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Queensland Economy & Infrastructure Pipeline Outlook

CCAA QLD Industry Insights Breakfast

June 12th 2025

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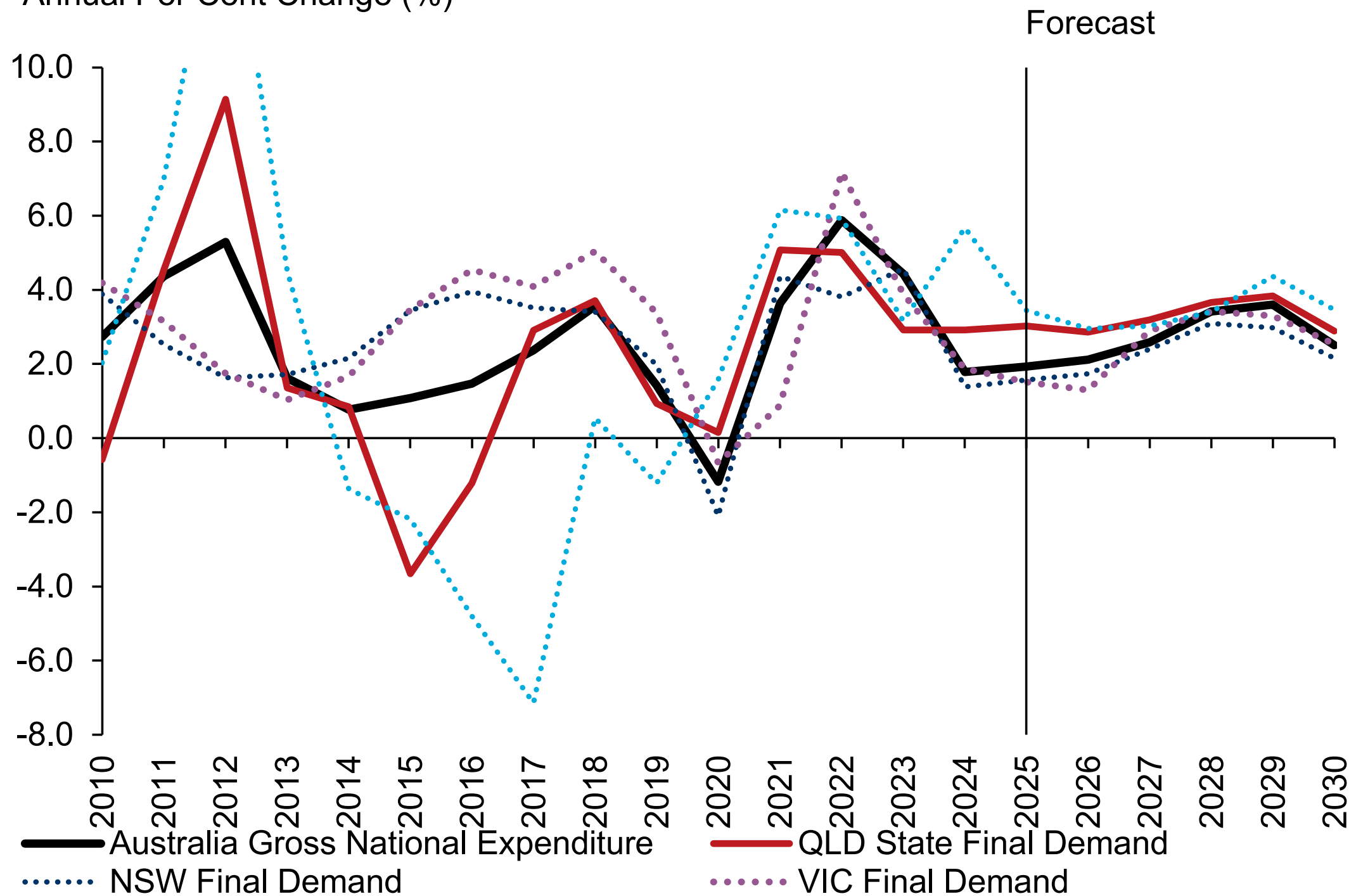
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- **Investment is the key driver of economic growth** and Queensland simply has stronger drivers for investment over the remainder of this decade
- **Rising construction is the real consequence of this investment**, with Queensland domestic construction activity expected to reach a record in FY26
- **A strong pipeline of public infrastructure investment** (economic and social) underpins the outlook, as well as private investment in energy and resources
- **With so many priorities requiring built solutions, effective planning and coordination between government and industry will be vital**

Queensland economy is set to keep outperforming Australia

Gross National Expenditure and State Final Demand
Annual Per Cent Change (%)



