

Barton Deakin Brief: Queensland 2014-15 Mid-Year Fiscal & Economic Review

18 December 2014

Queensland Treasurer, the Hon Tim Nicholls MP, today released the state's half yearly budget update, the 2014-15 [Mid-Year Fiscal and Economic Review](#) (MYFER).

MYFER provides an update on Queensland's economic and fiscal position since the 2014-15 State Budget was handed down in June.

The Queensland economy is expected to grow at a rate slightly lower than previously forecast, around 2.5% in 2014-15, before rising to 5.75% in 2015-16.

The deficit for 2014-15 is expected to be \$2.84 billion, which is \$571 million higher than the 2014-15 budget estimate. The Treasurer listed a number of contributing factors including low coal prices, lower than forecast economic growth, and a shift in Federal Government disaster payments.

Surpluses are, however, predicted over the forward estimates:

- A surplus of \$331 million is projected for 2015-16;
- A surplus of \$216 million is projected for 2016-17; and
- A surplus of \$634 million is projected for 2017-18.

State debt remains around \$80 billion, and has been revised down slightly since the 2014-15 Budget.

The Queensland Government's [Strongest and Smartest Choice Final Plan](#) to reduce this debt anticipates proceeds of \$37 billion from long-term leases of electricity, port and water assets. The plan proposes that \$25 billion of this is used to reduce State debt, \$8.6 billion is allocated to the Strong Choices Investment Program, and \$3.4 billion for a Cost of Living Fund.

The Government's Strong Choices Plan is contingent on receiving a mandate at next year's election. As such, the plan has not been incorporated into the 2014-15 MYFER.

Read Barton Deakin's brief on the Strongest and Smartest Choice Final Plan [here](#).

Further Information

The Treasurer's MYFER media release can be read [here](#).

For more information on how we can assist your organisation, contact [Gerard Paynter](#), [Daniel Wood](#) or [Lauren Clark](#) or call +61 7 3171 3333.