing Incentive Scheme for teachers and their families including access to temporary accommodation when arriving in a new location, a rental allowance up to the value of the weekly rent expense and access to relocation and settlement assistance.<sup>92</sup> Other states offer similar access to government housing or a rental subsidy.<sup>93</sup> Additional regional incentives in Queensland include a Regional Attraction and Retention payment of up to \$900 to permanent or temporary state school teachers working in eligible high priority regional locations and a \$1,200 Regional Recognition of Service payment for teachers who remain in eligible high priority regional locations.<sup>94</sup>

There is strong competition from other States on incentives for teachers to locate in regional and remote areas. The Western Australian Government now offers an \$8,500 payment dependent on location for teachers and school administrators.<sup>95</sup> The New South Wales Government offers a rural teacher incentive of up to \$30,000 per annum less the value of the rental subsidy where applicable plus a \$5,000 per annum retention bonus and \$10,000 experienced teacher benefit.<sup>96</sup> The Victorian Government offers incentive payments of up to \$50,000 (before tax) through the targeted financial incentives program for hard-to-staff positions.<sup>97</sup> The South Australian Government offers country incentive zone allowances in addition to housing assistance with a salary increase of up to \$11,059 per year.<sup>98</sup>

The Queensland Government continues to offer incentives for Queensland Police Service recruitment including an additional \$183 fortnightly cost of living allowance for recruits, up to \$20,000 towards the cost of relocation of police from other jurisdictions and up to \$20,000 paid on select higher education debts.<sup>99</sup>

While regional and remote incentives help with the distribution of frontline workers across Queensland further measures are needed to lift labour force participation to address shortages in frontline roles. The most significant opportunity to lift the participation rate is

<sup>91</sup> [https://www.health.nsw.gov.au/news/Pages/20240128\\_00.aspx](https://www.health.nsw.gov.au/news/Pages/20240128_00.aspx)

<sup>92</sup> <https://teach.qld.gov.au/teach-in-state-schools/rural-and-remote-opportunities/housing-and-relocation-support/rural-and-remote-housing-incentive-scheme>

<sup>93</sup> <https://www.nsw.gov.au/media-releases/teacher-recruitment-support-expanded-across-nsw#:~:text=Further%20to%20the%20recruitment%20support,50%20to%2090%25%20rental%20subsidy> and <https://www.education.wa.edu.au/housing-and-transport-assistance#:~:text=Subsidised%20employee%20housing%20is%20available,Teaching%20Service%20receive%20free%20housing> and <https://www.vic.gov.au/Relocation-incentives-to-teach-in-Regional-Victoria>

<sup>94</sup> <https://teach.qld.gov.au/teach-in-state-schools/rural-and-remote-opportunities/regional-incentives-and-benefits>

<sup>95</sup> <https://www.education.wa.edu.au/attraction-and-retention-incentive-for-remote-and-regional-schools>

<sup>96</sup> <https://www.nsw.gov.au/media-releases/teacher-recruitment-support-expanded-across-nsw#:~:text=Further%20to%20the%20recruitment%20support,50%20to%2090%25%20rental%20subsidy>

<sup>97</sup> <https://www.vic.gov.au/Relocation-incentives-to-teach-in-Regional-Victoria>

<sup>98</sup> <https://www.education.sa.gov.au/working-us/careers-education/opportunities-country-south-australia/teaching-opportunities-country-south-australia/incentives-and-support-country-teachers-and-leaders>

<sup>99</sup> <https://www.policerecruit.qld.gov.au/what-we-offer>

by increasing female participation in the labour force. The trend participation rate for females in Queensland in April 2025 is 63.6 per cent compared with 71 per cent for males with an overall participation rate of 66.9 per cent. In March 2025 there were 203,856 more females not in the labour force than males in Queensland despite making up 51 per cent of the civilian population aged 15 years and over.

In original terms if the participation rate for females were in line with the current state average in March 2025 that would lift the civilian labour force by over 86,000 people. If the original female participation rate was in line with the male participation rate that would lift the civilian labour force in Queensland by over 177,000 people. Even taking a conservative assumption of the numbers that would be looking for work or unemployed based on a decade average that would equate to nearly 82,000 extra jobs in Queensland if female participation lifted to the State average or 167,000 more jobs if female participation reached the current male participation rate. There have been female participation rates above 70 per cent in the ACT previously albeit with very high male participation rates as well at those times.

