

MEDIA RELEASE

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STRONG BUDGET MANAGEMENT BUILDING FOR TOMORROW, DELIVERING FOR TODAY

The NSW Government is delivering the benefits of its strong financial management to families and individuals across the State, with cost of living relief, unprecedented school investment and record hospital funding among centrepieces of the 2018-19 NSW Budget.

A surplus of \$3.9 billion is projected for 2017-18, with average surpluses of \$1.6 billion over the four years to 2021-22. Net debt is negative (cash positive) for the third consecutive year, and the State's net worth – the value of NSW public net assets – is set to reach a quarter of a trillion dollars by the end of June 2018, a year earlier than forecast.

Premier Gladys Berejiklian said the Budget reflected the discipline, determination and vision of the NSW Liberals & Nationals Government. "When we came to Government, the State's finances were in a mess and infrastructure investment had stalled," Ms Berejiklian said. "We have taken the necessary steps to drive our Budget and economy from worst performing to strongest in the nation.

"This year's Budget delivers the benefits of our strong financial management to the people of NSW. We are easing the pressure on families today, and building the schools, hospitals and transport connections to support communities into the future."

Treasurer Dominic Perrottet said: "This Budget showcases the rock-solid financial foundation our Government has built, and that makes it possible to put people first.

"Despite revenue pressures, we have kept expenses under control, pursued bold reform, and made better use of our resources. That's why this Budget can keep building for the future on a record scale, while offering more help for families working hard to get ahead."

A range of budget measures will help with the cost of living, including a new Creative Kids Rebate to save families \$100 per school child to help meet the cost of creative extra-curricular activities, while specialist cost of living help desks at Service NSW will help residents find savings such as registration rebates for regular toll users.

The Budget also focuses on giving young people the best start in life, with more health support for newborns and their mothers, investing \$197.8 million to extend support for preschool education to three year olds, and the new optional NSW Baby Bundle,

packed with practical items to support new parents when they head home from hospital with their newborn.

The Budget also gives apprentices vital support – and makes a significant investment in the skilled workforce of tomorrow – funding 100,000 free apprenticeships in high-demand industries.

The Budget does more to make NSW the best place to do business – and continue the boom that has created 500,000 new jobs in NSW since 2011 – with a pathway to progressively lift the payroll tax threshold from \$750,000 to \$1 million in 2021-22.

To lay the foundations for strong, vibrant communities today and into the future, the Budget builds further on last year's unprecedented infrastructure program, with a new record \$87.2 billion pipeline over four years.

“Strong fiscal management and our asset recycling plan have made it possible to restore our infrastructure to world class standards,” Mr Perrottet said.

To support better education outcomes, a \$6 billion investment over four years will fund more than 170 new and upgraded schools, and a \$500 million commitment over five years to deliver air conditioning so students and teachers can beat the heat.

Health is also in line for another record boost, with \$8 billion over four years to fund 40 new and upgraded hospitals across NSW, including \$740 million to transform Liverpool Hospital into a world-leading health and academic precinct.

There is funding to get major road and public transport projects over the finish line, including WestConnex, NorthConnex, the Sydney Metro, and light rail in Sydney, Newcastle and Parramatta; funding to get moving on the F6 extension and Sydney Gateway; and for the first time, \$3 billion to begin the Metro West.

In regional NSW, the Government will establish the Snowy Hydro Legacy Fund that enables \$4.2 billion of investment in Regional NSW on state-building projects – continuing the legacy of the Snowy Hydro project itself for generations to come.

As well as funding the infrastructure for a strong NSW of the future, the Budget also takes an unprecedented step to secure NSW's finances for future generations, establishing the NSW Generations Fund – a sovereign wealth fund with \$3 billion in seed funding, to offset debt and guard against long-term budgetary pressures.

The NSW Generations Fund will also deliver for communities today through the My Community Dividend program, which puts up to half of the returns from the Fund into the hands of local communities, empowering citizens to nominate and vote on projects to make their neighbourhoods better places to live.

“The NSW Generations fund uses the State's present strength to secure our children's tomorrow, while also giving citizens of today a greater say in how the NSW Budget can make their communities more liveable,” Mr Perrottet said.

“It captures the essence of the 2018-19 Budget – harnessing our financial and economic strength to build a better NSW for tomorrow, while delivering more support, and more opportunity for NSW's aspiring individuals, families, communities and businesses today.”

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