

# Queensland State Budget Summary

2025-2026

## Document Information

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# Background

Each year, Q Shelter develops a prebudget submission reflecting evidence-based solutions and substantial input from members and stakeholders.

This year, we emphasised the need to shift our focus from crisis management to genuine prevention with recommendations relating to housing supply, strengthening community housing providers, preventing and ending homelessness, strengthening the sector's workforce and embedding tenant participation and peer leadership into the housing and homelessness system.

## Overview

This budget seeks to deliver a substantial uplift in funding for housing supply and homelessness responses. Additionally, the budget includes measures relating to:

- Cost of living relief
- Funding critical services
- Essential infrastructure and major projects
- Foundation for long-term budget repair.

This is the LNP State Government's first full budget since being elected in October 2024. Based on the budget papers released, the state is facing a forecast of \$205.7 billion in debt by the end of the forward estimates, although this amount is reduced from previous estimates.

A return to surplus is not anticipated in the next four years with a forecasted \$8.6 billion budget deficit in the next financial year, and declining deficits over the next four years.

Revenue challenges were highlighted with no new or increased taxes in frame, a reduced GST allocation, and flatlining coal royalties.

The focus on crime reduction and support for victims of crime reflects this Government's pre-election commitments and there are some measures focused on prevention and early intervention as well.

The investment in health is substantial while the budget also reflects ongoing commitment to a \$116.8 billion infrastructure program inclusive of the 2032 Olympic and Paralympic Games.

# Specific measures

## Housing and homelessness

There is an \$8.1 billion Budget over the 2025-26 period and three years of forward estimates, including a focus on home ownership, responding to homelessness, and new social and community housing. This includes:

- \$380.1 million over 5 years inclusive of 2024-25, to deliver crisis accommodation initiatives and support the delivery of frontline housing and homelessness services
- As confirmed last week by the Minister for Housing and Public Works, the 20% funding uplift for Specialist Homelessness Services (SHS) has been allocated in the budget.
  - This includes \$52.2 million in 2025–26, as part of a total program funding of \$208.9 million over four years to extend the 20% uplift to Specialist Homelessness Services, indexed at 3.81% this year, and indexed at the rate set by Treasury each subsequent year, through to 2028-29 to align with existing Service Agreements.
- \$5.6 billion for new social and community housing, to underpin the State's target of 53,500 new homes by 2044.
  - This includes increased funding of \$1.967 billion over four years, and \$500 million per annum thereafter, to support Queensland's Housing Investment Pipeline to deliver 53,500 social and community homes by 2044. The ongoing capital allocation beyond the forwards estimates is the first time Queensland has provided ongoing funding for social and community housing delivery.
  - The capital and finance program are inclusive of a new rolling procurement process, which will allow for projects to be brought forward throughout the year, as opposed to discrete funding rounds.
- The new \$2 billion Residential Activation Fund will provide additional funding over four years for trunk and essential infrastructure to activate new residential developments as part of the government's plan to deliver one million homes by 2044. The first announcements are due soon.

The proposed review of programs used to deliver specialist homelessness services is welcome to achieve a purpose of streamlining the number of distinct contracts under management. It is also an opportunity to ensure programs are designed to achieve impact based on evidence of what works.

We do urge Government to expedite this review so that contract renewals can be timely and well before the end of the new financial year. Given the current high demand for services, it is essential that services have certainty for future planning and to achieve maximum staff retention and wellbeing. To achieve an orderly implementation of new programs and contracts, it is proposed that the Program review is completed within the first six months of the financial year.

## Home ownership

Queensland has the first home ownership portfolio in our history and the following measures reflect an expanded commitment to home ownership measures in the wider context of declining rates of home ownership since the 1970s. Queensland has one of the lowest home ownership rates in Australia.

- The Treasurer announced the new 'Boost to Buy' scheme.

- The \$165m program will give individuals earning up to \$150,000 and couples earning up to \$225,000 the ability to purchase a home valued up to \$1 million with just a 2% deposit.
- This acts as a shared equity scheme and is targeted at 1,000 Queenslanders on low to moderate incomes over the next two years
- It seeks to address inequities among aspiring homeowners, with a growing divide between those who have access to capital from parents and inheritances and those who don't.
- Earlier in the year, the government-initiated changes to Stamp Duty as well, axing the duty paid for all first home purchases involving newly built homes in Queensland of any value.
- The cost of this initiative is essentially a reduction in tax revenue (Queensland Treasury estimates that to be somewhere in the vicinity of \$47m per annum).
- These home ownership measures are in addition to the First Home Owners Grant of \$30,000, extended until 30 June 2026. This is for people who are buyers or builders of a new home with a value of less than \$750,000.
- The government is also reviewing how applications for ex gratia relief from foreign surcharges are assessed, to support the timely, expedited flow of capital to deliver housing, industrial and agricultural investment.