Looking to overseas jurisdictions Sweden has one of the highest female workforce participation rates at 76% backed by access to a comprehensive paid parental leave scheme. Numerous international studies have shown that paid parental schemes have lifted women's workforce participation including in Germany and Norway.<sup>100</sup>

The economic benefits from lifting female workforce participation are significant. A previous estimate by KPMG found that if the 2018 gap was halved between male and female workforce participation real GDP would be \$60 billion higher within 20 years with the present value of higher household consumption over that period at almost \$140 billion.<sup>101</sup>

The Grattan Institute has recommended a paid parental leave scheme of up to 26 weeks available to each family or single parent estimating that the scheme would cost \$600 million a year with a greater uplift benefit in GDP of \$900 million a year from higher workforce participation by mothers and with an average lifetime earning increase for mothers of \$30,000. That economic benefit does not include any estimate of future economic uplifts from improvements in children's development and life outcomes.<sup>102</sup> Broader benefits from access to paid parental leave include; "lower infant mortality rates, increased breastfeeding rates and improved health outcomes for mothers".<sup>103</sup>

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<sup>100</sup> <https://www.wgea.gov.au/sites/default/files/documents/Parental-leave-and-gender-equality.pdf>

<sup>101</sup> <https://assets.kpmg.com/content/dam/kpmg/au/pdf/2021/better-system-for-paid-parental-leave-report.pdf>

<sup>102</sup> <https://grattan.edu.au/wp-content/uploads/2021/09/Dad-Days-Grattan-Institute-Report.pdf>

<sup>103</sup> <https://www.wgea.gov.au/newsroom/parental-leave-scorecard>

There are further broader productivity benefits from lifting women's participation in the labour force and working towards closing the gender pay gap. Previous analysis has found that removing the gender pay gap "would lift long-term labour productivity growth by 5.7%".<sup>104</sup>

The Queensland Council of Unions has called for a similar scheme to apply to the Queensland public service to that modelled by the Grattan Institute with an equal shared care leave entitlement of 18 weeks paid for each parent or carer increasing up to 26 weeks for employees with over five continuous years of service.

While there would be a fiscal cost to implementing the Queensland Council of Unions' Share the Care policy there would be significant economic benefits including higher workforce participation, better social outcomes and improved competitiveness with major private sector employers and other States.

<b>Share the Care Paid Parental Leave Key Elements</b>
• Leave entitlement: equal shared care of 18 weeks paid parental leave for each parent or carer.
• Grandparent leave: extending access to paid parental leave to a grandparent who becomes the principal carer of a child in the absence of a birth parent.
• Qualifying period: all employees (other than short term casuals) to access paid parental leave (reducing from 12 months).
• Concurrent leave: for parents and partners to access paid and unpaid leave for all or part of their period of leave.
• Shift workers: PPL to be paid on the rate of pay including shift allowances otherwise received except for leave.
• Reward Payments: Additional PPL payment of 8 weeks for employees with over five continuous years of service (26 weeks in total).
• Superannuation: to be paid on all unpaid leave up to 104 weeks (transition period from 1/7/2026).
• Flexible access: to paid and unpaid parental leave over a 24 month period.
• Pre natal leave: 1 weeks' paid pre natal leave for both partners (increasing from 1 day for partners).
• Pregnancy loss leave: 1 weeks' paid pregnancy loss leave for employees who lose their child between 12 and 20 weeks' gestation for both partners.
• Premature birth leave: 18 weeks' premature birth leave paid from the date of the child's birth to just before 37 weeks for both partners.

(Policy prepared by the Queensland Council of Unions<sup>105</sup>)

<sup>104</sup> <https://theconversation.com/the-gender-pay-gap-is-hurting-productivity-76780#:~:text=Lower%20pay%20inequality%20lifts%20productivity,their%20effort%2C%20regardless%20of%20gender.>

<sup>105</sup> <https://qldunions.com/share-the-care-bridge-the-gap/#:~:text=%E2%80%9COur%20kids%20can't%20be,%E2%80%A2>

The Queensland Government has made a significant and commendable commitment to bring public sector expertise back in house by establishing Queensland Government Consulting.<sup>106</sup> That commitment will be challenging to achieve without implementing improvements to public sector paid parental leave to compete with large consultancy firms.

