



NSW BUDGET 2018-19

OVERVIEW

**BUILDING FOR TOMORROW.
DELIVERING FOR TODAY.**

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NSW Budget 2018-19 publications include:
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Budget Overview
Regional Overview
Western Sydney Overview
Budget Paper No. 1 – Budget Statement
Budget Paper No. 2 – Infrastructure Statement
Budget Paper No. 3 – Budget Estimates
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\$87.2 billion over four years
in schools, hospitals
and major transport projects



Budget surplus of \$3.9 billion
with average surpluses
\$1.6 billion over the next four years



500,000 jobs created
since April 2011

**I am honoured to present the NSW Budget 2018-19
– a budget for everyone in our great state who aspires to a
better life, doing more to ease the pressure on individuals
and families, strengthen businesses, and unleash the
opportunities on offer in our resurgent economy.**

It is also a Budget for the generations to come, whose future we must prepare for by building and reinforcing the critical infrastructure and financial security that will sustain our State in the years and decades ahead.

Despite fluctuating revenues, our finances remain in exceptional health, with surpluses forecast this year and across the next four years, net debt in the negative for the third year running, a secure triple-A credit rating, and net worth that will very shortly reach a quarter of a trillion dollars.

This is no accident – our financial strength is the result of years of hard work to live within our means, keep expenses under control, and make better use of the resources we already have.

It has enabled us to undertake a once-in-a-generation pipeline of public investment that has lifted the entire State, restoring confidence in our economy, boosting growth, and contributing to a jobs boom that has put more than 500,000 men and women in jobs since we first came to office.

There is no doubt about it: New South Wales is thriving again. This Budget harnesses our financial and economic strength to deliver for the people of our state today, while taking concrete steps to secure our future.

For families, we're easing the cost of living with initiatives like our new Creative Kids Rebate, and doing more to give our young people the best start in life, with stronger support for newborns and their mothers, expanded access to early childhood education, and the new NSW Baby Bundle – packed with practical items to support new parents.

We're boosting the ranks of our police, teachers, nurses and paramedics, to better support those who make our state's frontline services among the very best in the world.

We'll keep the economic engine humming, cutting payroll tax for thousands of businesses to keep the jobs boom going, and we're investing in the skilled workforce of tomorrow with 100,000 free apprenticeships in high-demand industries.

We're also making sure those who need a helping hand have the support they need, and a chance to start fresh and get ahead. This includes a concerted effort to make a real difference to the lives of our Indigenous citizens with new opportunities to participate in our State's economic success.

All the while we will continue to deliver a new record pipeline of projects that will help make New South Wales a better place to live for communities today, and set our state up for success in the long term.

That means building on last year's unprecedented commitments with new record investments in schools, hospitals and transport links in our cities and regions, and getting started on the next game-changing projects for Sydney, including Metro West and the new F6.

We are also doing more to conserve our natural wonders, and we're building world-class sporting and cultural facilities, because that's what citizens of a world-class state deserve.

As we transform and renew the state, we are also reinforcing its financial future with another game-changing reform: the NSW Generations Fund. It's a world-first sovereign wealth fund to guard against intergenerational budgetary pressures and keep debt sustainable.

It will also deliver for communities today, through My Community Dividend – an exciting new program that delivers up to half of the returns from the Generations Fund into the hands of local communities, empowering citizens to nominate and vote on the projects to make their neighbourhoods better places to live.

The turnaround our state has achieved in the last seven years has been remarkable, but there is always more to do. Our future success will depend on the continued financial discipline and sound economic stewardship that have been the hallmarks of the Liberal and National Government in New South Wales.

This budget takes us another step closer to realising the vision we have for this great state: a New South Wales that is stronger, fairer and more free. A state abounding with opportunity for those who want it. The best place anywhere in the world to live, work and raise a family, now and into the future.

It's a budget for families and communities doing the heavy lifting to take our state to greater heights; and for generations to come, whose quality of life will depend on our efforts to secure their future.

It's a budget that reflects our Government's steadfast commitment: to build for tomorrow, and deliver for today.



Dominic Perrottet
NSW Treasurer

Economic outlook

The New South Wales economy has been exceptionally strong over the last few years with the outlook for growth to remain above trend this year and for the next two years. This would mark six years of above-trend economic growth for New South Wales, a feat not seen since the 1990s.

In per person terms, New South Wales has been the fastest growing state economy over the past three years thanks to strength in household consumption, dwelling investment and public investment.

Over the past two years, public investment in New South Wales has contributed, on average, $\frac{1}{2}$ a percentage point per year to economic growth. This strong performance—around four times its historical average contribution—is forecast to be repeated in 2017-18 and 2018-19, driven by the State's record infrastructure program.

NSW's economic strength drives jobs growth

The NSW economy has been on a remarkable growth track since 2014-15, with the Government's once-in-a-generation infrastructure investment helping drive the unemployment rate down as the State's participation rate is near record levels.

The State's economic boom is forecast to continue, with the record infrastructure program contributing to a pick-up in business investment.

Maximising economic momentum through strong fiscal management

The State's record infrastructure program and its spill-over into private investment continues to drive growth, with nearly half of the entire nation's pipeline of public engineering activity underway in New South Wales.

Our innovative asset recycling strategy has allowed us to reinvest the proceeds of long-term leases and turn transactions into much needed schools and hospitals, as well as road and rail networks connecting our communities across the State.

Business investment is forecast to grow faster than at any time since the 2008-09 global financial crisis, supported by public infrastructure investment. Strengthening global and national economies are expected to continue to boost exports, also spurring businesses to increase investment and jobs.