Source: Oxford Economics Australia, ABS

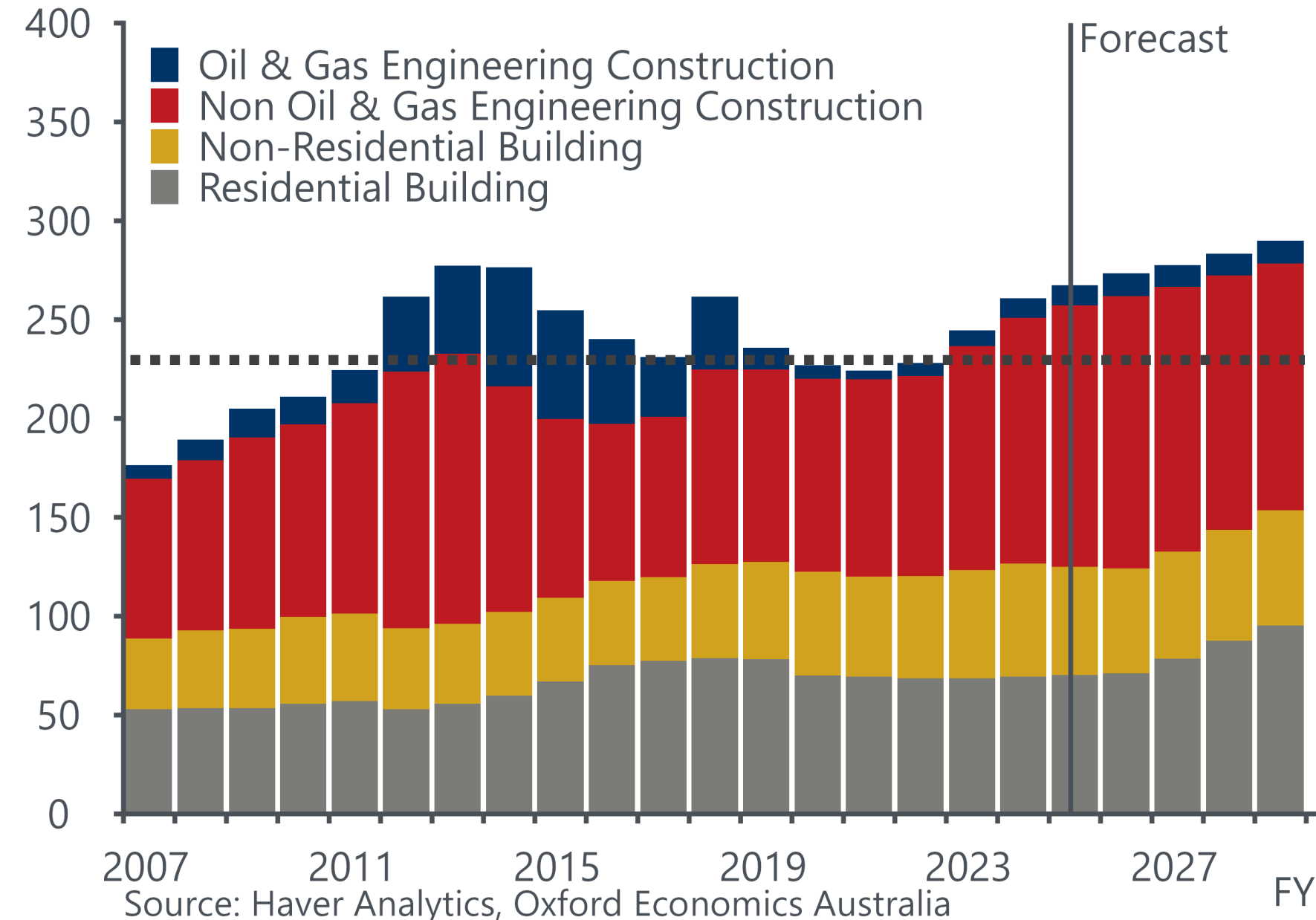
Year ended June

- **Queensland SFD expected to be around 3% in FY25, well above Australia**
- **Stronger investment growth is a key driver of this**
- **Queensland and WA expected to outperform through to FY30**
- **Economy to accelerate from FY27 as housing activity ramps up**
- **Queensland also has Olympics and other critical investment priorities to be addressed this decade and into the early 2030s**

Construction activity expected to rise at the national level

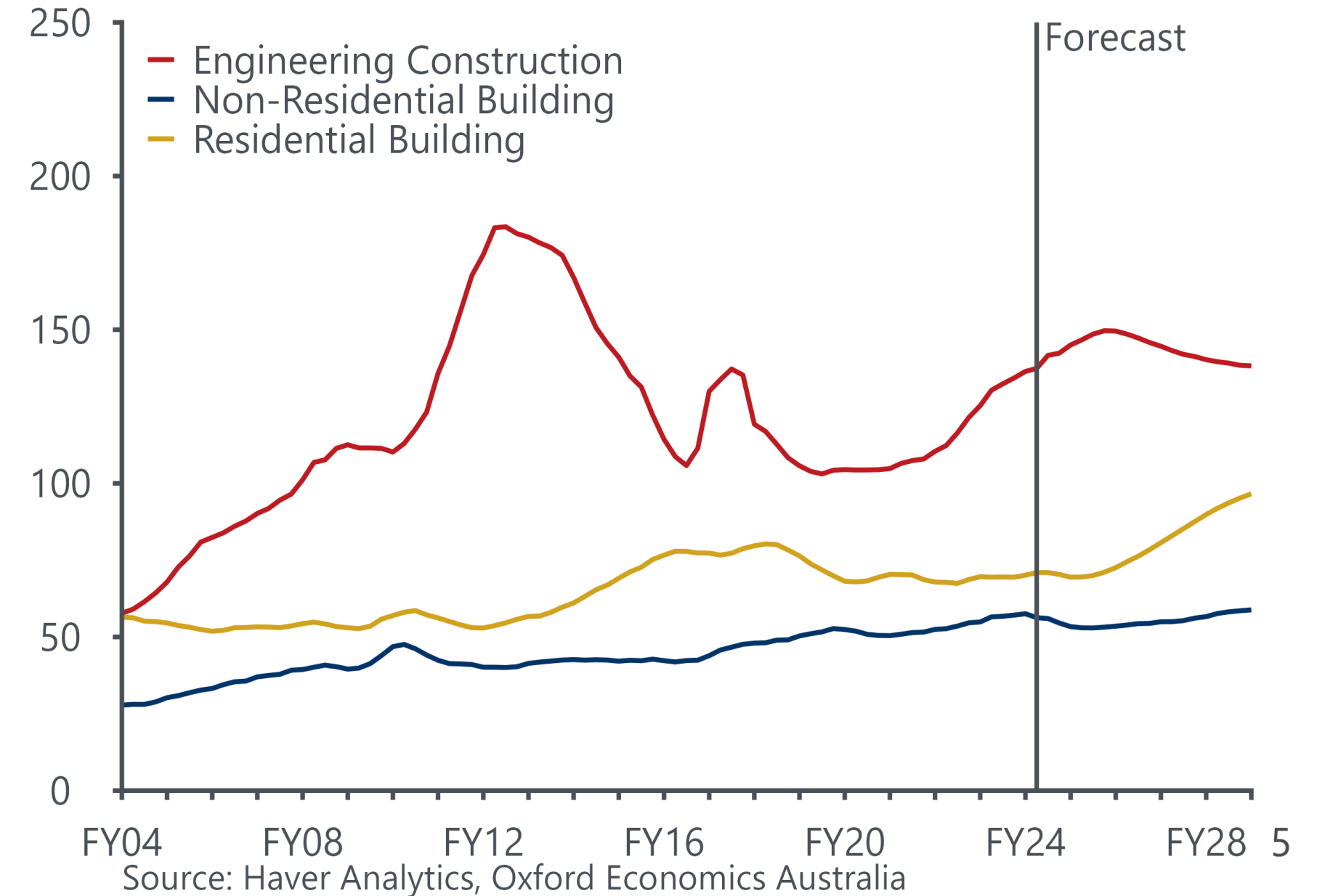
Total Construction Work Done

A\$ Billion (constant prices)



