



28 January 2022

Hon. Josh Frydenberg MP  
Treasurer  
PO Box 6022  
House of Representatives  
Parliament House  
Canberra ACT 2600

Dear Treasurer

### **2022/23 LGAQ Federal Budget Submission**

The LGAQ welcomes the opportunity to make this submission to the Federal Government's 2022-23 Budget, on behalf of Queensland's 77 councils and the communities they represent.

Economic data provided to support the Federal Budget requests contained within this submission has been independently modelled by AEC Group as part of its economic impact assessment.

This modelling shows that if adopted and funded, these initiatives will support more than 13,600 jobs and generate about \$7.659 billion in Gross State Product over the next four years.

With 23 Queensland members in the House of Representatives and six Senators, the LGAQ recognises the Federal Government's commitment to Queensland and in turn we are focused on effective and ongoing engagement with our federal representatives.

On behalf of our members, the LGAQ welcomed key 2021/22 budget initiatives that supported local Queensland communities. The significant investment in the Local Roads and Community Infrastructure Program, the welcome relief to address insurance affordability and availability through a new reinsurance pool, and targeted funding and programs to boost digital connectivity, particularly across Northern Australia, were encouraging.

Through 2022/23 and beyond, continued support is needed to address new and ongoing challenges our local communities face and to ensure every Queensland community is a liveable one.

Community liveability is vital in ensuring our rural and regional communities can thrive, while decisive action to address the housing affordability and supply crisis is critical to removing a major barrier to economic growth and prosperity.

Australia's economy is well positioned, having performed stronger than any major advanced economy through the pandemic, however, it is crucial that the benefits of this robust economy flow through to all Australians.

Moving on from this pandemic requires a locally led recovery to ensure no community is left behind.

As the level of government closest to the community, our member councils are well placed to partner with the Federal Government as part of the ongoing national economic recovery.



In making this submission, the LGAQ gives its full support to the Australian Local Government Association's (ALGA) Federal Budget Submission.

The LGAQ's submission extends on this national agenda to acknowledge the challenges Australia's most disaster-impacted and decentralised state faces and places a Queensland lens over ALGA's key requests. Our submission also proposes specific and targeted support for our regional, rural and remote councils, our 17 First Nations councils, and those who are, and will continue to be, impacted by natural disasters and the housing crisis.

For any further information about the LGAQ's submission, I would encourage your office to contact Sarah Vogler, External Relations Director on 0438 447 370 in the first instance.

On behalf of our members, I commend this Federal Budget submission to you and look forward to your positive consideration of our proposals as part of a strategic economic partnership that supports Queensland local communities now and into the future.

Yours sincerely

Alison Smith  
CHIEF EXECUTIVE OFFICER

C/c –

Hon. Barnaby Joyce MP  
Deputy Prime Minister  
Minister for Infrastructure, Transport and Regional Development

Hon. Kevin Hogan MP  
Assistant Minister to the Deputy Prime Minister  
Assistant Minister for Local Government

# Federal Budget Submission

2022-23

January 2022



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## About the Local Government Association of Queensland (LGAQ)

The Local Government Association of Queensland (LGAQ) is the peak body for local government in Queensland. It is a not-for-profit association established solely to serve councils and their needs. The LGAQ has been advising, supporting, and representing local councils since 1896, enabling them to improve their operations and strengthen relationships with their communities. The LGAQ does this by connecting councils to people and places; supporting their drive to innovate and improve service delivery through smart services and sustainable solutions; and providing them with the means to achieve community, professional and political excellence.

### Introduction

On behalf of Queensland's 77 councils, the LGAQ welcomes the opportunity to make this submission to the Federal Government's 2022/23 Budget.

As the level of government closest to the community, councils play a critical role in navigating their communities through disaster be they natural disasters like cyclones, floods or drought, or a global pandemic.

Enduring two years of the worst global pandemic in a century has taken a significant social and economic toll on Queensland's local communities.

While Australia's economic recovery is well positioned, having performed more strongly than any major advanced economy through the pandemic, it is crucial that those economic benefits flow through to every local community.

Every community contributes to the economic fabric of this nation, so every community deserves to be a liveable one.

A strong partnership between the Commonwealth and local councils can maximise those opportunities and ensure local communities are liveable and sustainable.

The value of this partnership cannot be overstated. As an example, in a review of the \$300 million Drought Communities Program Extension, leading consultancy firm EY found the *"impact of the program is increased by providing councils with the means to create economic stimulus relevant to the unique requirements of their community"*.

It also found that providing funds directly to councils *"likely increases the speed at which economic stimulus can reach communities by reducing administration efforts"*.

Queensland councils are ready. They are well placed to partner with the Federal Government as part of the ongoing national economic recovery. By working together, we can ensure no local community is left behind as the economic recovery continues.



The funding councils seek is critical for the liveability of Queensland's *agricultural communities*.

The funding councils seek is critical for the liveability of Queensland's *resource communities*.