Low unemployment rate, high workforce participation

Robust construction activity and expanding health services have contributed to more than 500,000 new jobs created since April 2011.

The strong labour market momentum is forecast to continue, with employment growth of 3 per cent forecast for 2017-18.



Helping families and individuals with the cost of living

Recognising the financial pressures faced by families, the Government continues to focus on new initiatives to ease the cost of living. These new initiatives complement measures from last year's Budget.

New initiatives include:

- the new Creative Kids Rebate to provide families with a **\$100 voucher** per school aged child, for extra curricular activities including music, drama, visual and performing arts, coding and language classes. This complements the existing Active Kids **\$100** Rebate, announced in last year's budget, which has been a resounding success with over **\$38.0 million** in rebates claimed by parents
- establishing an online "one-click energy switch" service through Service NSW, which will allow consumers to find and switch to the best alternative energy deals in the market
- establishing the Service NSW cost of living service - a one-stop shop, available in Service NSW centres, online or over the phone, to promote easy access to available rebates and concessions across government
- reducing ten of the top parking fines issued by State Government agencies by 25 per cent, ensuring that fines balance fairness and deterrence
- reducing caravan motor vehicle weight tax by 40 per cent, making caravan registration cheaper for families
- extending universal education access to preschool for three year olds, making NSW the first state in Australia to do so, providing an average saving for families of **\$825 dollars** a year from 1 January 2019.



These new initiatives support existing cost of living programs including:

- the Energy Affordability Package, providing up to 20 per cent increase to energy rebates from 1 July 2017 including the the Low-Income Household Rebate, the Family Energy Rebate, the Gas Rebate, the Medical Energy Rebate, the Life Support Rebate, and the Energy Accounts Payment Assistance
- reducing the cost of Compulsory Third Party (CTP) Green Slips for vehicle owners, including a refund for some vehicle owners
- the Toll Relief Program, which eases costs for frequent toll road users by providing free vehicle registration to owners of privately registered light vehicles that spend **\$25** or more per week on tolls, on average, over a year
- limiting opal fare increases to CPI only, with the Gold Opal to be capped at **\$2.50** for all day travel, from July 2018. About 500,000 New South Wales pensioners save an estimated **\$33.0 million** a year by using the Gold Opal card compared to a regular concession fare cap
- transfer duty relief and first home buyer grants for first home buyers.



Delivering world-class health

The Government aims to provide world-class healthcare to the people of New South Wales. This budget invests in frontline services, neonatal care and mental health treatment in the cities and in the bush.

Here are some hallmarks of the 2018-19 Budget:

- a record **\$8.0 billion** investment in health infrastructure over four years to continue the major capital program to provide new facilities, upgrades and redevelopments. New investment includes:
 - commencing new capital works at Liverpool Hospital, Griffith Base Hospital, Dubbo Cancer Centre, Bankstown-Lidcombe Hospital emergency department, birthing suites and theatres at St George Hospital and the next stage of a new health service at Rouse Hill
 - investing in the **\$700.0 million** state wide Mental Health Infrastructure Program. This investment will transform existing infrastructure to support new contemporary care models and provide new specialist mental health units for mothers and their babies, children and adolescents, and older people. It will also improve the forensic mental health network and enhance step-up step-down capacity in the community
 - commencing the Rural Health Infrastructure Program, including upgrades at Tenterfield, Dungog, Scone and Gloucester Hospitals
 - enhancing hospital builds already in progress at Grafton, Inverell, Manning, Coffs Harbour, Cooma and Bowral
 - planning for future works at John Hunter, Nepean Stage 2, Sydney Children's Hospital Westmead Stage 2, Albury Hospital (medical care, obstetric and neonatal services), Canterbury, Bankstown, Shoalhaven (Nowra), Hornsby and Goulburn ambulatory care
- **\$23.7 million** in 2018-19 to employ an additional 200 paramedics (700 over the next four years) and 13 call centre staff (50 over the next four years) to improve response times, reduce paramedic fatigue and support safety
- increasing frontline health staff, with an estimated 1,370 additional frontline staff across the State, including 950 nurses and midwives, 300 doctors and 120 allied health workers such as physiotherapists, occupational therapists and pharmacists
- investing in world-class research and innovation with a total of **\$115.0 million** in 2018-19 invested in medical and scientific innovations to fight diseases and keep our community healthier. This includes **\$15.0 million** for cardiovascular disease research capacity development and **\$5.0 million** to support treatment of childhood cancer and other diseases
- record **\$2.1 billion** for mental health services including:
 - **\$100 million** per year for specialist community mental health support to continue the Government's 10-year reforms
 - **\$82.5 million** for increased admitted and community-based services across NSW.

More schools and learning opportunities

Around 164,000 more students are forecast to enter government schools by 2031. Growing our education system is key to ensuring the educational success of students across New South Wales. The 2018-19 Budget builds on our State's existing record investment in schools, classrooms and educational programs.

The NSW Government is also boosting investment in its teachers, both by increasing their number and through their continued education and development to maintain the high quality of NSW teaching.

The Government is planning and delivering more than 170 new or upgraded schools to accommodate strong enrolment growth, at an estimated cost of **\$6.0 billion** over four years. These projects will deliver more permanent classrooms and additional student places and include:

- commencing work in 2018-19 on more than 40 new and upgraded school projects and beginning planning on more than 20 new schools and upgrades
- continuing works on more than 110 ongoing new and upgraded schools projects

In addition, the NSW Government has earmarked funds for the following initiatives:

- **\$197.8 million** over four years to extend the Start Strong program, extending it to three-year olds – the first state in Australia to do so. This will help families with the cost of early education as well as building the best foundations for school for children
- **\$500.0 million** over five years to provide cooling for schools through the installation of reverse cycle air conditioning
- **\$160.0 million** in 2018-19 to address planned maintenance across NSW schools
- **\$30.0 million** over four years to open school playgrounds and sporting facilities for community use on weekends and during school holidays through the Share Our Space program.

