

Budget Statement

2017-18



Budget Paper No. 1

Circulated by The Hon. Dominic Perrottet MP, Treasurer,
and Minister for Industrial Relations

TABLE OF CONTENTS

Chart and Table List

About this Budget Paper	i
Chapter 1: Budget Highlights	
1.1 Introduction	1 - 1
1.2 Strong financial and economic management	1 - 1
1.3 The NSW economy continues to outperform	1 - 4
1.4 Budget priorities	1 - 5
Chapter 2: Fiscal Strategy and Outlook	
2.1 Introduction	2 - 1
2.2 Budget position and outlook	2 - 2
2.3 Fiscal strategy	2 - 5
2.4 Asset recycling and the balance sheet	2 - 6
2.5 Long term fiscal gap	2 - 7
Chapter 3: The Economy	
3.1 New South Wales economic outlook	3 - 1
3.2 National economic outlook	3 - 10
3.3 Global economic outlook	3 - 11
3.4 Risks to the NSW economic outlook	3 - 11
Chapter 4: Improving the effectiveness of state spending	
4.1 Introduction	4 - 1
4.2 Moving towards budgeting decisions based on outcomes for the people of New South Wales	4 - 1
4.3 Better information for decision making	4 - 4
4.4 Improved value from public spending	4 - 4
4.5 Paving the way for a new Budget process	4 - 5
Chapter 5: Revenue	
5.1 General government revenue	5 - 1
5.2 Revenue measures	5 - 2
5.3 General government sector revenue	5 - 5
5.4 Taxation revenue	5 - 6
5.5 Grant revenues	5 - 11

Chapter 6: Expenditure

6.1	General government recurrent expenditure	6 - 1
6.2	General government capital expenditure	6 - 11
6.3	Recurrent and capital expenditure by function	6 - 12
6.4	Recurrent expense measures statement	6 - 18

Chapter 7: Managing the State's Assets and Liabilities

7.1	Reforming the State's balance sheet	7 - 1
7.2	General government sector	7 - 3
7.3	Net worth	7 - 8

Chapter 8: Commercial Performance in the Broader Public Sector

8.1	Introduction	8 - 1
8.2	Reform of Government businesses	8 - 2
8.3	Non-financial public sector	8 - 5
8.4	Public financial corporations sector	8 - 8

Appendices

A1.	Statement of Finances	A1 - 1
A2.	Statement of Significant Accounting Policies and Forecast Assumptions	A2 - 1
A3.	Classification of Agencies	A3 - 1
A4.	2016-17 Budget – Outcome and Summary of Variations	A4 - 1
A5.	Tax Expenditure and Concessional Charges Statement	A5 - 1
B.	Fiscal Risks and Budget Sensitivities	B - 1
C.	Historical Fiscal Indicators	C - 1
D.	Performance and Reporting Under the Fiscal Responsibility Act	D - 1

Glossary