QLD Budget 2025-26

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Foreword

The 2025–26 Queensland Budget, delivered by the newly elected Crisafulli Government, sets out an ambitious and welcome agenda for our state's future. With a strong commitment to generational investment across housing, health, transport, and education, the Budget aims to stimulate economic growth, improve living standards, and return the state to fiscal responsibility through reduced deficits and a more sustainable debt profile.

NECA Queensland supports this fresh start, particularly the Government's clear intent to address Queensland's lagging productivity performance through smarter policy and regulatory reform. Our members, Queensland's licensed electrical professionals, stand ready to deliver the infrastructure our communities need. From powering new hospitals and schools to connecting homes and major projects across regional and metropolitan Queensland, our industry is central to turning this vision into reality.

But right now, too many of our members are being held back. If Queensland is to unlock the full potential of this once-in-a-generation infrastructure investment, then productivity reform must match ambition.

Queensland's Budget signals opportunity, but delivery depends on our workers. The economy and infrastructure investment outlook are strong, but NECA members will bear the cost of workforce shortages unless training, procurement, and productivity reforms are rapidly aligned. A skilled and licensed workforce isn't a by-product of spending, it's a prerequisite."

More Information

If you have any questions relating to how the budget impacts you and your business, please contact us at patrick.murphy@neca.asn.au.

NECA welcomes suggestions and feedback as it continues to advocate on issues that affect and shape the electrotechnology sector in Australia.

NECA Budget Focus (2025–26)

Small and Family Business -

The 2025–26 Queensland Budget outlines several initiatives aimed at reducing regulatory burdens, streamlining procurement, and improving support services for small and regional businesses.

Licensing and Compliance Simplification- Budget commitment to streamline licensing systems and reduce administrative overhead for trades and SMEs

SME Wellness & Mentoring Support -$16.8M Expansion of the Small Business Support Network, including financial counselling, peer mentoring, and wellbeing programs

Small Business Concierge – $10.3M - A new Concierge Service to help businesses navigate government support and services.

Digital Transformation Office (DTO) -Ongoing investment in digitising service delivery for licensing, permitting, and business support.

SME Procurement Reform & Tender Access- Commitment to standardised contracts, simplified tendering, and improved pre-qualification for SMEs.

Active support for smaller tenders and regional supplier access through:

- Splitting major contracts
- Incentives for head contractors to use local subcontractors
- Buy Queensland policy enforcement

Pipeline Transparency and Early Engagement

- Use of the Capital Pipeline Sustainability Framework. Engagement with local suppliers ahead of procurement processes to release forward planning data early.

Small and Family Business First Action Statement

- focused on cutting red tape, simplifying government services, and fostering innovation.

New Funding Initiatives (Total $130M):

- $10.3 million to establish a Small Business Concierge Service to improve access to government support.
- $16.8 million for the Small Business Support Network, offering financial counselling and coaching.

Queensland Small Business Commissioner Refocusing on Reducing Red Tape and Dispute resolution support.

NECA supports the Government's intent but continues to advocate for practical implementation that genuinely lowers compliance costs, increases access to public projects, and embeds trade-sector representation in reform design.

Workforce Development –

Queensland's 2025–26 Budget includes substantial investments in training and workforce initiatives. NECA continues to advocate for reforms that ensure fair access to skills funding, greater industry-led training recognition, and coordinated workforce planning across the electrotechnology sector.

TAFE and Training Infrastructure Investment

- $288.7 million in 2025–26 to upgrade and build new training infrastructure.
- Targeted toward priority sectors including construction, digital, energy, manufacturing, and health.

Skilling Queenslanders for Work

- Ongoing investment in disadvantaged job seekers, youth, and pre-apprenticeship pathways.
- Focused on entry into trades and regional job pathways.

Clean Economy Workforce Initiatives

- Continued implementation of the Clean Economy Jobs Roadmap.
- Funding supports development of training pathways for hydrogen, renewables, and energy infrastructure, sectors where NECA members are frontline service providers.

Regional Workforce Development

- Focused on skills supply aligned to housing, education, and health infrastructure delivery in regional QLD.
- Tailored regional workforce strategies led by Jobs Queensland and Skills Queensland.

National Skills Agreement -$50 Million

- Queensland has committed **$50 million** to co-invest with the Commonwealth in delivery of the National Skills Agreement (NSA).
- Aims to strengthen TAFE Queensland, expand the training workforce, and address skills gaps, particularly for First Nations people.

Free Apprenticeships for Under 25s

- **$10 million** The Budget provides a extension of the program that removes fees for apprentices in high-priority trades.

User Choice Program – Continued

- Ongoing support for the User Choice Program, which funds training for apprentices and trainees via a chosen Registered Training Organisation (RTO).

NECA BUDGET SNAPSHOT

Health (2024 -2029)

$33.1 billion over five years, including

- **$18.5 billion** Hospital Rescue Plan (3 new hospitals + 10 expansions = 2600 beds).
- **$3.15 billion** over five years to boost maintenance.
- **$638 million** over four years for Mater Hospital Springfield (opens 2026, 174 beds).