The funding councils seek is critical for the liveability of Queensland's *tourism communities*.

The funding councils seek is critical for the liveability of Queensland's *First Nations communities*.

The funding councils seek is critical for the liveability of Queensland's *growing urban communities*.

**We do more.** Queensland councils provide more services than councils in other states and territories. We spend \$10 billion each year providing services to communities. We have greater planning autonomy and authority and are at the frontline of disaster planning responsibility and recovery.

**We're bigger.** Queensland councils maintain more infrastructure than councils in other states including \$150 billion worth of community assets, 153,000 km of local roads, 53,000 hectares of parks and playgrounds, 2800 bridges, and \$25 billion in water and wastewater assets including 314 water treatment plants and 76,000 kilometres of water and sewer mains.

**We're diverse.** From the outback to the beach and from Cape York to Coolangatta, Queensland councils are as diverse as the communities we serve.

With 23 members in the House of Representatives and six Senators, the LGAQ recognises and appreciates the Federal Government's commitment to Queensland.

On behalf of our members, the LGAQ strongly welcomed key 2021/22 Federal Budget initiatives, including a significant investment in the Local Roads and Community Infrastructure Program, relief to address insurance affordability and availability through a new reinsurance pool, and targeted funding and programs to boost digital connectivity, particularly across Northern Australia.

However, continued support is needed to address the new and ongoing challenges our local communities face.

As a member of the Australian Local Government Association (ALGA), the LGAQ fully supports ALGA's 2022/23 Federal Budget Submission, which we have reiterated in our submission below.

However, in advocating for the needs of Queensland's local communities, the LGAQ's 2022/23 Federal Budget Submission recognises the unique challenges faced across Queensland.

The LGAQ's submission acknowledges the challenges Australia's most disaster-impacted and decentralised state faces and places a Queensland lens over ALGA's key requests.

Our submission also proposes specific and targeted support for our regional, rural and remote councils, our 17 First Nations councils, and those who are, and will continue to be, impacted by natural disasters and the housing crisis.

Economic data provided to support our Federal Budget requests has been independently modelled by AEC Group as part of its economic impact assessment.

This modelling shows that if adopted, the funding requests contained within our submission will support an average of 13,639 jobs and generate about \$7.659 billion in Gross State Product over the next four years.

# Queensland Specific Budget Priorities

## 1.1 Sustaining Local Jobs

Every Queensland community contributes to the economic fabric of this nation.

Every Queensland community deserves to be a liveable one.

### *1.1.1 Restoring Financial Assistance Grants*

Queensland councils are seeking a Federal Election commitment to restore Financial Assistance Grants back to at least one per cent of federal taxation – a small ask of just more than \$160 million that will go a long way towards improving the liveability and financial sustainability of Queensland’s local communities.

In 2021, the Queensland’s Auditor-General’s report on local government finances revealed that as of 30 June 2020, 25 of the state’s councils are at a high risk of becoming financially unsustainable. This represents approximately one-third of the sector and was an increase of four more councils from the previous financial year. Many of these councils rely heavily on grants from State and Federal governments to keep their doors open.

#### Why is it important for Queensland’s local communities?

Restoring Financial Assistance Grants back to at least one per cent will put more than \$160 million back into Queensland’s local economies and ensure no community is left behind.

It will create or support 1505 Queensland jobs.

It will contribute \$213 million to the annual Gross State Product.

It will address concerns around the liveability and financial sustainability of many Queensland councils and the communities they service and represent.

It should be remembered that in many of these communities, the local councils have become the service providers of last resort, ensuring that vital local services are provided to local residents and tourists because other levels of government and the private sector are not.

### *1.1.2 Making the Local Roads & Community Infrastructure (LRCI) Program permanent*

Queensland councils are seeking a commitment that the LRCI Program be permanently funded by the Federal Government at \$500 million per year, to help local communities continue to connect and thrive.

Making the LRCI Program permanent will create local jobs, support local businesses and guarantee a continuing pipeline of works for years to come.

In its first two years, the LRCI Program directly provided more than \$380 million to Queensland councils, supporting jobs and the resilience of local economies. As it stands, this vital funding program is set to finish in June 2023.

### Why is it important for Queensland's local communities?

Making the LRCI Program a permanent program and maintaining its current funding levels will ensure councils can undertake new infrastructure projects and bring forward works on ageing assets to reduce depreciation expenses by increasing the useful life of community assets.

It will create or support 765 Queensland jobs.

It will contribute \$113 million to the annual Gross State Product.

## 1.2 Conquering the Housing Crisis

A perfect housing storm is emerging in Queensland and across Australia, with unprecedentedly low interest rates and sharply rising property prices, product supply chain issues, significant labour shortages and scarcity of tradespeople to meet demand in a timely manner. This housing crisis is being exacerbated by the COVID-19 pandemic, including looming population pressures resulting from the relaxation of state and national border restrictions.