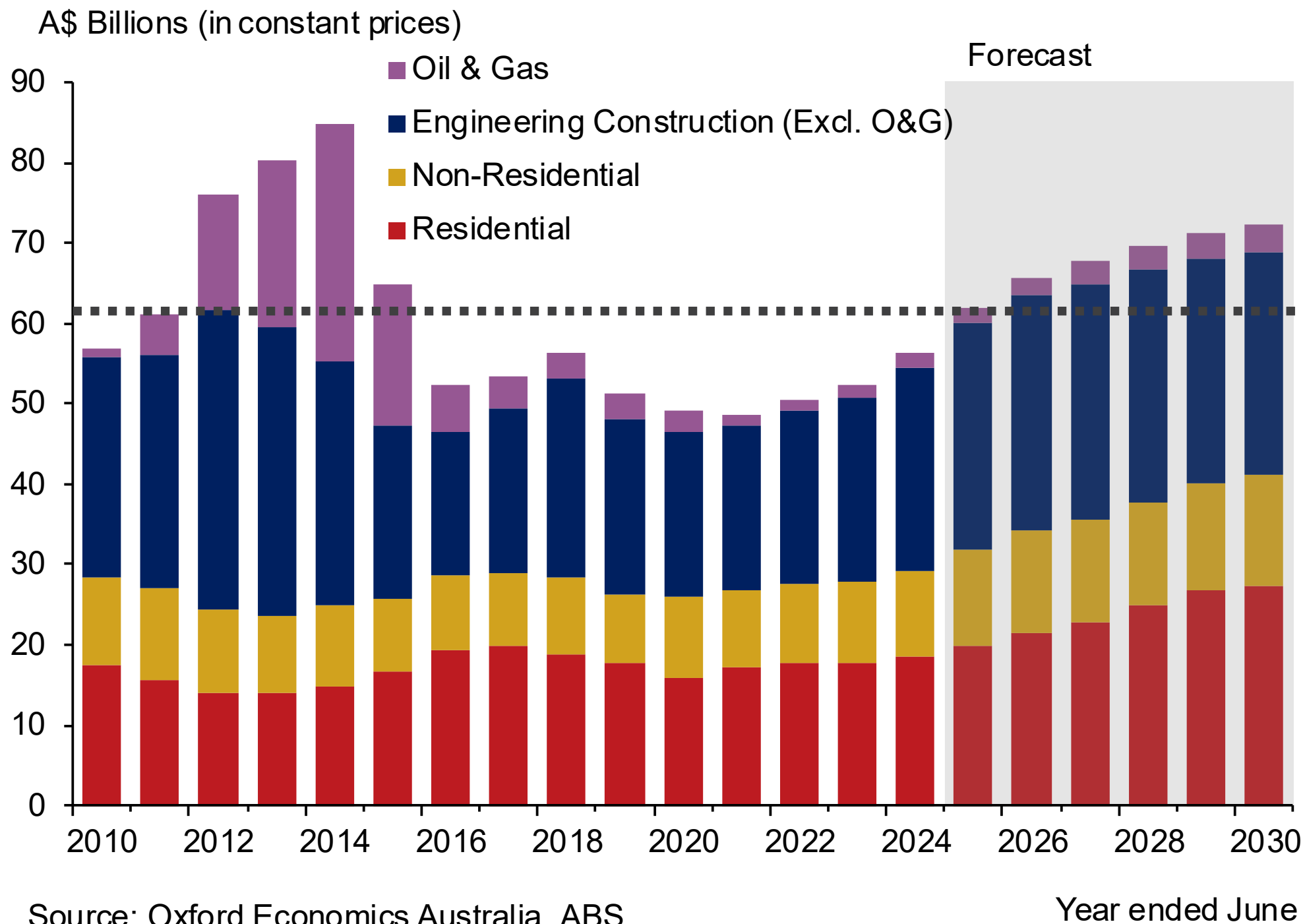
Construction Work Done, Australia

A\$ Billion (constant prices)



With housing and infrastructure spending in Queensland being a key driver

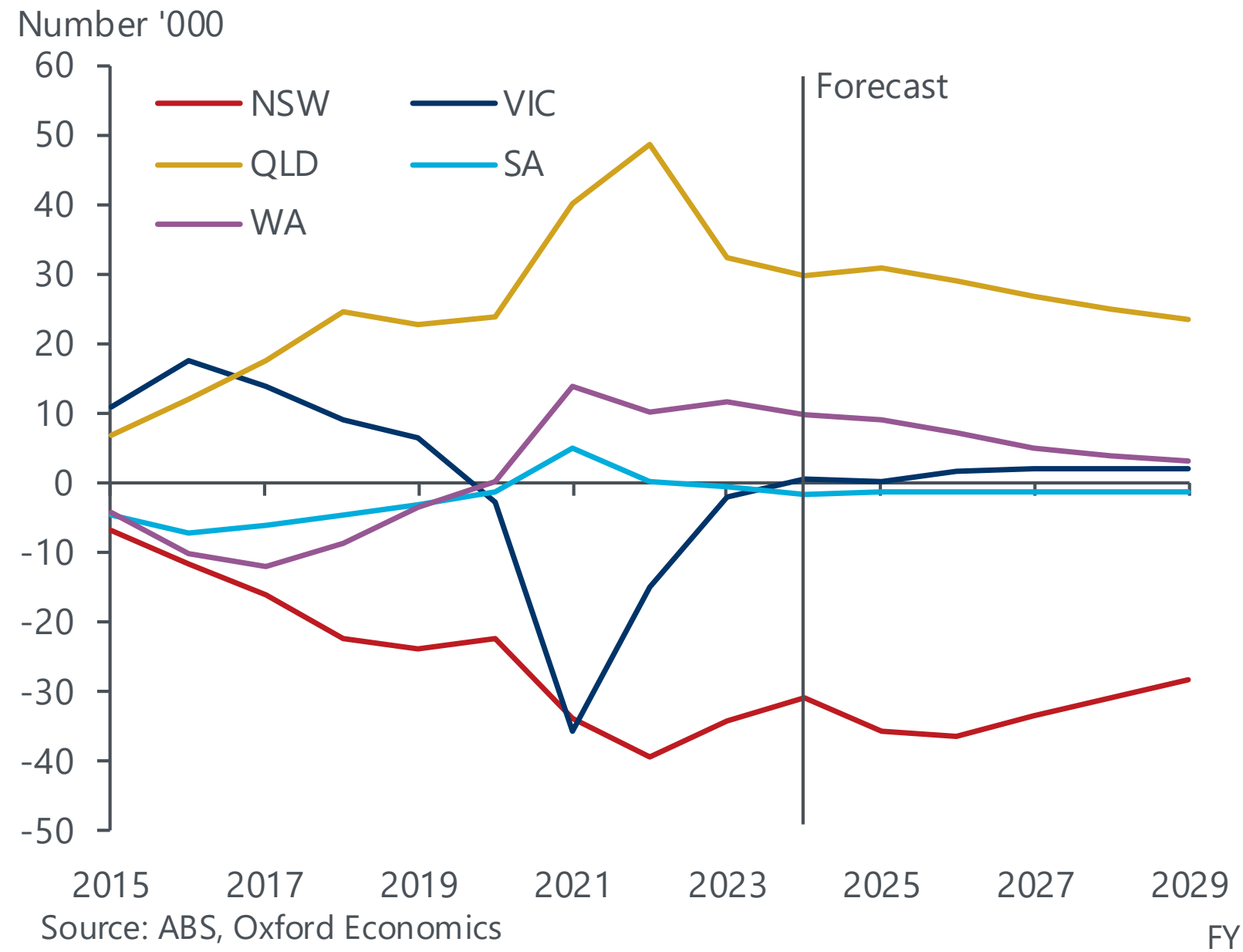
Queensland Construction Work Done



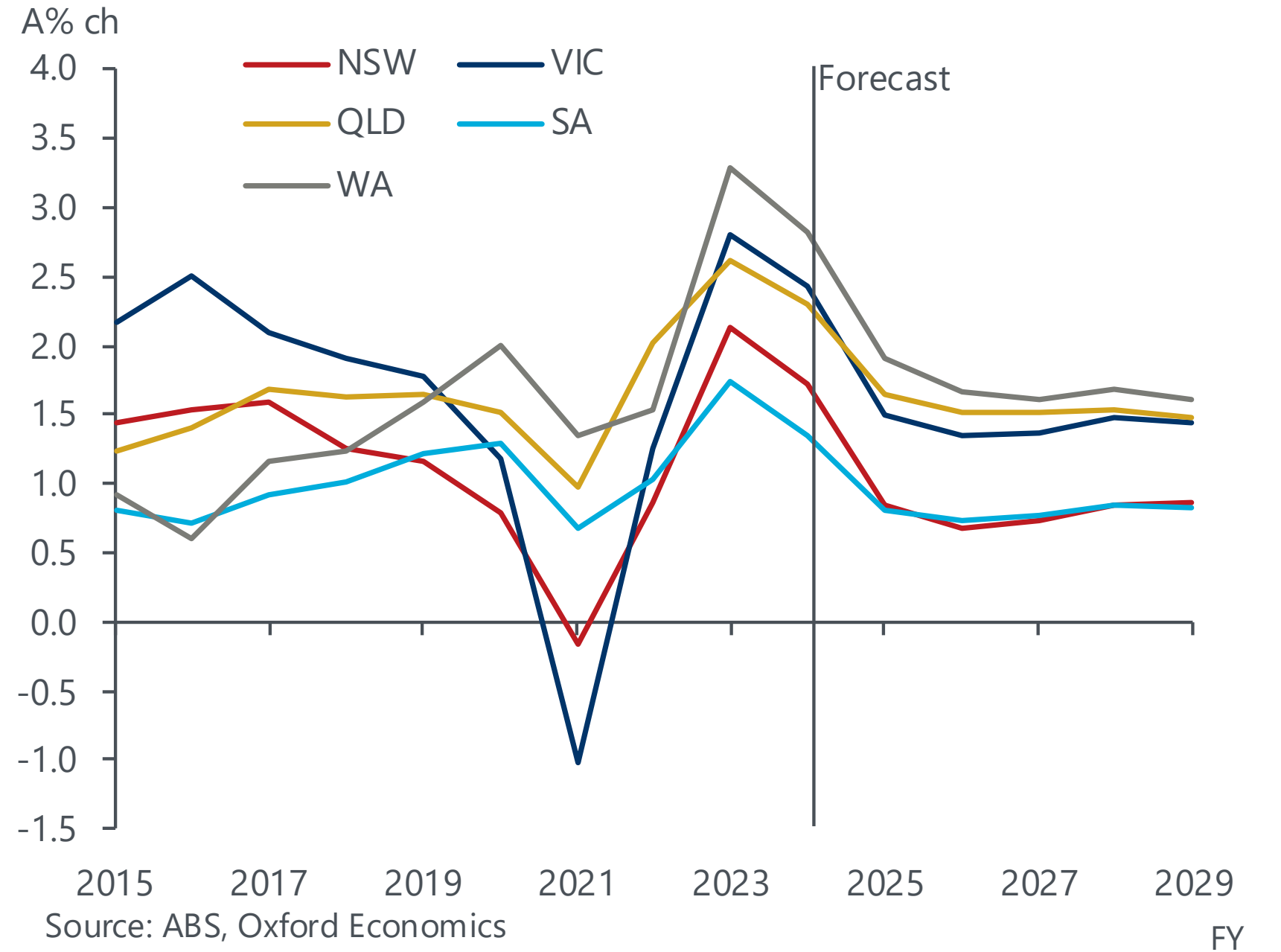
- **Queensland's construction industry is also expected to enter record levels of work by FY26**
- **Substantial transport investment is combining with spending on housing health, water, energy and Olympics-related works**
- **Economy to accelerate from FY27 as housing activity ramps up**
- **Queensland also has Olympics and other critical investment priorities to be addressed this decade and into the early 2030s**