Coramba Public School, Coffs Harbour





The best start in life

The Government is helping young people get ahead in a changing world with initiatives to get the best start in life and support lifelong learning.

We are pleased to announce some very important programs to help the newest members of our State this year. Initiatives aimed at providing the best start in life include:

- investing in a landmark **\$156.5 million** Parents Package to improve the wellbeing of new parents and their babies. Key initiatives in 2018-19 include:
 - **\$9.3 million** to provide up to 100 more midwives to support maternity service growth across the State
 - **\$7.6 million** for the NSW Baby Bundle, starting 1 January 2019, to provide new parents with essential items to assist in their child's early health and development
 - **\$7.6 million** for additional support to new mums in the first months of their baby's life, including extra nurse home visits, greater access to virtual home visits, five additional Family Care Centre Hubs in rural and regional locations, and increased services for pregnant women and mothers with severe and complex mental illness.
- ensuring every three or four year-old child in New South Wales is provided the opportunity to participate in early education with the continuation and expansion of the Start Strong program. The Government is investing **\$197.8 million** over four years in key focus areas:
 - ensuring universal access to two years of early childhood education for all three-year-old children from 2019 onwards - making NSW the first State in Australia to do so
 - creating 4,800 new community preschool places in growth areas with **\$42.1 million** in extra capital grants funding provided over four years.
- helping empower young people with **\$39.2 million** over four years to replace and refurbish Police Citizens Youth Clubs (PCYCs) across New South Wales. This includes replacement clubs in Wagga Wagga, Walgett and Dubbo, a new club in the Windsor area and the upgrade of five regional clubs in Albury, Bourke, Griffith, Kempsey and Moree
- the new Creative Kids rebate will provide families with a **\$100 voucher** per school-aged child, for extra-curricular activities including music, drama, visual and performing arts, coding and language classes. This will be complemented by the continuation of the Active Kids rebate, providing a **\$100 voucher** for each student-aged child for use with registered sports organisations.

In addition, the 2018-19 Budget is helping to make skills training more accessible for students with:

- **\$285.2 million** over six years to fund 100,000 fee-free apprenticeships to increase apprenticeship commencements and address skills shortages in areas of significant demand in New South Wales. This will be complemented by the NSW Government initiatives to promote apprenticeships through ensuring 20 per cent of trade roles on government projects are filled by apprentices
- investing **\$179.5 million** in 2018-19 for TAFE NSW's capital expenditure program, including the development of:
 - TAFE Connected Learning Centres (CLCs) to provide students and employers across regional New South Wales with greater choice and access to learning opportunities, utilising digitally-enabled technologies to stay local while learning
 - Mobile Training Units to support the CLCs with the delivery of training.

Building a better-connected NSW

The Government is building on its historic infrastructure program, making record investments across the State to get the people of New South Wales where they need to go smoothly and efficiently. A well-connected transport system, including investment in roads, rail and buses will help people spend less time in traffic and get home to their families sooner.

Future-ready transport projects include:

- a **\$3.0 billion** reservation from Restart NSW for the Sydney Metro West, the city's next underground metro railway between the Sydney CBD and Greater Parramatta. This funding, subject to the final business case, will fund completion of project development and commencement of land acquisition, early works and tunnelling. The NSW Government will invest **\$28.1 million** in 2018-19 to fast-track the planning and the final business case for this project
- **\$4.3 billion** in 2018-19 towards delivery of Sydney Metro including **\$2.4 billion** on Sydney Metro Northwest linking North West Sydney with Chatswood, and **\$1.9 billion** on Sydney Metro City and Southwest linking Chatswood with Bankstown
- **\$1.8 billion** in 2018-19 to continue the development and delivery of WestConnex
- **\$1.2 billion** in 2018-19 to continue the Pacific Highway upgrade program, including continuing construction between Woolgoolga and Ballina, and planning for the Coffs Harbour bypass
- **\$438.9 million** in 2018-19 (co-funded by New South Wales and Commonwealth Government) for road upgrades to support the new Western Sydney Airport at Badgerys Creek, including continuing construction on the remainder of Bringelly Road as well as The Northern Road between Narellan and Penrith
- **\$282.8 million** in 2018-19 (**\$3.0 billion** over four years) to continue planning or delivery of missing links on motorways and major routes in Sydney, including the F6 extension Stage 1, NorthConnex, Sydney Gateway and the Western Harbour Tunnel and Beaches Link
- **\$281.3 million** in 2018-19 to reduce congestion on Sydney roads by addressing critical pinch points, and continuing works for the M4 Smart Motorway
- **\$258.0 million** in 2018-19 towards Parramatta Light Rail Stage 1 to support growth in Western Sydney
- **\$11.6 million** in 2018-19 towards planning upgrades of Heathcote Road, including widening the Woronora River bridge and road widening between Holsworthy and Voyager Point.

WestConnex



The Government's record investment includes a commitment to improve access for those with mobility constraints and better connect travellers with their jobs, schools and communities.