The Queensland Government has committed to achieving budget savings of \$6.8 billion by cutting consultancies and bringing expertise back in-house.<sup>107</sup> The Australian Government has achieved savings of \$4.7 billion since the 2022-23 Budget including an additional \$718.8 million in the 2025-26 Budget from reducing consultants, contractors and labour hire and bringing expertise back in house.<sup>108</sup> To deliver those savings the Australian Government has created over 11,800 new public service roles “to replace work previously undertaken by consultants and contractors”.<sup>109</sup> If the same Australian Government ratio of additional public service capacity to savings were applied for \$6.8 billion in savings that would involve more than 17,000 new public service roles.

There are sound commercial reasons why major private sector companies have introduced paid parental leave. Paid parental leave entitlements were reported as having a “positive impact on morale and productivity” across more than 80 per cent of more than 1,500 employers.<sup>110</sup>

<b>Consultancy</b>	<b>Paid Parental Leave</b>
Deloitte	28.4 weeks of parental leave with a combination of 18 weeks paid parental leave and the ability to receive up to 10.4 weeks of additional pay as part of the return to work support payment. <sup>111</sup>
KPMG	26 weeks of flexible paid parental leave with no tenure requirements. <sup>112</sup>
Ernst & Young	26 weeks paid parental leave that can be taken by either parent during the 24 months after birth. <sup>113</sup>
Scyne Advisory	26 weeks paid parental leave with a six month minimum tenure and up to 12 months of superannuation contributions including unpaid parental leave. <sup>114</sup>

There are sound commercial reasons why major private sector companies have introduced paid parental leave. The financial costs of introducing additional workforce

<sup>106</sup> <https://cabinet.qld.gov.au/ministers-portfolios/assets/charter-letter/david-janetzki.pdf>

<sup>107</sup> <https://www.abc.net.au/news/2024-10-24/lnp-reveal-costs-commitment-queensland-election/104510856>

<sup>108</sup> [https://budget.gov.au/content/bp4/download/bp4\\_2025-26-consolidated.pdf](https://budget.gov.au/content/bp4/download/bp4_2025-26-consolidated.pdf)

<sup>109</sup> [https://budget.gov.au/content/bp4/download/bp4\\_2025-26-consolidated.pdf](https://budget.gov.au/content/bp4/download/bp4_2025-26-consolidated.pdf)

<sup>110</sup> <https://www.wgea.gov.au/flexible-work/advancing-gender-equitable-take-up-of-ppl-and-flexible-work#:~:text=A%202016%20study%20of%20more,with%20paid%20parental%20leave%20entitlements.>

<sup>111</sup> <https://www.deloitte.com/au/en/careers/deloitte-life/deloitte-families.html>

<sup>112</sup> <https://au.prosple.com/graduate-employers/kpmg-australia/diversity/parents-carers>

<sup>113</sup> [https://www.ey.com/en\\_au/careers/benefits#:~:text=Family%20Leave,period%20to%20access%20the%20leave.](https://www.ey.com/en_au/careers/benefits#:~:text=Family%20Leave,period%20to%20access%20the%20leave.)

<sup>114</sup> [https://www.scyne.com.au/careers#:~:text=Market%20leading%20Parental%20Leave,\(including%20unpaid%20parental%20leave\).](https://www.scyne.com.au/careers#:~:text=Market%20leading%20Parental%20Leave,(including%20unpaid%20parental%20leave).)

support aimed at lifting labour force participation are partly offset by benefits. For example, more than half of the costs of introducing universal reproductive health leave are estimated to be offset by direct financial benefits to employers, lowering the cost for 12 days of reproductive health leave per worker to just \$140 per year, per worker.<sup>115</sup> The Queensland Government has introduced 10 days of leave for reproductive health and superannuation contributions on paid and unpaid parental leave.<sup>116</sup>

Other commercial reasons for private sector firms committing to parental leave include attracting top talent, retaining skilled staff and improving the rate of employees returning to work after having children, reductions in training and recruitment costs, lifting productivity and morale and keeping staff for longer with organisational efficiency benefits including greater institutional knowledge.<sup>117</sup>

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<sup>115</sup> <https://bcec.edu.au/assets/2025/04/BCEC-Paid-Reproductive-Health-Leave-Report-20250408.pdf>

<sup>116</sup> <https://statements.qld.gov.au/statements/100885>

<sup>117</sup> <https://www.wgea.gov.au/publications/gender-equitable-parental-leave#:~:text=changing%20household%20dynamics,-.The%20business%20case%20for%20parental%20leave,industry%20knowledge%2C%20networks%20and%20contact%20s.>

The Queensland public sector also compares poorly with other jurisdictions on the provision of paid parental leave for secondary caregivers. There is a strong case for Queensland to step up and expand paid parental leave to both be competitive with the private sector and other governments and to lift workforce productivity.