Net interstate migration underpin strong population growth...

Net interstate migration, by state

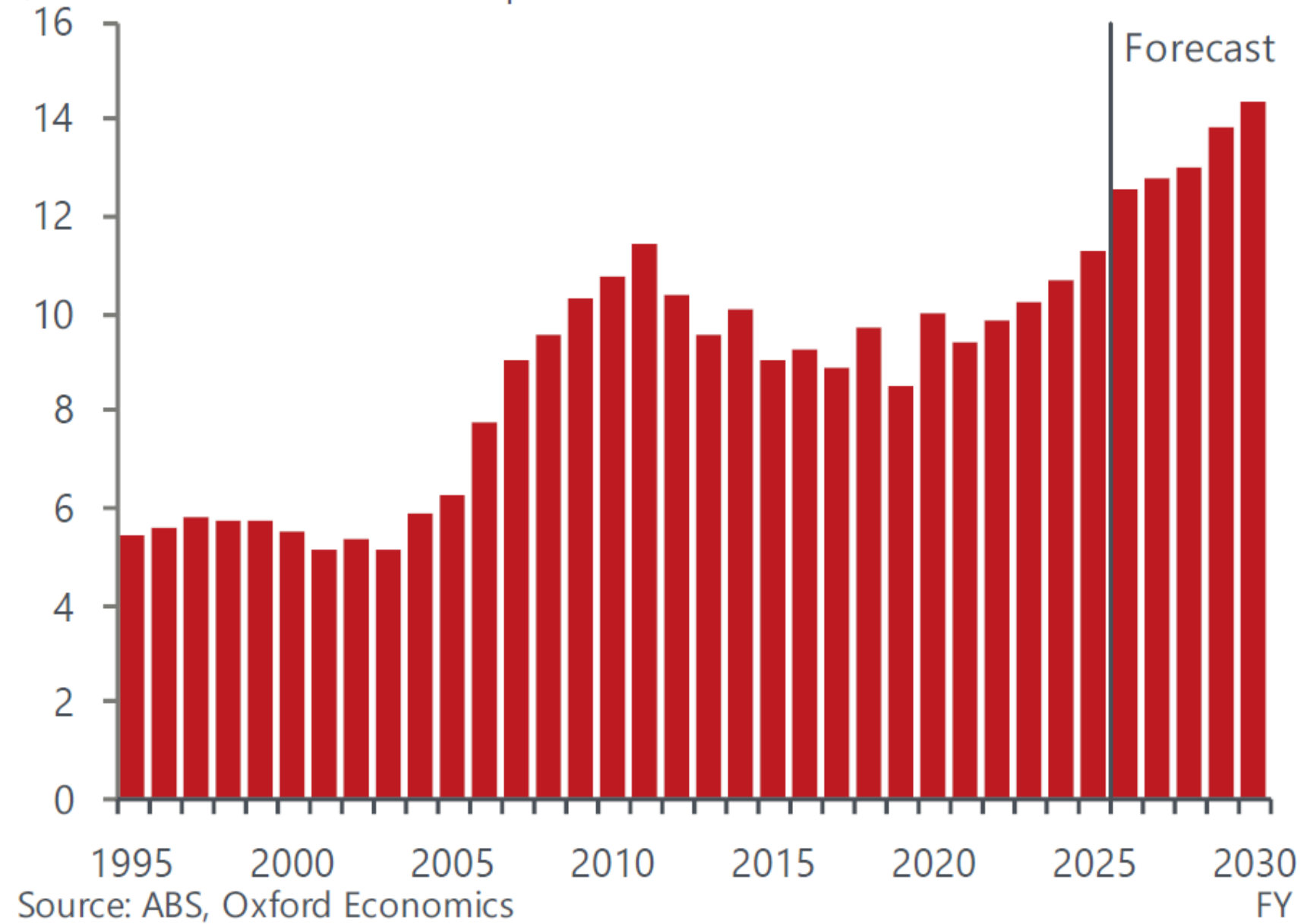


Population growth rate, by state

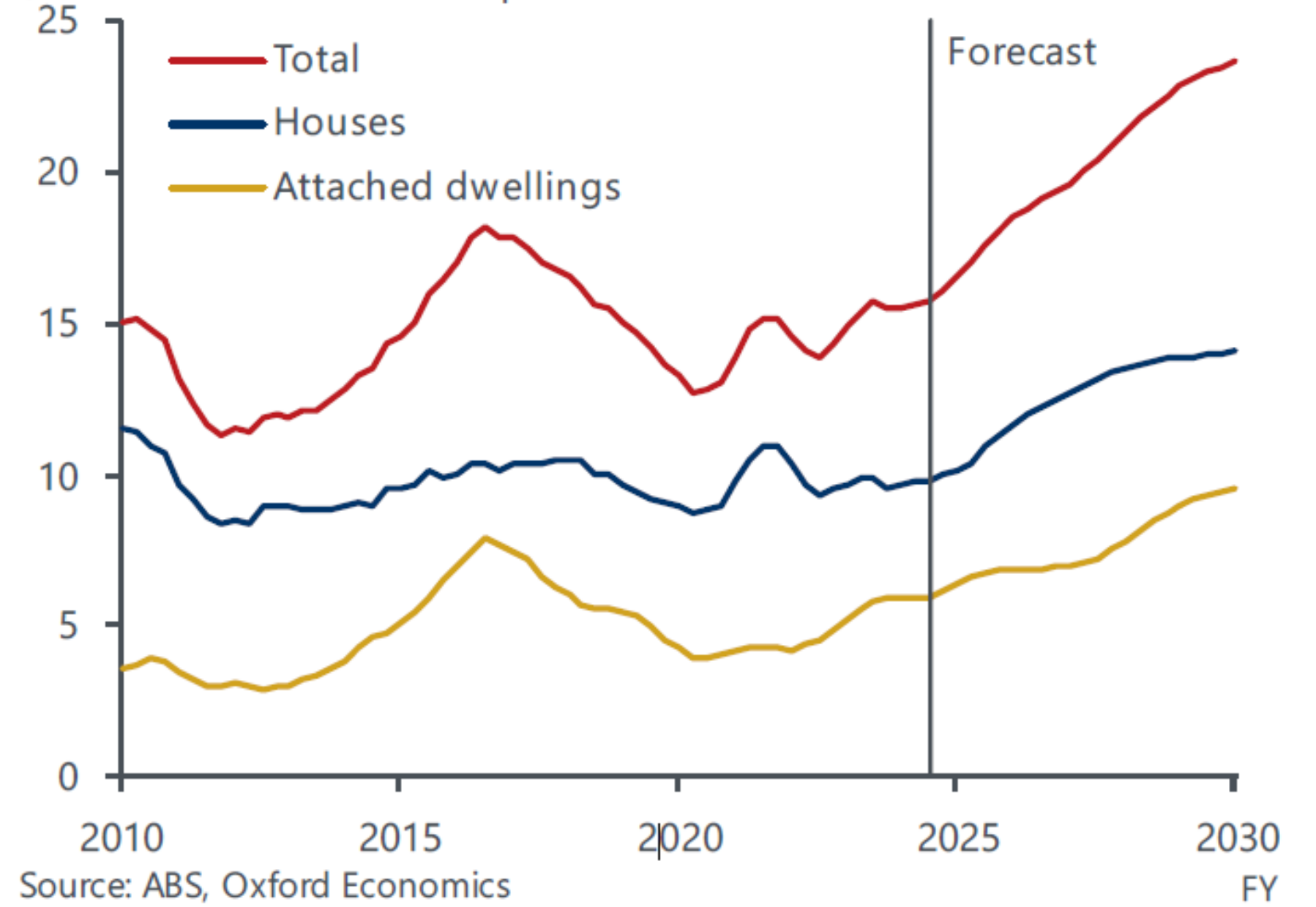


...directly impacting housing and other building segments

Non-residential building work done, QLD
\$ billion - constant FY2023 prices

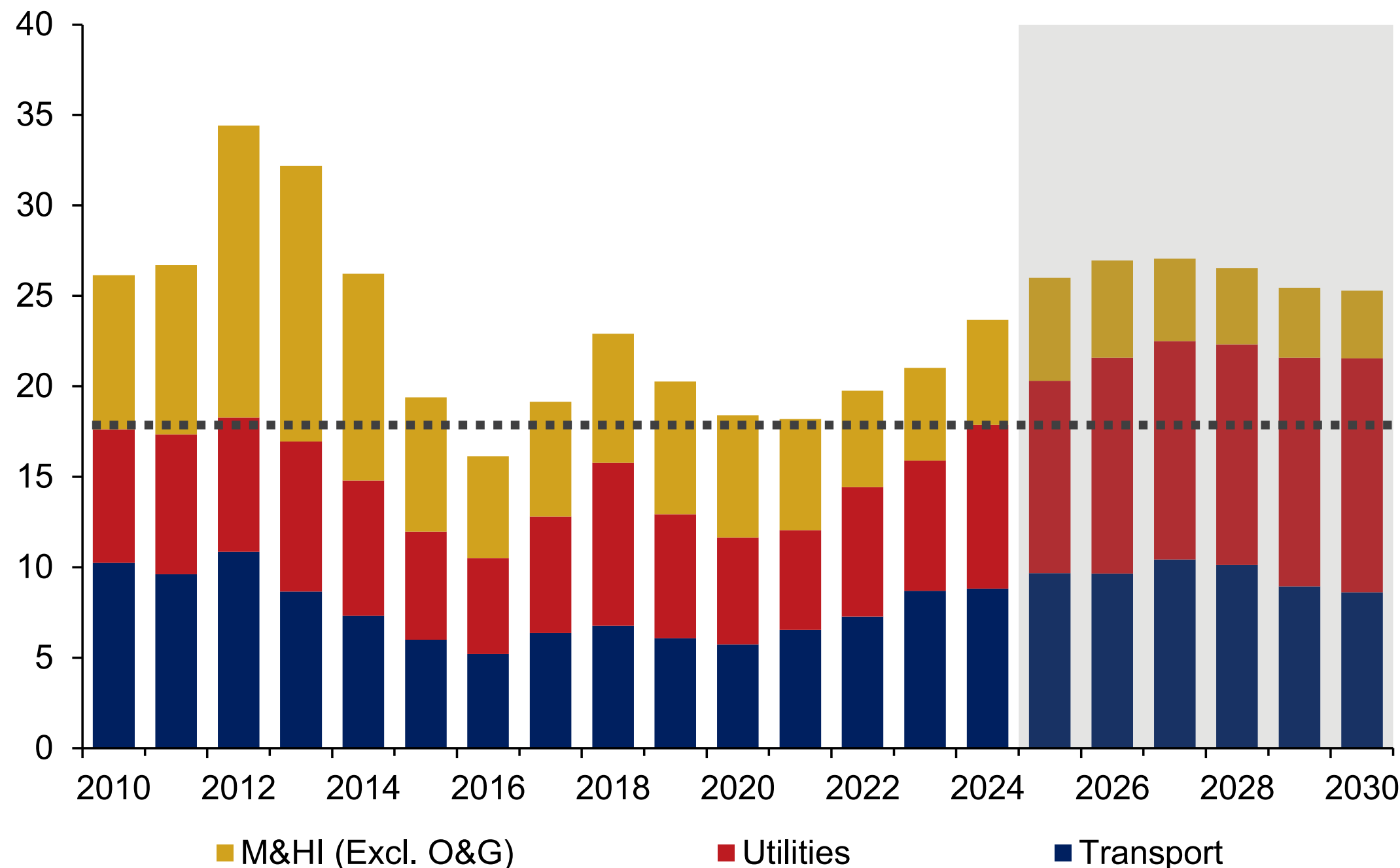


Residential dwellings by type, QLD
\$ billion - constant FY2023 prices



While transport and utilities construction moves to record levels

Queensland Engineering Construction Work Done
A\$ Billions (in constant prices)