Infrastructure & Transport (2025–2029)

$116.8 billion capital program over 4 years to 2028–29 includes

- **$9 billion** Bruce Highway upgrade (multi-year; $1.98B for Rockhampton Ring Road, $290M Dohles Rocks–Anzac Ave).
- **$5.75 billion** Faster Rail to Gold Coast
- **$5.5 billion "The Wave"** Sunshine Coast heavy rail (Stage 1 & 2 2025–2028).
- **$41.7 billion** QTRIP to 2028–29.

Housing (2024–2044)

$8.1 billion Securing Our Housing Foundations Plan over 5 years.

- **$165 million Boost to Buy** scheme launched 1 July 2025.
- **$1.967 billion** capital funding over 4 years + $500 million/year ongoing from 2029–30 to deliver 53,500 social and community homes by 2044.
- **$2 billion** Residential Activation Fund—Round 1 **$1B** fast-tracked, 50% targeted to regional areas.
- $30,000 First Home Owner Grants extended to June 2026.

Abolished stamp duty for first home buyers of new builds.

Education (2025–2029)

$21.9 billion Education Budget includes

- 15 new schools including:

  3 schools start construction in 2025–26 (e.g., Holmview, Logan Reserve).

Education (2025–2029) (Continued)

  2 primary schools (Caloundra South, Ripley Valley) &

  6 new special schools to open by 2027–28.

- **$814.8 million** over 4 years to deliver school infrastructure pipeline.

Energy & Water Security (2025–2030)

$5 billion energy supply chain investment

- **$1.6 B Electricity Maintenance Guarantee**.
- **Major Works in 2025–26** include:

  $479.2M Brigalow Gas Peaking Plant,

  $402.8M CopperString (total $2.4B),

  $355.2M Borumba Pumped Hydro

  $346.2M Dam Improvement Program
- **$4.4B** Paradise Dam rebuild - 2029.

Community Safety (2024–2029)

$5.2 billion Making Our Community Safer Plan across 5 years. Includes

- **$290.3 million** over 5 years for new/upgraded police stations.
- **$2.387 billion** over 6 years (to 2029–30) for adult prison capacity.
- **$763.9 million** to complete new youth detention centre by second half of 2027.

2032 Games Infrastructure (2025 – 2032)

$7.1 billion venues program over 7 years to 2031–32. Includes

- **$4.7 billion** Games Delivery Plan over four years
- Initial **$950 million** (2025–2029) for Athlete Villages (Brisbane, Gold Coast, Sunshine Coast, Rockhampton).
- **$847 million** for Sunshine Coast Stadium, Moreton Bay, Logan, Barlow Park and Mountain Bike Centre—delivery commencing 2025–26.
- **$250 million** Games On! grassroots sport infrastructure pre-2032.

Economic Outlook

Queensland **Growth**:

- Gross State Product (GSP) is forecast to increase by 2.75% in 2025–26, driven by domestic demand and a rebound in exports despite the impact of natural disasters. Signals moderate economic growth, boosting infrastructure demand and private-sector investment.

Employment:

- strong labour market conditions are expected to remain and wage growth is forecast to be 3.5% in 2025-26. Tight labour market may drive wage inflation and exacerbate skills shortages, especially for licensed trades.

Population:

- moderate ease is projected with a reduction in the Australian Government’s immigration program slowing to 1½ per cent in 2025–26. Slower growth may temporarily ease housing pressure but reduce new entrant pool into trades training.

Capital Investment:

- $116.8B capital program to 2028–29 Sustained infrastructure pipeline creates major opportunities for NECA members but requires workforce scaling.

Debt to Revenue Ratio

- Capped and targeted for long-term reduction - Budget stability benefits business confidence and state procurement reliability.

GST Revenue Reduction

- $2.3B from previous year This **risks delays** State capital works program.

Coal Royalties

- Down from historic highs Less revenue from traditional sources may increase scrutiny on spending, including in training infrastructure.

Implications for NECA Members (Queensland's Licensed Electrical Contractors)

Infrastructure Timing and the Olympics

- The countdown to the 2032 Olympic Games amplifies the urgency to scale capacity now—especially in energy, lighting, AV and digital infrastructure sectors.

NECA calls for **coordinated workforce planning**, including regional job mobility and housing incentives to deploy contractors where needed.

Workforce Demand vs Availability

- Large-scale infrastructure programs, including hospitals, schools, rail and energy projects, require an immediate pipeline of skilled licensed electrical workers.
- Slower population and immigration growth challenges the supply of apprentices and trade entrants, necessitating industry-led training.

Rising Wage Pressure

- With wage growth forecast at 3.5%, labour costs for contractors will increase.

Electrical businesses, especially SMEs, must plan for margin pressures in fixed-price contracts unless procurement settings adjust.

Procurement Reforms Must Match Demand

- The Government's commitment to split major tenders, simplify procurement, and improve pre-qualification processes is welcome.

NECA members need early tender visibility and consistent SME access to participate in delivering Budget-funded projects.

Digital Transformation and Compliance

- Regulatory simplification (licensing, approvals, inspections) must match construction demand.

NECA urges trade representation in reform working groups to streamline electrical licensing and reduce compliance time.

Economic Outlook Summary

The NECA members perspective underscores the critical need for proactive investment in training infrastructure and productivity reforms in reducing red tape, addressing procurement and licensing challenges to ensure that the workforce can meet the demands of Queensland's infrastructure investment agenda.