## Health

There is record spending in the health system with \$33 billion investment in the public health system. The ongoing challenge of delivering high quality, accessible health services in a decentralised and growing state is reflected in the regionalised approach to health infrastructure spending.

- The government has promised to deliver more than 2,600 new hospital beds across the state through its \$18.5 billion 'Hospital Rescue Plan.'
- There is a payroll tax measure intended to encourage more bulk billing, improving access to primary health care by lower income households.

## Child protection and youth justice

Q Shelter notes the intersectionality with unmet housing needs, homelessness, child protection matters and youth justice challenges. The need for prevention in the form of a housing and support guarantee from pregnancy for vulnerable families is critical if we are to reduce issues like homelessness and involvement in the youth justice system.

We note that initiatives focused on the safety of Queenslanders include some investment in preventative programs and rehabilitation. We are seeking to work with the State to embed a prevention framework throughout Queensland to improve wellbeing and safety while also reducing the costs of tertiary interventions.

- We are supportive of payments to support children's participation in extracurricular activities and restored funding for the Community Support Scheme.
- \$5 million for disability advocacy is also welcome.
- Funding support for community legal services, emergency relief and financial resilience are also welcome for their impact on alleviating crises in costs of living, and the need for more equitable access to legal assistance.
- We do commend support for schools and for health assessments through kindergarten.

We hope to work with the Government to see what further investments can be made in support programs that intensively provide in-home support, support to participate in education and community activities, a food security guarantee, therapeutic interventions and the prevention of exposure to adverse childhood experiences (ACEs).

The inquiry into the child protection system is also important to drive system improvements that genuinely improve the safety and positive impacts.

## **Cost-of-living relief**

Prior to the budget, the Treasurer flagged that more targeted cost-of-living measures would be a feature. The budget papers note these, and include a focus on:

- Play On sports vouchers
- Free kindy health checks
- Making permanent the 50c transport fares program
- Solar for Renters' program
- Indexation for the Electricity Rebate Scheme.

These cost-of-living measures potentially assist social and affordable housing tenants and people struggling on lower incomes and who rent privately.

## **Games Delivery Plan and sport investment**

The first funding of the 2032 Delivery Plan includes \$950 million over the next four years as an initial provision for the Athletes' Villages.

Q Shelter is seeking to understand how these investments support a goal of achieving lasting legacy from games-related infrastructure including a percentage of more social and community homes from planned Athletes' Villages accommodation stock.

# Policy wins for Q Shelter and the wider sector

Various budget measures reflect Q Shelter's ongoing advocacy on behalf of the wider sector, and there is much to celebrate in this budget:

- Increased and long-term funding to deliver social and affordable housing
- A multi-path procurement and funding model including rolling grants and finance
- Continuation of capacity building funding for community housing organisations
- A more enabling Master Agreement and emerging growth opportunities through consideration of additional stock management leases and other sector growth activities
- Increased home ownership measures including flexibility about renting out rooms, shared equity models and financial support for first home owners
- Locking in the 20% uplift for Specialist Homelessness Services
- Investment in supportive housing and youth foyers.

## Future focus areas

There is more work to do across the following areas

- Including a system-wide prevention framework that includes primary, secondary and tertiary interventions
- A shift towards investment, system and program design to achieve upstream prevention
- The adoption of targets to end homelessness
- Improved use of data to monitor housing supply by region, and also to use data to identify highly at risk households from the early years to integrate an effective response with a focus on prevention
- Improve contracting methodologies to prevent insecurity due to lack of funding certainty
- Investment and policy to support embedding the voices of people with lived experience in policy development, and system design and delivery
- Investment in workforce wellbeing, retention, attraction and in workforce planning and development
- Investing in community engagement and education to ensure support for housing density and diversity.

We note the intention to streamline homelessness and housing programs as a basis for contract negotiations during the 2025-2026 financial year. This requires early attention to finalise program design by mid-financial year to avoid the uncertainty that has been experienced in recent years. There also needs to be a clear pathway for the participation of peaks, industry bodies and funded services in this process.

We commend the emergence of a housing plan across multiple State agencies. Again, it will be important to engage key peak and industry bodies, as well as direct service providers.



## Next steps

1. Q Shelter will shortly commence its planning for its next submission ahead of the 2026-27 State Budget. This will include a range of consultations, through our various standing engagement mechanisms, forums and policy advisory groups, as well as cross-sector and wider industry engagement.
2. We will aim to have a Pre-Budget Submission ready to go by November 2025 to feed into the state budget process for consideration and wider advocacy efforts.
3. If you wish to discuss the 2025-26 State Budget summary further, any of the specific measures, or chat about further policy and investment requirements, please reach out to the Q Shelter Policy team at [policy@qshelter.asn.au](mailto:policy@qshelter.asn.au).

# References

Queensland Government, (2025). State Budget 2025-2026. <https://budget.qld.gov.au/>

Q Shelter, (2025). Pre-Budget submission 2025-2026: Towards a healthy housing system.  
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