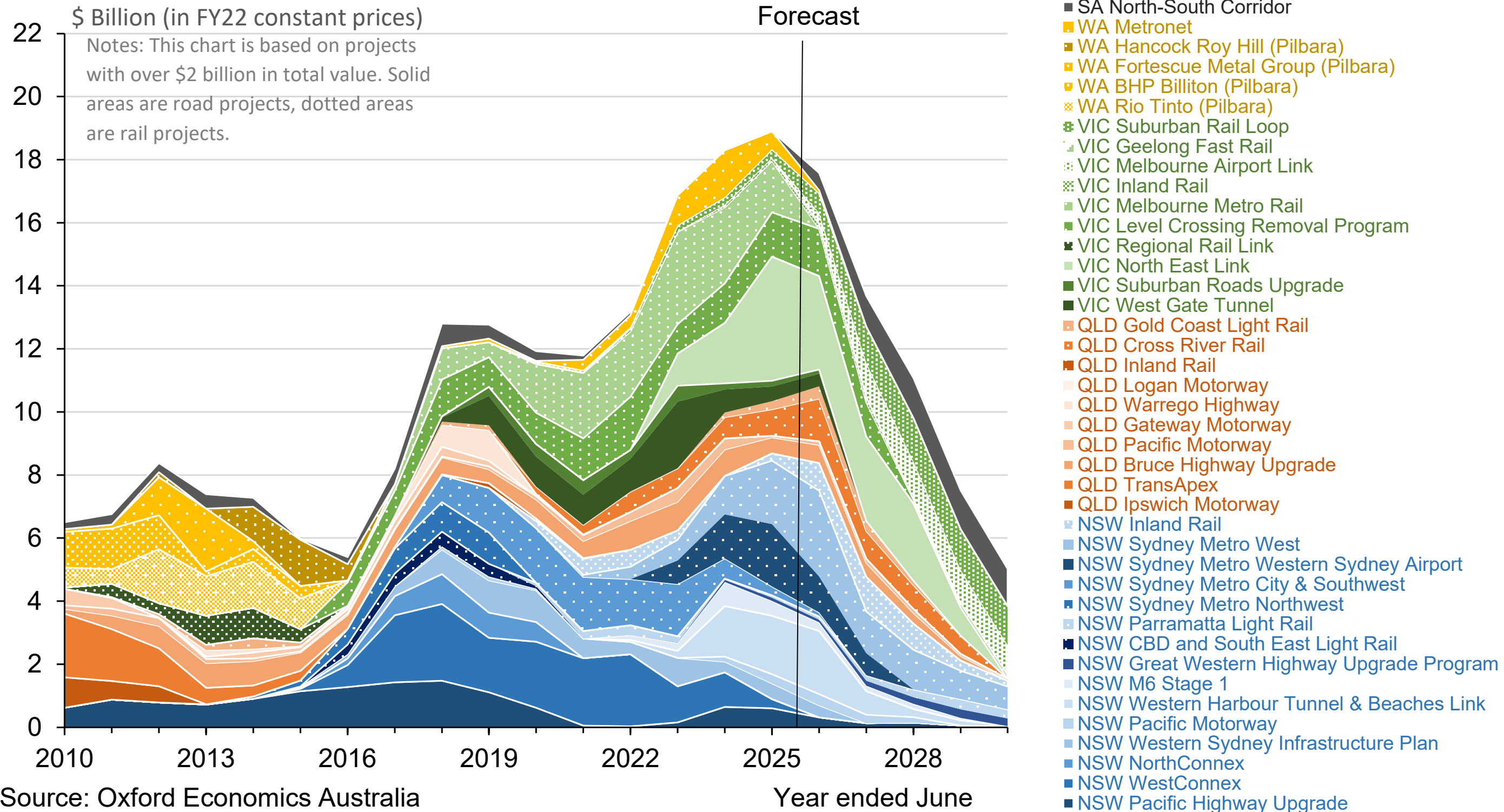
Source: Oxford Economics Australia, ABS

Year ended June

- **Transport construction in Queensland is forecast to average \$9.7bn p.a. between FY26-FY30 compared to \$8.2bn p.s. over last five years**
- **Utilities construction is even higher: \$12.4bn p.a. over FY26-FY30 compared to \$7.9bn p.a. over last 5 years.**
- **Together, transport and utilities construction is expected to peak at over \$22bn by FY27, almost 25% stronger in real terms to previous peak in FY12**

Completion of NSW and Victorian transport projects may provide Queensland some headroom for growth?

Transport Project Work Done: Projects above \$2 billion

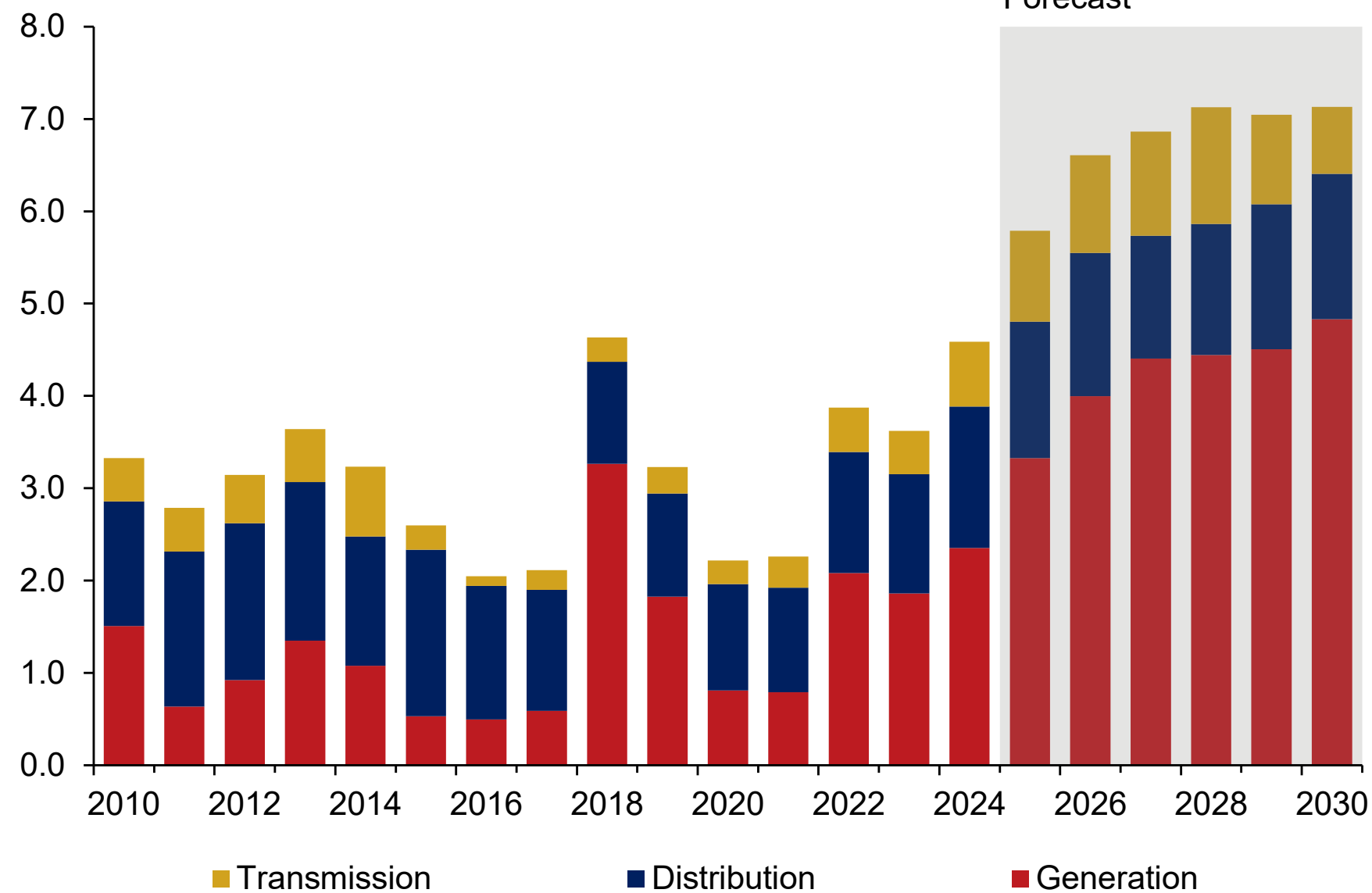


Source: Oxford Economics Australia

But there are a lot of priorities competing for resources and skills including energy transition and the 2032 Brisbane Olympics