Key initiatives in the 2018-19 Budget include:

- **\$1.5 billion** for bus services throughout New South Wales, including regional and metropolitan services, school services and funding of new and replacement buses
- **\$1.2 billion** for public transport concessions including pensioners, seniors, people with disabilities and the school student transport scheme
- **\$133.0 million** for access upgrades to transport infrastructure including train stations and wharves, designed to enhance accessibility for a range of transport customers
- **\$87.0 million** for Community Transport and Home and Community Care services for those with difficulty accessing transport
- **\$23.0 million** for ticketing, licensing and concessions including Customer Channel Transformation and the Opal Delivery Phase
- **\$15.6 million** additional investment in the Growth Services Program to provide more than 2,000 extra weekly bus services across New South Wales.

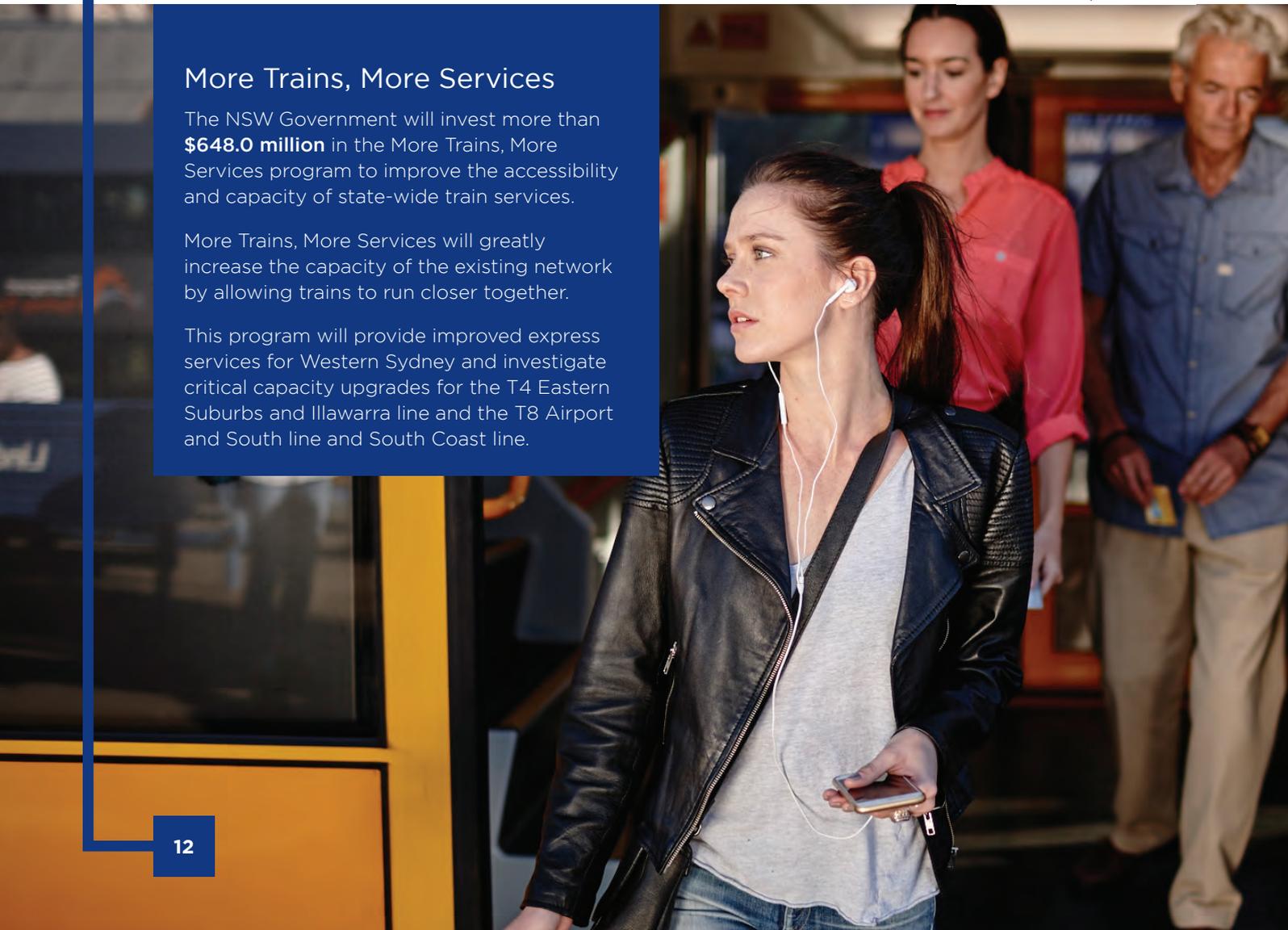
Transport for NSW

More Trains, More Services

The NSW Government will invest more than **\$648.0 million** in the More Trains, More Services program to improve the accessibility and capacity of state-wide train services.

More Trains, More Services will greatly increase the capacity of the existing network by allowing trains to run closer together.

This program will provide improved express services for Western Sydney and investigate critical capacity upgrades for the T4 Eastern Suburbs and Illawarra line and the T8 Airport and South line and South Coast line.





Making NSW the best place to work and do business

The Government is investing in initiatives that will attract, support and encourage business activity across New South Wales. Already it has made it cheaper and easier to do business in many ways, slashing **\$1.6 billion** in taxes last year for families, farmers and small businesses.

From 1 July 2018 the tax-free threshold for payroll tax will increase from **\$750,000** to **\$850,000**. It will continue to increase by **\$50,000** every year to reach **\$1.0 million** in 2021-22. Taxable payroll includes salaries, superannuation, bonuses and fringe benefits paid to workers in New South Wales.