<b>Paid Parental Leave</b>	<b>Queensland</b>	<b>Victoria</b>	<b>New South Wales</b>	<b>Australian Public Service</b>	<b>South Australia</b>
Qualifying period	At least 12 months unbroken service.	More than 3 months at time parental leave commences.	Not less than 40 weeks continuous service at expected date of birth.	No qualifying period.	12 months continuous service immediately prior to birth.
Primary caregiver	14 weeks paid parental leave.	16 weeks paid parental leave.	14 weeks paid parental leave.	18 weeks paid parental leave.	16 weeks paid parental leave.
Secondary caregiver	1 week short paid parental leave can only be extended by employee taking leave on half pay.	4 weeks paid parental leave with an additional 12 weeks for a secondary caregiver who takes over the role of primary caregiver.	14 weeks with no distinction between primary and secondary caregiver.	Currently 11 weeks and gradually phased up to 18 weeks by 28 February 2027.	Entitled to take up to two weeks of accrued sick leave within 3 months of birth.
Other conditions	An employee is not entitled to take parental leave at the same time as their spouse is on long parental leave.		Two week bonus paid parental leave where each parent has exhausted any paid parental leave automatically applied for single parents.	Flexibility on whether leave is taken in a single block and can be taken concurrently with another parent in relation to the same child.	Leave can be taken in 2 periods split into equal proportions during the first 12 months.

## Conclusion and Key Findings:

The Queensland public sector has a role unlike any other in Australia providing a broader range of services to the most geographically dispersed population in the nation with more than 1 in 2 Queenslanders living outside the capital and one of the largest States in the world.

As a result, the Queensland public sector as the State's single largest employer has a wider range and diversity of roles with a strong focus on frontline services outside the Greater Brisbane area. More than 1 in 10 jobs across Queensland are Queensland public sector jobs with a greater share of frontline jobs in remote and regional areas. Put simply a big State needs a big government to overcome the tyranny of distance and deliver equity in services and equality of opportunity for regional communities and economies.

The success of the Queensland public sector can be measured in service outcomes including increases in life expectancy, literacy and economic growth. That includes the management of the response to the COVID-19 pandemic resulting in a period of strong ongoing economic growth and the strongest average monthly growth in jobs on record, with Queensland becoming the State of choice for people to relocate with their families from interstate.

Even with very strong growth in public sector positions over the last decade the Queensland public sector's share of the overall economy has remained constant and further increases will be needed to respond to ongoing population growth.

Queensland is expected to continue to lead the nation on interstate migration even as overseas migration slows and then see a period of strong overseas migration following the Brisbane 2032 Olympic and Paralympic Games.

Delivering the government workers needed will be a significant challenge with labour markets remaining competitive despite increased international volatility.

To deliver those workers, wages, conditions and location incentives will need to be competitive with the public sector in other States and ongoing growth in the private sector.

That includes improving conditions where the public sector is now lagging private sector peers to lift labour force participation and improve workforce retention such as paid parental leave.

These improvements in conditions not only ensure that positions are filled, they also deliver material increases in workforce and public sector productivity by retaining talent.

Ongoing investment in wages and conditions in the Queensland public sector will be critical to delivering the uplifts in productivity that will be needed to meet the challenges from delivering health services to people as they live longer while Queensland grows faster.

An increase in the wages policy of 1 percentage point above the existing budget would cost less than 0.4 per cent of current total general government expenses.<sup>118</sup> The savings from not delivering competitive wages can quickly be exceeded by costs from impacts on workforce productivity, a greater reliance on consultants and contractors, broader system costs of not having delivered services with positions remaining unfilled and the flow on impacts to the broader economy.

Continuing to sensibly invest in and back a world class Queensland public sector is an investment in our strongest economic asset, Queenslanders, and our future.

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<sup>118</sup> [https://budget.qld.gov.au/files/Budget\\_2024-25\\_BP2\\_Strategy\\_Outlook.pdf](https://budget.qld.gov.au/files/Budget_2024-25_BP2_Strategy_Outlook.pdf) see page 252