Electricity Work Done, Queensland

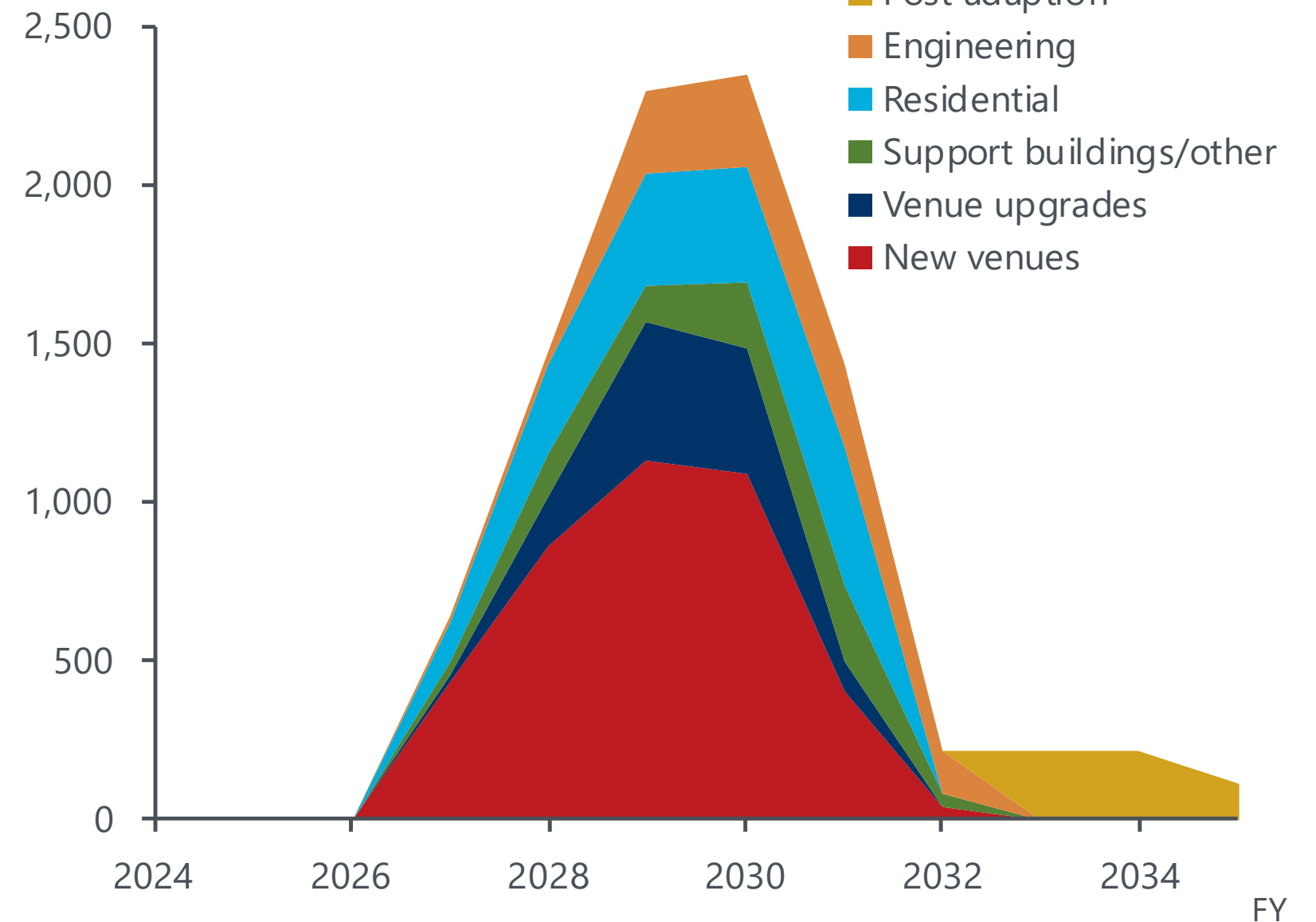
A\$ Billions (in constant prices)



Source: Oxford Economics Australia, ABS

Brisbane Olympics direct investment

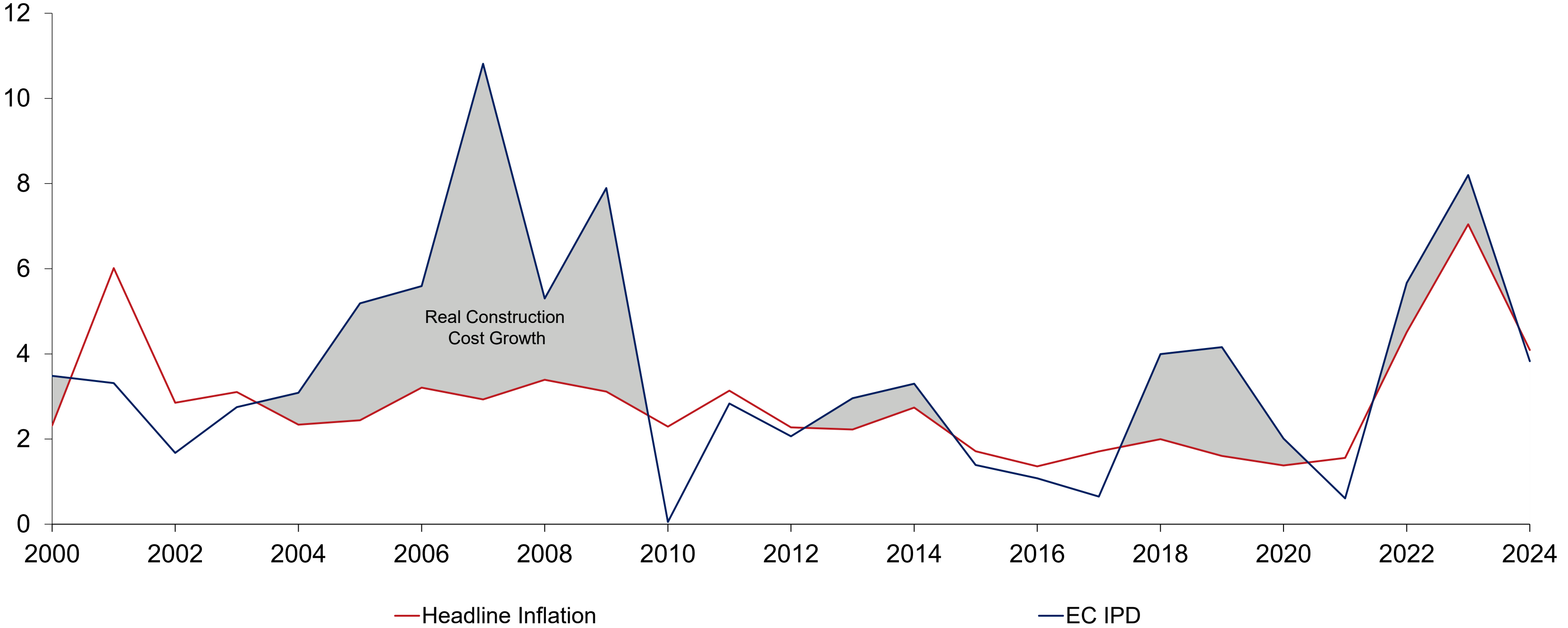
Work done \$ million - current prices



Tight market capacity likely to see construction cost escalation push well above CPI