The increased thresholds will reduce the number of NSW small businesses subject to payroll tax by around 2,000 in 2018-19. This will grow to around 5,000 in 2021-22, of which around 1,500 are expected to be based outside of Sydney.

All industry sectors are expected to benefit from this reform, including more than 1,000 businesses in the manufacturing and construction sectors, as well as more than 800 businesses providing professional, scientific and technical services.

These businesses will be relieved of the cost pressures of payroll tax, as well as the administrative complexity of complying with payroll tax obligations.

In addition, the Government will:

- invest **\$37.0 million** in 2018-19 to accelerate and extend the roll out of the Easy to do Business Program, in the cafes, restaurants and small bars and housing construction sectors in New South Wales, under the Project Agreement for Small Business Regulatory Reform agreed with the Commonwealth
- invest **\$2.0 million** (**\$7.1 million** over four years) for civil justice initiatives to provide a responsive and effective civil justice system that will support small businesses to resolve matters quickly and efficiently, and to alleviate demand pressures on courts.

NSW Productivity Commissioner

Just over a month ago, the NSW Government appointed its first ever Productivity Commissioner.

With a mandate to bust red tape and make New South Wales the easiest place to do business, Mr Peter Achterstraat AM was appointed to drive the State's productivity agenda, which centres around implementing the Government's response to the regulatory review undertaken by former NSW Premier Nick Greiner and driving microeconomic reform.

One of the Productivity Commissioner's core objectives is to make it easier and cheaper to do business in New South Wales. Improving productivity means ensuring the Government streamlines business red tape as much as possible, by ensuring the regulatory framework in New South Wales is efficient, effective and up to date.



Supporting those who need it most

A key priority for the NSW Government is to deliver care to those most in need.

To support the most vulnerable among us, the 2018-19 Budget includes the following:

- funding for the New South Wales transition to the full National Disability Insurance Scheme (NDIS) on 1 July 2018 with:
 - **\$3.2 billion** in 2018-19 as the NSW Government contribution to support the transition to the NDIS. This consists of an estimated **\$2.7 billion** cash contribution and **\$477.5 million** in kind contribution through services provided by NSW Government agencies
 - **\$97.5 million** in 2018-19 (**\$230 million** over three years) for operational services until full transition to the NGO sector
 - **\$87.0 million** in 2018-19 (**\$150 million** over three years) for residual disability functions
- **\$250.0 million** to support the NSW Government's participation in the Commonwealth Redress Scheme for survivors of institutional child sexual abuse in NSW government institutions
- an additional **\$82.5 million** for increased inpatient and community-based mental health services across New South Wales
- **\$59.1 million** over four years to support better safety, permanency and wellbeing outcomes for children, young people and their families, funding 100 additional front-line workers for the child protection system and investment in the open adoption program
- **\$61.7 million** over four years in new funding to implement the NSW Homelessness Strategy 2018-2023 to reduce homelessness across the State
- **\$44.1 million** over three years for continued support to reduce the incidence of domestic violence re-offence and re-victimisation
- **\$10.0 million** in 2018-19 to implement a Mentally Healthy Workplaces Strategy to foster workplaces with an environment that supports and engages workers
- a grant of **\$5.0 million** for Adele House to provide specialist drug rehabilitation and training services.