Queensland councils call on the Federal Government to commit to tackling the national housing crisis and to improving access to secure affordable housing in Queensland. Two immediate requests include:

- substantially increasing investment in the provision of non-market social housing to meet the needs and demand for accommodation from people experiencing, or at risk of, homelessness by an additional \$4.8 billion over four years; and
- extending the First Home Owners' Grant to include the purchase of existing housing stock which would allow first-time owners to renovate and refurbish older homes.

The LGAQ has also written to the Federal Government seeking support for a National Housing Summit to provide an opportunity for all three levels of government to work together and in partnership, to identify a range of other workable solutions to address current housing challenges and work towards preparation of a National Housing Strategy.

### Why is it important for Queensland's local communities?

As of 30 June 2021, there were 50,301 people on Queensland's social housing register, totalling 27,933 applications (with 87 per cent of applications identified as 'high' or 'very high' level of housing need), with average wait times for social housing in excess of two years.

In June 2021, the State Government released the Queensland Housing and Homelessness Action Plan 2021–2025 and announced additional funding of \$314.9 million over four years in its 2021-22 State Budget to support its \$1.908 billion Housing and Homelessness Action Plan. A \$1 billion Housing Investment Fund has also been established in Queensland which is expected to generate annual returns up to \$40 million per annum towards the supply of new social homes.



These measures are strongly welcomed by Queensland councils, but the scale of demand for social housing far exceeds current levels of investment. According to the Queensland Council of Social Services, *"the current level of investment will only address 21 per cent of the housing register and this does not account for the likelihood of continued exponential increases"*.

Currently, there is also a lack of private investment and new home construction in Queensland's regions due to current market conditions.

An investment of \$4.8 billion over four years would create an additional 8,350 jobs and add \$1.147 billion in Gross State Product per year.

The First Home Owners' Grant is only available for a new dwelling (valued at less than \$750,000 including land) that has not been previously occupied as a place of residence or sold as a place of residence. It may also be available for an established home that has undergone substantial renovations, or homes that have been moved from one site to another as long as the home has not been occupied since being fixed to the new site.

This, combined with higher deposit requirements imposed by banks on dwellings in regional, rural and remote areas, stands as a major impediment to attracting and retaining young families in regional areas.

An expansion of the eligibility requirements for the First Home Owners' Grant to include the purchase of existing housing stock, would allow first-time owners to renovate and refurbish older homes and support improved liveability and investment outcomes in regional, rural and remote communities.

This small change to the First Home Owners' Grant would add 856 jobs and \$118 million to Gross State Product per year.

## 1.3 Strengthening our Regions

### 1.3.1 Closing the digital divide

Queensland councils ask the Federal Government to boost digital connectivity and address Queensland's 3000 mobile Black Spot areas by improving telecommunications infrastructure across Northern Australia, mandating mobile roaming in rural and remote communities and ensuring Queensland gets its fair share of funding through the \$84.8 million Regional Connectivity Program, the \$68.5m Connecting Northern Australia initiative and ongoing Mobile Black Spot funding.

#### Why is it important for Queensland's local communities?

As the nation's most decentralised state, Queensland communities are acutely impacted by digital connectivity gaps with about 3000 community identified mobile black spot areas on the National Black Spot map.

Evolving technology and increasing demand for connection options has resulted in many regional and rural communities suffering a greater digital divide in terms of coverage, affordability, and access to the latest technology.

Digital connectivity is fundamental for schools, and households to access health care, government services, educational opportunities, and social and political engagement. Improved access enables increased productivity for farms, factories, mining and small businesses. It is fundamental for economic development, innovation, technology advancement, workforce readiness and improved quality of life.

Not only would Queenslanders feel more connected to services that enhance the liveability of their communities with this investment, it will also support 168 jobs and add \$27 million to Gross State Product per year.

## 1.4 Advancing First Nations Councils

### 1.4.1 Housing overcrowding

Queensland's First Nations councils ask the Federal Government to increase housing supply in remote and discrete Aboriginal and Torres Strait Islander communities by allocating \$100 million per annum for five years to reduce overcrowding and help Close the Gap when it comes to education, health and employment.

Dedicated funding ceased in 2019 and a Federal Government review into the program indicated that more than 1000 additional houses need to be built.

#### Why is it important for Queensland's local communities?

This is a matter of life and death. Overcrowding in many remote Indigenous communities has reached critical levels, and with COVID-19 requiring isolation to reduce the spread, overcrowding can have fatal consequences.

This funding request will reduce overcrowding and help Close the Gap across education, health, incarceration, and employment by allocating \$100 million per year for five years to increase housing supply in remote and discrete Aboriginal and Torres Strait Islander communities.

- 156 Queensland jobs created or supported
- \$22 million contribution to annual Gross State Product

Dedicated investment in housing in these remote and discrete communities, as it has done in the past, would serve as a powerful stimulus to re-energise the local economy, provide much needed employment, and provide hope for the future of younger people disenfranchised by the isolation and social environment in their communities.

