



Queensland

This fact sheet provides an overview of the major causes of change in relativities and the distribution of the GST pool since the 2023 Update.

Recommended GST relativities and GST distribution

Queensland’s recommended GST relativity will decrease in 2024–25. It is estimated to receive \$17,460 million in GST payments. It’s share of the GST pool is estimated to decrease from 21.2% to 19.5%. Taking into account growth in the GST pool, Queensland’s estimated GST distribution in 2024–25 would decrease by \$469 million (\$84 per capita), or 2.6%.

Under the 2018 legislated arrangements, 2024–25 is the fourth year in a 6-year transition away from distributing the GST pool based on assessed relativities. At the end of the transition, no state will have a GST relativity lower than the fiscally stronger of New South Wales or Victoria.

GST relativities, shares and estimated GST distribution, 2023–24 and 2024–25 (excludes no worse off payments)

	GST relativities		GST shares		GST distribution		
	2023–24	2024–25	2023–24	2024–25	2023–24	2024–25	Difference
			%	%	\$m	\$m	\$m
New South Wales	0.92350	0.86736	29.0	27.1	24,535	24,224	-310
Victoria	0.85169	0.96502	21.9	24.8	18,541	22,227	3,686
Queensland	1.03118	0.95232	21.2	19.5	17,929	17,460	-469
Western Australia	0.70000	0.75000	7.6	8.1	6,419	7,257	838
South Australia	1.39463	1.40312	9.7	9.7	8,214	8,671	457
Tasmania	1.79080	1.82832	3.8	3.9	3,257	3,476	219
Australian Capital Territory	1.19540	1.20419	2.1	2.1	1,778	1,889	111
Northern Territory	4.98725	5.06681	4.7	4.8	4,002	4,257	256
Total	1.00000	1.00000	100.0	100.0	84,675	89,462	4,787

Note: The estimated GST pool distribution for 2024–25 was calculated by applying 2024 Update relativities to estimated state populations (as of December 2023) and the estimated GST pool for 2024–25.

Source: Commission calculation.

Change in GST distribution

Change in estimated GST distribution from 2023–24 to 2024–25, Queensland

	\$m	\$pc
Change in population	23	4
Growth in GST pool	1,015	181
Changes in assessed GST needs		
Revised populations from census	87	16
Other data revisions	59	11
State circumstances	-1,588	-283
Total	-1,442	-257
Blended relativities and GST floor	-65	-12
Total change	-469	-84

Note: Table may not add due to rounding.

Source: Commission calculation.

Change in assessed needs

- Queensland's assessed GST needs decreased largely due to:
 - an increase in its capacity to raise coal royalties (a result of a large increase in coal prices and an increase in average coal royalty rates)
 - a decrease in its requirement for investment in urban transport
 - a decrease in its requirement for investment in rural roads.
- Queensland's decrease in assessed GST needs was partly offset by:
 - revisions to national urban transport investment
 - revisions to socio-demographic composition data from the latest 2021 Census release
 - a reduction in its relative capacity to raise revenue from taxable land
 - strong growth in urban population and population-weighted density, as well as slow growth in recurrent spending on urban transport services
 - below-average growth in other Commonwealth payments.
- Estimated growth in the GST pool was insufficient to offset the reduction in Queensland's assessed GST needs.
- Compared with 2023–24, blended relativities and the GST floor resulted in a reduction (\$65 million) in Queensland's GST distribution.

Queensland: Main changes in assessed GST needs, 2024 Update

Changes in circumstances			
Driver	Change		Explanation
	\$m	\$pc	
Mining production	-1,734	-309	A large increase in coal prices and average coal royalty rates between 2019–20 and 2022–23 increased coal royalties. This increased Queensland's relative mining revenue capacity.
Capital improvements	-191	-34	Strong growth in national urban transport investment reduced the relative needs of states with below-average needs for urban transport, including Queensland. Weak growth in national investment in rural roads, for which Queensland has above-average needs, also reduced its assessed GST needs.
Taxable land values	128	23	Below-average growth in taxable land values decreased Queensland's relative revenue raising capacity.
Urban centre characteristics	108	19	Above-average growth in Queensland's urban population and population-weighted density between 2019–20 and 2022–23 increased its assessed urban transport expenses. Slow growth in national recurrent spending on urban transport, for which Queensland has below-average needs, further increased its assessed GST needs.
Commonwealth payments	94	17	Queensland received a smaller share of assessed Commonwealth payments in 2022–23 than in 2019–20, increasing its assessed GST needs.

Revisions			
Driver	Change		Explanation
	\$m	\$pc	
Capital improvements	141	25	A large downward revision to national urban transport investment in 2021–22 increased the assessed GST needs of states with below-average urban transport needs, including Queensland.
Census – socio-demographic composition data	125	22	New 2021 Census data showed Queensland's population to be relatively more dispersed and its non-Indigenous population relatively more disadvantaged than in the 2016 Census. These changes increased Queensland's assessed GST needs for a range of services and infrastructure, particularly health and social housing.

Source: Commission calculation