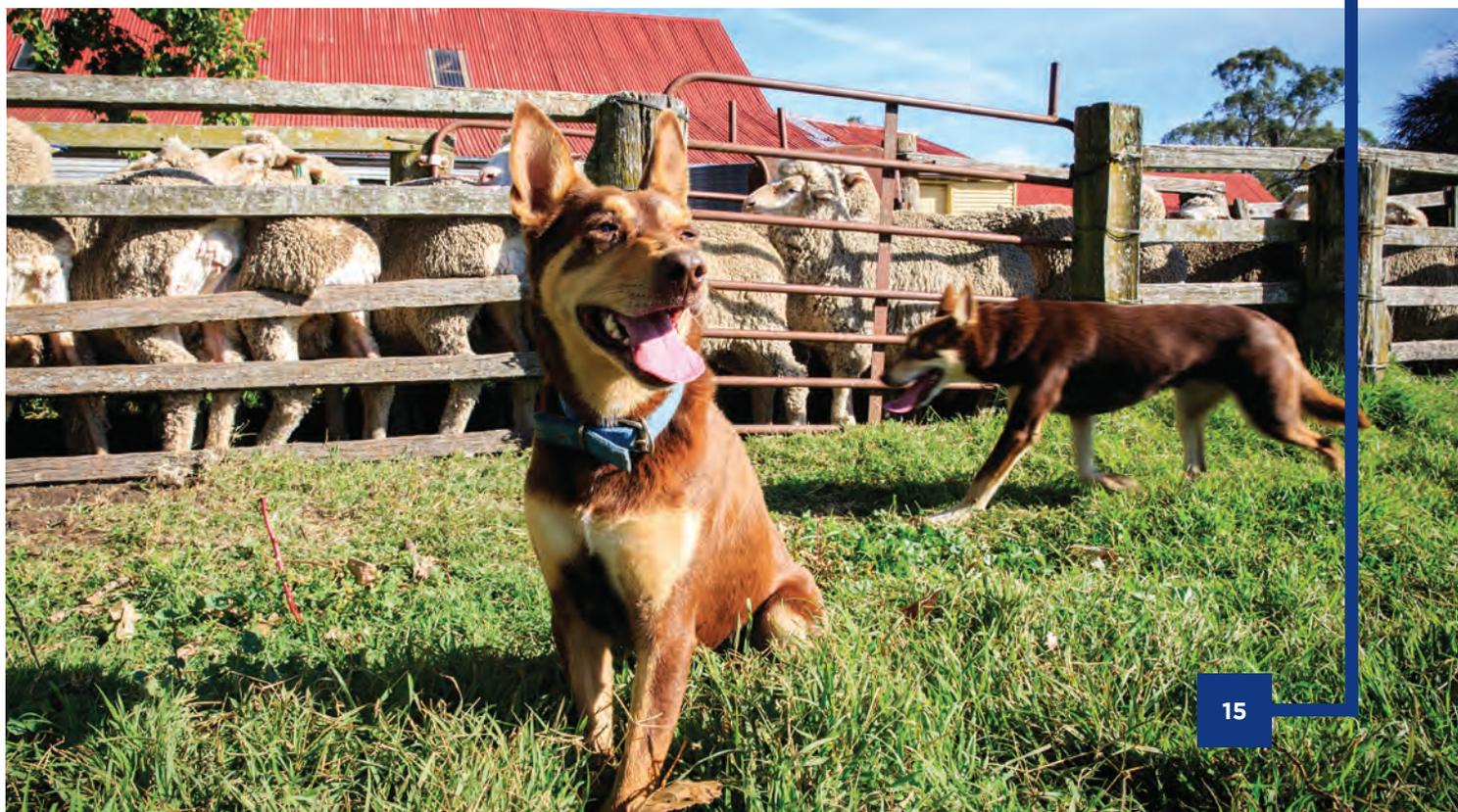
Investing in our regional communities

Regional New South Wales covers a vast area, with nearly 2.5 million people living outside of the main population areas of Greater Sydney, Newcastle and the Illawarra. Regional NSW's agriculture, mining and marine industries are key drivers of the State's prosperity.

A key initiative of this budget is the planned implementation of the Snowy Hydro Legacy Fund to facilitate reinvestment of the proceeds from the Snowy Hydro Limited share sale. The intention of this program is to invest these gains in state-building infrastructure across regions in New South Wales. In this budget, **\$40.0 million** in 2018-19 has been allocated for project development.

The 2018-19 Budget aims to promote Regional NSW as an attractive place to live, work, do business and visit. Here's how:

- **\$1.9 billion** in 2018-19 investment in regional capacity enhancements with upgrades to the Pacific and Princes Highways, a replacement bridge at Batemans Bay and upgrades to the Central Coast and Hunter Roads
- **\$250.0 million** in loans for the Farm Innovation Fund (FIF). The FIF provides loans of up to **\$250,000** for investments in farm infrastructure to boost drought preparedness and will now be accessible until 2022. The FIF also offers **\$50,000** seven-year interest free loans to allow farmers to transport fodder, move live-stock and preserve stock bloodlines
- **\$155 million** reserved in Restart NSW for the new Shoalhaven River Bridge at Nowra.



- **\$685.0 million** over four years for the Regional Road Freight Corridor program as part of Restart NSW
- **\$24.4 million** has been reserved within Restart NSW for Doppler Weather Radars in central and western New South Wales, an additional \$800,000 has also been committed for the operation of the Radars
- repairing Country Rail (Restart NSW) funding of **\$148.3 million** over four years, including:
 - **\$40.0 million** for the Berry to Bomaderry Rail Line and the OMEGA Tunnels Track Upgrade
 - **\$7.7 million** for the Tarago Passing Loop Extension.
- allocating up to **\$50.0 million** to upgrade agriculture research stations across rural and regional New South Wales
- **\$26.7 million** in 2018-19 for the Sealing Country Roads Program to complete the sealing of the Silver City and Cobb Highway in Western New South Wales
- investing in the forestry sector with **\$34.0 million** over four years as a concessionary loan facility as part of the Forestry Innovation Fund to support innovation and productivity growth in the sector. The package also includes:
 - an additional **\$4.6 million** over four years towards forestry contractor training and accreditation program
 - **\$9.2 million** over four years for world-class forest mapping and monitoring
 - an equity injection of **\$24.0 million** to Forestry Corporation to support plantation investment.
- **\$26.8 million** over four years from 2018-19 in the Resources for Regions programs including:
 - **\$7.8 million** for the Upper Hunter Regional Mine Affected Roads program
 - **\$4.6 million** for stage four of the South Orange Economic Development Corridor (Anson Street to Pinnacle Road)
 - **\$4.3 million** for the Newcastle Beach Community Infrastructure Project.



Cobb Highway



Protecting our communities

The NSW Government is investing in critical infrastructure and frontline services aimed at making our communities safer, fairer and better for the people of New South Wales to live, work and do business, and for visitors to explore and enjoy.

The Budget invests:

- **\$288.2 million** over four years to further support the re-engineering of the NSW Police Force and provide the Police Commissioner with the flexibility to deploy resources according to need and effectively address and respond to crime
- increased capability to respond to emergencies in New South Wales with:
 - **\$56.4 million** over four years for the State Emergency Service Operational Fleet Replacement Program, replacing emergency vehicles and equipment, marine vessels and trailers
 - **\$6.5 million** over two years for the Rural Fire Service to repurpose emergency response helicopters gifted by the Australian Defence Force to increase bushfire response capability.
- **\$52.6 million** over four years from 2018-19 to support the rollout of National Facial Biometric Matching Capability across New South Wales which will enable access to new face-matching technology. This technology will increase the capability to identify suspects or victims of terrorist or other criminal activity, including identity crime

- **\$151.1 million** in 2018-19 (**\$467.3 million** over four years) for the Critical Communications Enhancement Program to expand the coverage of the Government Radio Network and improve critical communications during emergencies.