### 1.4.2 Replacing ageing marine infrastructure

Queensland's First Nations councils ask the Federal Government to contribute \$60 million over the next four years as a 50/50 funding contribution with the State Government to upgrade vital marine infrastructure connections to islands in the Torres Strait, to maintain the strategic defence of Australia's northern border and ensure local residents have access to essential supplies and services.

## Why is it important for Queensland's local communities?

The islands in the Torres Strait are home to 5000 local residents who are serviced by 15 seaports, but ageing marine infrastructure is impacting vital access to the islands. Timber finger jetties are the primary marine-based infrastructure used throughout the Torres Strait and they bear the brunt of annual cyclones and severe weather events. After two decades they are reaching the end of their design life and are in urgent need of replacement.

The supply of essential items such as food, water, medical and fuel supplies as well as emergency services can only be delivered to islands in the Torres Strait either by air or sea. Because the small size of these islands limits the size of local airstrips and plane size, electricity generation and drinking water desalination is completely reliant on diesel fuel supply, delivered by sea, as are other larger items or bulk goods.

The Torres Strait region is also arguably Australia's most critical location for border protection. Ensuring access to these islands is vital in the strategic defence of northern Australia. Given the location of the islands, access will be required for federal agencies including the Australian Border Force, and the Australian Defence Force including the Army or Navy. Geographical positioning, complex reef systems and international border proximity provide an ideal pathway for illegal immigration, drug trafficking, and biosecurity risk. The global pandemic has also highlighted the potential for introduced disease and cross-border transmission risk.

Replacing this vital local infrastructure will not only help secure local supply chains and support important and strategic national defence assets, but also create or support 192 jobs and inject \$31 million into Queensland's Gross State Product.

## 1.5 Keeping Communities Safe

### 1.5.1 Disaster mitigation

Queensland councils ask the Federal Government to immediately provide \$128 million for shovel-ready disaster mitigation projects in Queensland to create local jobs and reduce recovery costs.

We also seek urgent support to secure the optimal long-term operation and maintenance of Queensland's early flood warning network.

Last year the LGAQ joined with the Bureau of Meteorology and the Queensland Reconstruction Authority to conduct an extensive scoping study to improve the reliability of the state's flood warning system. The study identified and recommended options for the design, performance, maintenance, ownership, governance and funding for a fit-for-purpose Queensland flood warning network. It also proposed 89 extra river height stations, and 364 more rainfall stations where flood risk is highest.

Queensland councils seek the Federal Government's support for the preferred option of the scoping study, which recommended that the Bureau assume ownership and maintenance responsibilities for all aspects of the network, with the Australian Government to provide funding for the capital upgrades and a shared funding model (50/50) between the Queensland and Australian governments to be used for ongoing maintenance and asset renewal.

As the most natural disaster-prone state in the country, risk mitigation and disaster resilience are critical to Queenslanders. Every dollar spent in mitigation and preparedness has the potential to save not only property and goods, but the lives of Queenslanders.

### Why is it important for Queensland's local communities?

Our most recent experiences of drought and then flood demonstrate that locally led and regionally coordinated efforts support Queenslanders to get back to normal life as soon as possible.

Securing the long-term operation and maintenance of Queensland's vast early flood warning network of 3000 rain gauges is also vital in protecting lives and property from rising flood waters.

A report prepared by Deloitte Access Economics in 2017 for the *Australian Business Roundtable for Disaster Resilience and Safer Communities* concluded that "Queensland has been the most disaster-prone state over the past decade", and highlighted the following key findings:

- When combined, the total economic cost of natural disasters in the 10 years to 2016 has averaged \$18.2 billion per year nationally.
- Natural disasters in Queensland represent 60 per cent of the total national costs, with the total economic cost for Queensland over this period averaging \$11 billion per year.
- Flooding events are the most prevalent natural disaster, accounting for 66 per cent of the Queensland total economic cost, followed by cyclones at 25 per cent, hail damage at 6 per cent and storm damage at 4 per cent.
- The total economic cost of natural disasters nationally is expected to increase to \$39 billion per year on average by 2050 (in present value terms), even without the impacts of climate change. In Queensland alone, costs are expected to reach \$18 billion per year by 2050, a growth rate of 3.3 per cent per year.

The Productivity Commission and the Insurance Council of Australia say 97 per cent of disaster funding is spent on recovery and just 3 per cent on preparedness and mitigation. In one year, this funding for vital local disaster mitigation projects would create a \$141 million increase to Gross State Product and an additional 1,044 jobs.