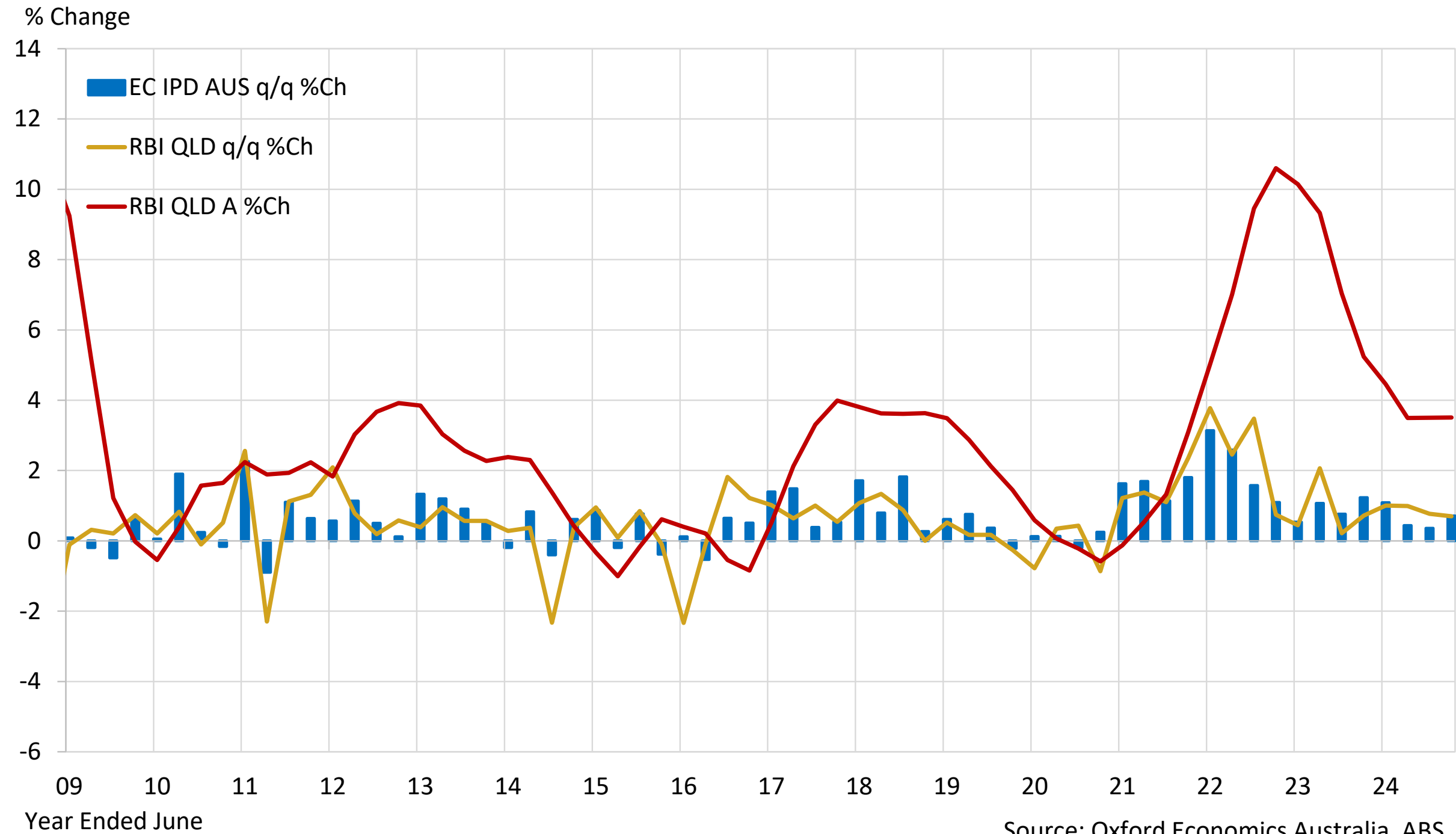
Engineering Construction IPD Vs Consumer Price Inflation: 2000-2024

Annual % Change



Queensland cost escalation still relatively high despite easing

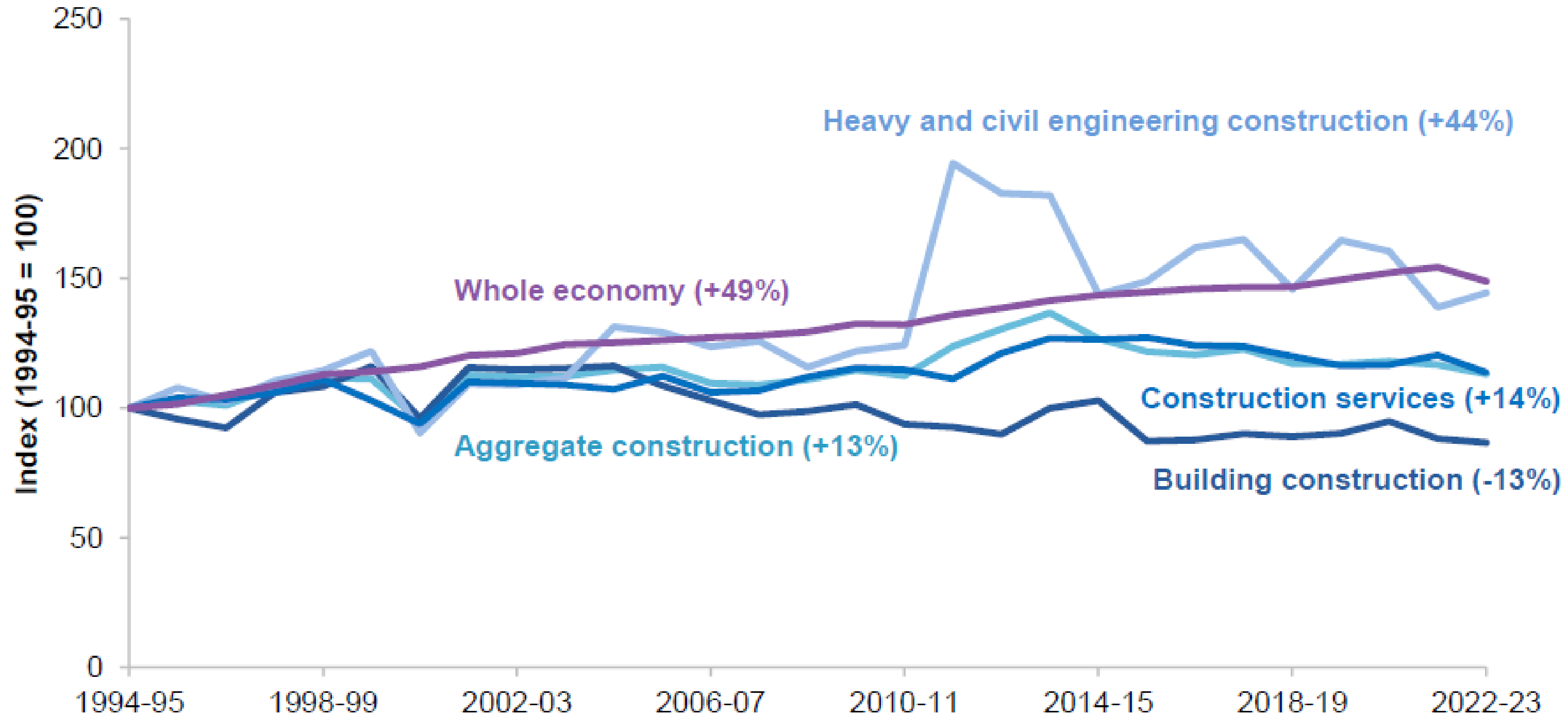
Road and Bridge Index, Queensland



Source: Oxford Economics Australia, ABS

Increasing productivity will be important in meeting delivery goals

Index of labour productivity by industry subdivision, 1994-95 to 2022-23



Thank You



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