The NSW Government has allocated **\$193 million** over four years to help safeguard the community against terrorism. This includes:

- **\$22.0 million** (**\$89.3 million** over four years) to enable post-sentence detention in a correctional centre or supervision in the community of offenders who pose an unacceptable risk of committing a serious terrorism offence.

Improving Road Safety

\$315.0 million in 2018-19 for the NSW Government Road Safety Plan 2021 targeting where the majority of fatalities occur. This builds on existing programs funded through the Community Road Safety Fund including public education campaigns, road upgrades through the Safer Roads and Black Spot programs, as well as high-visibility police enforcement.



Sydney Modern – artist impression

Sports, arts and culture for all

New South Wales has a global reputation as a world class sports and cultural destination.

The 2018-19 Budget provides new projects that work towards developing and supporting arts and culture, increasing attendance at cultural events, sustaining cultural precincts and improving participation in sport and active recreation. This includes:

- **\$245.0 million** in 2018-19 as part of the Government's **\$645.0 million** contribution to build a new Powerhouse museum in Parramatta, undertake master planning for a creative industries precinct in Ultimo, and expand and upgrade the Museums Discovery Centre at Castle Hill
- major stadia investment to attract world-class sporting and entertainment events and address the State's ageing stadium infrastructure, including:
 - **\$729.0 million** over four years for the construction of a new stadium at Moore Park to replace the Sydney Football Stadium
 - **\$183.7 million** in 2018-19 for the construction of the Western Sydney Stadium at Parramatta.
- **\$173.0 million** for Destination NSW to support delivery of the Visitor Economy Industry Action Plan. This includes:
 - **\$82.0 million** for promotion of major events
 - **\$54.0 million** for NSW tourism promotion including the continued delivery of initiatives in regional and rural New South Wales to increase visitor spend, and attract more events and conferences.
- **\$100.0 million** over five years, including **\$25.0 million** in 2018-19 for the Regional Sport Infrastructure Fund to increase the number and quality of regional sporting facilities
- **\$30.0 million** in 2018-19 from the Regional Cultural Fund to support development of arts and cultural activities in our regions
- **\$24.1 million** in 2018-19 for grants to support screen production across New South Wales
- **\$5.8 million** in 2018-19 (**\$50.5 million** over three years) to upgrade to the Australian Museum. This will deliver a new touring exhibition hall, education and visitor facilities, enabling Sydney, to be one of the last cities worldwide to host the King Tutankhamun exhibition before it returns permanently to Egypt
- **\$6.1 million** over four years from 2018-19 for the ongoing operation of the expanded Anzac Memorial, which will commemorate the legacy of service men and women.

Empowering Aboriginal communities

Additional investments are being made in the 2018-19 Budget to support and empower the wellbeing of Aboriginal people across New South Wales, including:

- **\$33.1 million** over four years in new funding for the Aboriginal Social Housing Strategy, a plan to deliver housing and services for the Aboriginal community housing sector
- **\$10.0 million** over four years for a social impact investment in Aboriginal economic development opportunities. This will provide place-based support with a focus on specific outcomes. Potential outcomes of this initiative include increased Aboriginal employment, helping parolees stay out of prison, and reduced need for government services – such as out-of-home-care
- **\$3.75 million** in 2018-19 to support an additional 1,000 student placements in the Clontarf Foundation program, which encourages Aboriginal boys and young men to stay at school by harnessing their passion for sport
- **\$2.8 million** in 2018-19 for the establishment of Australia's first Aboriginal Languages Trust under the *Aboriginal Languages Act 2017*. The Aboriginal Languages Trust will be responsible for resourcing local language activities and developing and implementing a five-year strategic plan to support Aboriginal languages at local, regional and State levels
- **\$2.7 million** over three years for the expansion of the Youth Koori Court to the new Surry Hills Children's Court, providing at-risk young people with links to relevant support agencies.





Destination NSW

Preserving our environment

The Government is improving liveability for the people of NSW, allocating **\$1.9 billion** in 2018-19 towards valued and protected environment and heritage initiatives:

- **\$632.3 million** for national parks, public parklands and gardens to grow tourism and improve liveability and sustainability. This includes:
 - **\$17.2 million** for the Snowies Iconic Great Walk
 - **\$9.9 million** for the Thredbo Valley Track Extension
 - **\$7.9 million** for the Light to Light Great Walk
 - **\$3.6 million** for the Murramarang South Coast Walk
 - **\$3.0 million** for the Port Stephens Koala Hospital and Tourism Facility.
- other Government commitments include:
 - **\$11.0 million** towards Murray River Experience
 - **\$8.5 million** for the Jenolan project
 - **\$6.3 million** towards the Scone Aviation Visitor Attraction centre
 - **\$5.0 million** towards the Wagga Wagga Riverside Precinct Rejuvenation
 - **\$4.6 million** for the Winnie Bay Clifftop Walk.
- **\$102.1 million** (part of a five-year **\$1.4 billion** program) to deliver outcomes that help communities and businesses adapt to a changing climate
- **\$89.4 million** (**\$345.0 million** over four years) for the Biodiversity Conservation Trust of New South Wales to deliver private land conservation outcomes across priority areas
- **\$59.5 million** to move the National Herbarium from its current location in the Royal Botanic Garden Sydney to Mount Annan, creating 350 new jobs. The new, purpose-built Centre of Innovation in Plant Sciences will be the nation's premier botanic science research facility
- **\$36.8 million** to protect threatened species across NSW by maximising the number of threatened species secured in the wild, by investing **\$11.9 million** to implement the Koala Strategy and **\$24.9 million** through the Saving our Species program
- **\$20 million** over five years for the creation and upgrade of inclusive playspaces to improve the liveability of NSW communities as part of the Everyone Can Play in NSW program
- **\$9.5 million** in 2018-19 (**\$37.5 million** over four years) partnering with community, councils and business to increase the average tree canopy across Sydney as part of the Five Million Trees for Greater Sydney by 2030 program.