### *1.5.2 Coastal hazard protection*

Queensland councils seek the following commitments from the Federal Government to protect homes and business investment from coastal hazards and changes to sea levels:

- Commit \$500 million per year over four years to implement coastal hazard adaptation initiatives in the short, medium and long term, to ensure resilience and the future viability of our community infrastructure amid an increasing risk profile predicted due to a changing climate; and
- Develop a comprehensive coastal hazard adaptation framework and actions in consultation with councils and the finance/insurance industry, that effectively considers, and addresses insurance and financial implications of coastal hazard risks identified through completed Coastal Hazard Adaptation Strategies

### Why is it important for Queensland communities?

The impacts of coastal hazards on local communities cannot be underestimated, with the recent 'Climate Change Impact Series: Actions of the Sea and Future Risks Report' released by the Insurance Council of Australia in October 2021, estimating that Australia will require at least \$30 billion (net present cost) of investment in large scale coastal protection and adaptation projects over the next 50 years.

With 6,967km of mainland coastline, and more than 87 per cent of Queenslanders living within 50km of that coastline, any coastal hazards we face have significant impact.

Since 2016, 31 out of 41 eligible coastal councils in Queensland have been fully funded (or in part) under the State Government's \$13 million QCoast<sub>2100</sub> Program, to develop a Coastal Hazard Adaptation Strategy (CHAS) including up to date mapping of coastal hazard risks and identifying necessary adaptation actions.

Although the coastal hazard mapping prepared so far as part of the CHAS process shows that the impacts will not increase substantially in many cases in the short term, the medium to longer term impacts are significant in many regions given the increasing risk profile predicted with a changing climate.

Whilst recent investment has been made to prepare plans and long-term strategies, ongoing funding for implementation of these strategies and adaptation actions is critical to ensure the resilience of local communities.

In addition, it is critical that the financial and insurance implications of coastal hazards risk across Queensland are effectively considered and addressed through a comprehensive national framework.

Each year of this investment will yield \$145 million in increased Gross State Product and create 1,017 jobs for Queenslanders.

## 1.6 Supporting Rural and Remote Communities

### *1.6.1 Addressing GP and primary health care service shortages*

Queensland councils ask the Federal Government to introduce incentive schemes to encourage regional services or relocation of GPs to regional and remote areas. Such as:

- reduced fees HECS/HELP repayments linked to rural and remote service
- the re-introduction of bonded scholarships such as the "rural and remote pathway" streams for junior medical officers
- guaranteed access to developmental opportunities for regional Doctors
- relocation incentive schemes for GPs to achieve a sustainable and acceptable standard of health services in outer metropolitan, rural and regional areas.

### Why is it important for Queensland's local communities?

More than half of Queensland's population lives outside the state's capital city and access to health services can be challenging. Those who live in rural and remote areas often have poorer health outcomes due to poorer access to primary health care services. Queenslanders



from across the state deserve equitable access to health services so they can live long and healthy lives, contributing to their local communities.

For example, in the Flinders Shire, which had a population of more than 1500 residents at the 2016 Census, there is currently only one GP available at any one time and if that GP is sick (as has recently been the case with a locum GP), residents cannot access another GP to have scripts renewed or receive any other local medical services they may require from a GP. This puts additional pressure on the public hospital in Hughenden, with the next closest GP services being Richmond or Charters Towers (if available) or Townsville – which is more than four hours away.

### *1.6.2 Boosting regional education and training*

Queensland councils ask the Federal Government to provide \$20 million towards supporting and establishing Regional University Centres across rural and regional Queensland to provide students with greater choice in, and access to, higher education.

#### Why is it important for Queensland's local communities?

The Federal Government has identified at least 40 per cent of the community will require a Bachelor degree or higher level of education to sustain our economic growth into the future. The percentage of population with a Bachelor degree or higher is considerably lower in regional and remote communities, when compared to major cities. This is of equal concern across rural and remote parts of Queensland with just 22.7 per cent of the population holding a Bachelor degree or higher. This is well below the rate of 44.6 per cent in major cities and well below the national average of 39.7 per cent.

The Regional University Centres program takes an innovative approach to improving access to tertiary education for regional and remote students. A Regional University Centre is a facility that regional students can use to study tertiary courses locally delivered by distance from any Australian institution. Centres have been established around Australia now since 2018 and have proven to be sustainable and able to be integrated into existing infrastructure around the regions (council libraries, agriculture colleges, TAFE facilities etc).

For a sector that has been severely challenged by the COVID-19 pandemic, the impact of this investment would be significant with the creation of an additional 143 jobs and \$19 million in Gross State Product.

### *1.6.3 Managing land and boosting biosecurity*

Queensland councils ask the Federal Government to create a dedicated program to support local councils to manage pests and weeds and safeguard against biosecurity concerns, funded at \$10 million per year for four years. This program would focus on the delivery of strategic control programs for species of regional significance. At present, there are no specific weed management funding programs to assist Queensland local governments in the control and eradication of weeds. Councils are competing for a reduced portion of funding to manage pest weeds and larger Local Government Area footprints require a greater proportion of funding for effective weed eradication in the regions.

In an effort to control and maintain eradication programs, councils such as Charters Towers Regional Council are having to allocate additional annual budget funds towards weed management.

#### Why is it important for Queensland's local communities?

With the agricultural sector providing significant economic benefits and local jobs through major supply chains, it is important that targeted funding is allocated and invested into protecting and developing agricultural land and the broader environment. Programs such as this create local jobs, boost economic activity and manage weeds for long-term community benefit.

There are also significant social benefits associated with controlling invasive plants and animals, including the prevention of health impacts, decreased stress levels for landholders, maintenance and improvement of biodiversity and ecosystems, reduced fire risks and prevention of land degradation. Every dollar spent controlling invasive plants and animals generates around \$3 worth of socio-economic and environmental benefits generated for the Queensland economy.

Limited funding availability is continuing to see significant impacts to the agriculture sector, with the ongoing threat of weeds spread from council-owned or controlled land to private properties.

This funding would help the sector grow Gross State Product by \$11 million per year, and lead to the creation of 90 jobs for Queenslanders per year for the four years.

#### *1.6.4 Eradicating Red Imported Fire Ants*

Queensland councils, particularly throughout the South-East, request \$5 million per year over four years from the Federal Government to help source and supply chemicals that treat Red Imported Fire Ants to bolster eradication efforts within affected Local Government Areas.

#### Why is it important for Queensland's local communities?

According to the National Pest and Disease Outbreaks website, Red Imported Fire Ants are one of the worst invasive species to reach Australia's shores and continue to be the target of a national cost-shared eradication program in South-East Queensland. Local governments are well-placed to support the eradication program by undertaking surveillance, applying the baits in open space areas such as sporting fields and parks, and helping to educate the community, if the provision of baits is funded by the Federal Government.

Five separate Red Imported Fire Ant incursions in Queensland have been successfully eradicated, including Yarwun, Port of Gladstone, Brisbane Airport and two incursions at Port of Brisbane. At this point, only one other State has any active incursions, therefore it is clear that investing in the containment and eradication of these ants in Queensland is crucial in preventing the spread of these pests across the country.

If eradication is not successful, there will be significant impacts on the lifestyle of impacted communities in addition to economic impacts on the agricultural and tourism sectors.

In addition to preventing the negative lifestyle impacts on Queenslanders and our neighbour States, this funding will create 36 additional jobs and add \$5 million to Gross State Product per year.

## 1.7 Planning for the Future

### 1.7.1 *Securing our water supply*

Queensland councils ask the Federal Government to establish a dedicated ongoing funding program/s for water and wastewater infrastructure including both asset renewals and new infrastructure required to support both population and economic growth, by ensuring our fair share of the \$3.5 billion National Water Infrastructure (NWI) program.

#### Why is it important for Queensland's local communities?

Historically, dedicated funding was provided to local governments to assist in maintaining adequate infrastructure for essential services. Over many years, this funding has continued to diminish, placing excessive burden on local ratepayers.

Challenges currently facing the urban water sector such as ageing infrastructure, population growth and changing needs of users have been discussed and highlighted by several reviews, the most recent being the 2019 Australian Infrastructure Audit.

Following this audit, Infrastructure Australia has now identified town and city water security as a key priority investment area.

Queenslanders, and indeed all Australians, have a right to clean drinking water. Ensuring we receive our fair share of the NWI funding not only helps Queensland councils secure that right for their communities, it also injects \$179 million per year and creates 1,123 jobs.

### 1.7.2 *Supporting smart communities*

Queensland councils ask the Federal Government to provide \$100 million per year nationally for a smart communities' program to support councils to deliver innovative technology-based solutions to urban challenges that improve the liveability, productivity and sustainability of Queensland's cities, towns and regions.

#### Why is it important for Queensland's local communities?

This important funding request will help local communities plan for the future, while creating 700 new jobs and a \$242 million increase to Gross State Product.

### 1.7.3 *Accessibility and Inclusion*

Queensland councils ask the Federal Government to establish an 'Access and Inclusion' Fund to provide dedicated funding support of \$60 million over three years to support local governments in Queensland to identify and deliver necessary upgrades to public buildings to meet current accessibility design standards.

Funding should be able to be used by Queensland councils to:

- undertake an audit of public buildings for accessibility standard upgrades, and/or
- where an audit has already been undertaken, implement audit outcomes by upgrading public buildings to meet current accessibility design standards.

### Why is it important for Queensland's local communities?

Queensland councils manage \$150 billion worth of community assets including many existing buildings that do not meet the current accessibility standards, and community expectations of accessibility.

With 5.2 per cent of Queenslanders requiring assistance with a profound or severe disability (Queensland Government Statistician's Office), and one in five Australians with a disability (Australian Human Rights Commission), accessible services and facilities are vital to ensure inclusion and participation for all.

Recognising the importance of this issue, some Queensland councils have already undertaken disability access audits on various council facilities, through engaging an independent assessment of signage, car parking, entrance and mobility, stairs, doors, ramps, floor surfaces and toilets and showers against the current 'access to premise' standards.

Some facilities require small adaptations to meet current accessibility standards while others require more significant redesign and structural work. All these adaptations need to be prioritised against other council construction and maintenance schedules and budgets and funding to undertake this upgrade work is limited.

For one Queensland council alone, the cost estimate to complete the basic accessibility upgrades recommended for each council facility is upwards of \$2 million to council and the ratepayer.

Local community benefits that would be derived if such a Fund were established include:

- Improved non-discriminatory access to premises which the public or a section of the public is entitled or allowed to use.
- Creation of local construction jobs and support ongoing economic stimulus post COVID-19.
- Improved social inclusion outcomes will create 168 jobs for Queenslanders and increase GSP by \$23 million per year.

## 1.8 Protecting the Environment

### *1.8.1 Great Barrier Reef conservation*

Queensland Councils ask the Federal Government to allocate \$200 million per annum for four years to implement initiatives to support Queensland's 32 Reef Catchment councils to protect the Great Barrier Reef and safeguard 64,000 Queensland jobs.

### Why is it important for Queensland's local communities?

Despite ongoing efforts and a sustained focus on improving the health of the Reef, the Federal Government 2019 five-yearly Outlook Report identified the Great Barrier Reef Region still faces significant pressures ranging in scale from local to global.

The report found the greatest threat to the Reef is still climate change. The other main threats are associated with coastal development, land-based run-off, and direct human use (such as illegal fishing).

The Report also identified that the Great Barrier Reef remains a significant economic resource for regional communities and Australia as a whole. Major changes to the condition of the ecosystem have social and economic implications for regional communities because some uses, such as commercial marine tourism and fishing, depend heavily on a functioning, resilient ecosystem.

Queensland's 32 Reef catchment councils are already the single largest investor in reef conservation, with conservative estimates placing this investment at \$228 million per annum.

The Reef 2050 Long Term Sustainability Plan highlights the need for a partnership approach to managing conservation efforts going forward. Local councils have significant environmental expertise and as the closest level of government with strong community ties, these councils remain a largely untapped resource as a delivery agent of reef conservation activities.

The current work of Queensland councils both directly and indirectly contributes to Reef protection and includes wastewater and urban stormwater treatment, waterway and coastal foreshore rehabilitation, community awareness, engagement and environmental education, management of coastal erosion and mitigating the impacts of a changing climate. This work is funded by Queensland councils through local government own source revenue (rates and charges).

Analysis by Deloitte Access Economics estimates the economic value of the Great Barrier Reef to be \$56 billion, supporting 64,000 jobs and generating \$6.4 billion in annual revenue. Boosting the Federal Government's investment in implementing the Reef 2050 Plan is key to protecting the Reef's intrinsic environmental, cultural and economic contribution now and into the future.



## Support for ALGA's Federal Budget Submission

As the national peak body representing the local government sector, the LGAQ fully supports ALGA's 2022/23 Federal Budget Submission.

Of particular importance to Queensland councils are the following critical funding asks.

### 2.1 Sustaining Local Jobs

#### 2.1.1 Financial Assistance Grants

As outlined previously in this submission, Queensland councils support ALGA's request for the Federal Government to restore Financial Assistance Grants (FAGs) to at least one per cent of Commonwealth taxation revenue to maintain and improve community liveability.

##### Why is it important for Queensland's local communities?

- Restoring the appropriate funding for these grants would create and support more than 1500 Queensland jobs.
- It would provide a \$162.8 million per year funding boost for Queensland communities, particularly in rural and remote areas
- It would make a \$213 million contribution to annual Gross State Product

#### 2.1.2 Boosting local road investment

Queensland councils support ALGA's funding request for the Federal Government to increase road investment in critical road funding programs including:

- Unlocking regional economic potential by providing an additional \$300 million per year, over four years to address first and last mile regional freight issues through a Local Roads Investment Program;
- Boosting the Roads to Recovery program to \$800 million per year over four years; and
- Increasing Black Spot funding to \$200 million per year over four years.

##### Why is it important for Queensland's local communities?

Boosting road investment will support and create 1046 Queensland jobs and contribute \$161 million to the annual Gross State Product.

As Australia's most decentralised state, Queensland Councils manage approximately 153,000 km of road network and more than 2800 bridges. This represents 82 per cent of Queensland's vast road network.

Funding increases for these critical road programs would unlock regional economic growth currently inhibited on high volume freight routes and road segments and improve road safety for all road users.

Local roads connect the factory or farm gate to valuable supply chains that keep Australians clothed and fed, while unlocking vital export opportunities. These first and last mile road links

are crucial to improving the economic output of our major supply routes and increasing productivity through the road network.

A new strategic local roads investment program, along with the Roads to Recovery and Bridges Renewal programs would support local governments by addressing first and last mile constraints and issues within regional networks to unlock network wide productivity gains.

The Inquiry into National Freight and Supply Chain Priorities and independent research by Infrastructure Australia and the Productivity Commission has all found that Australia's national freight task is expected to grow by around 60 per cent over 20 years to 2040 and that a 1 per cent improvement in freight productivity generates \$8-\$20 billion in savings over 20 years, while improving environmental outcomes.

In terms of road safety, the long-term trend shows that 51 per cent of fatal and serious injury incidents in Queensland have occurred on the local government-controlled network, a trend that is higher than the national average.

Competitive funding for programs, like the Black Spot program, have been oversubscribed for many years, creating a situation where high-risk locations have been left untreated.

## 2.2 Conquering the Housing Crisis

Queensland councils support ALGA's funding request for the Federal Government to invest \$200 million over four years to assist councils to develop and implement innovative housing partnerships.

### Why is this important for Queensland's local communities?

Fewer social and affordable housing stock is causing a major housing shortage across Australia. For councils looking to drive a locally led economic recovery and create new jobs in their communities, an appropriate supply and mix of housing to suit diverse community needs is crucial.

The housing challenge is different in every community and each council response is dependent on its financial resources and priorities.

The benefits to Queensland and Queenslanders aren't restricted to the individuals and families who will finally have somewhere to call home, Queensland's share of this investment will also increase Gross State Product by \$10 million per year and support 70 jobs for Queenslanders.

## 2.3 Protecting our Environment

### *2.3.1 Boosting recycling and reducing landfill*

The LGAQ supports ALGA's funding request for the Federal Government to invest in crucial local government circular waste-innovation projects by providing \$100 million per annum for four years, so communities can build a sustainable future, as well as the ask for guidance and advice to councils on how to unlock the circular economy, particularly in rural, regional and remote areas.

### Why is it important for Queensland communities?

Due to the dispersed nature of Queensland's population, sustainable waste management is often connected with long distance transport of recyclable material. Federal support for a move towards a more circular approach would allow the development of regional economies, new employment and increased liveability. A direct injection of \$25 million will not only reduce waste and create new revenue streams but will also create and support more than 140 Queensland jobs.

Queensland's councils currently provide kerbside collection services to 1,999,700 households and divert 2,856,000 tonnes of waste from disposal in landfills, with around 46 per cent of overall waste still ending up in landfill. This includes an ever-increasing amount of problem waste streams. As the state with the highest penetration of rooftop solar and high potential for future solar development, local solar panel recycling is a priority in the coming years.

More than any other state, Queensland's dispersed and natural disaster-impacted population, needs federal assistance and cooperation between all levels of government to develop, sustain and grow regional markets for recovered materials.

## 2.4 Keeping Communities Safe

### 2.4.1 Disaster Mitigation

Queensland councils support ALGA's request for the Federal Government to commit to providing \$200 million per year for four years to councils through the National Recovery and Resilience Agency for targeted natural disaster recovery and mitigation, and coastal hazard adaptation.

### Why is it important for Queensland local communities?

- 350 local jobs created or supported
- \$52 million contribution to annual Gross State Product

Queensland is Australia's most disaster impacted state, with a total economic cost of \$11 billion per year on average, equating to 60 per cent of the national cost according to Deloitte Access Economics' report, *Building Resilience to Natural Disasters in our States and Territories*.

The report predicted the total economic cost of natural disasters in Queensland will reach \$18 billion a year by 2050.

More than any other state, Queensland's local communities need Federal Government assistance to implement limit the severity of natural disasters, reduce the cost of recovery and fundamentally save lives.

While we have welcomed the establishment of the National Recovery and Resilience Agency and the increased funding support under the Preparing Australia Program, a strategic partnership between all levels of government is needed to fast-track investment in disaster

mitigation and betterment infrastructure to improve the resilience of Queensland communities.

### 2.4.2 Climate Resilience

Queensland councils support ALGA's calls for a 'Local Government Climate Response Partnership Fund' of \$200 million over four years to be established to enable planning and preparation to minimise the impacts of climate change in local communities and enable councils to achieve climate neutrality as soon as practicable.

#### Why is it important for Queensland communities?

Implementation of local climate adaptation projects will support the liveability, sustainability and productivity of local communities through for example, improved public health and safety outcomes and could have the added benefit of reducing the impact of natural disasters through for example, betterment and upgrading of infrastructure and assets.

### A final note

This submission outlines the important role of councils in the lives of Queenslanders.

Local Queensland communities come together when disasters happen, with councils leading the way in supporting locals to protect life and property, clean up, and get back on their feet. Councils have also been on the frontline of our defence against the COVID-19 pandemic, which has, and continues to, wreak social and economic pain across our vast state.

It is indeed true that Queensland is beautiful one day and perfect the next. However, it is also true that as the nation's most decentralised and disaster-affected state, Queensland often resembles the harshest portions of Dorothy McKellar's "My Country" with 'droughts and flooding rains' - often at the same time.

This submission acknowledges both of these aspects of Queensland's great character and asks the Federal Government to do the same, by investing in Queensland to ensure the continued liveability and sustainability of our local communities.

***The funding councils seek is critical to the liveability of Queensland communities.***

Queenslanders don't let one another down. Our local communities trust that their Federal Government won't let them down either.

Don't leave local communities behind.