The 2018-19 Budget also includes **\$42.9 million** infrastructure investment in National Parks to increase tourism in New South Wales. This includes:

- **\$7.7 million** over four years for the Tweed Hinterlands Walk, Byron to Border Ranges
- **\$10.7 million** for the Great Southern Nature Walk- Southern Gateway
- **\$7.5 million** for the Macleay Coast Trial Bay precinct upgrade
- **\$7.1 million** for the Tomaree Coastal Walk in Port Stephens
- **\$9.9 million** for the Sydney Harbour Scenic Walk.

Planning the future of Western Sydney

Western Sydney, already one of the fast-growing regions in New South Wales, is the focus of a bold, new Western Sydney City Deal.

The Commonwealth Government's **\$5.3 billion** investment in the Western Sydney Airport at Badgerys Creek is at the heart of plans to create a bustling airport region within Western Sydney, known as Aerotropolis, attracting jobs in aerospace and defence, manufacturing, healthcare, freight and logistics, agribusiness, education and research.

Employment created by the Aerotropolis development will add to the 28,000 direct and indirect jobs expected to be generated by the airport by 2031.

The Western Sydney City Deal, a 20-year plan, will deliver the transport infrastructure connecting the airport and Aerotropolis to the broader Sydney network – including a new North South Rail Link.

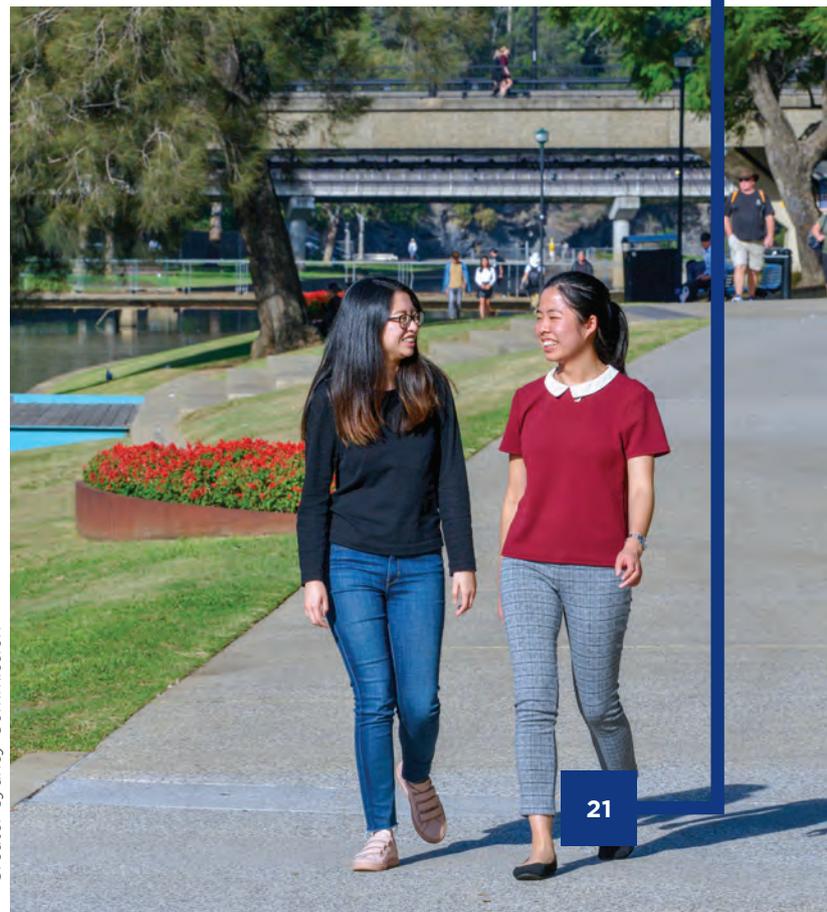
The City Deal also includes plans to deliver education, housing and green spaces in line with the NSW Government's massive investment in making the state the best place to live.

The Western Sydney City Deal helps to achieve this vision and includes:

- **\$150.0 million** for the Western Sydney Parkland City Liveability Program, with **\$60.0 million** contributions from both the New South Wales and Commonwealth Governments and **\$30.0 million** from local councils. This will deliver community infrastructure and public spaces that promote healthy, active lifestyles and support the arts and culture to complement new housing supply
- **\$30.0 million** for the Western Sydney Parkland City Housing package, with **\$15.0 million** contributions from both the New South Wales and Commonwealth Governments to ensure sustainable growth through streamlined and optimised planning practices
- **\$59.5 million** for the construction of Western Sydney Centre of Innovation in Plant Sciences to enable the protection of an internationally significant botanical collection of more than 1.4 million plant specimens.

Towards this goal, the 2018-19 Budget also includes:

- **\$1.8 billion** to continue the development and delivery of the WestConnex motorway, Australia's largest infrastructure program connecting Western Sydney to the airport and port precincts while bypassing Sydney's CBD
- **\$438.9 million** in 2018-19 for the NSW and Commonwealth Government-funded road upgrades to support the new Western Sydney Airport at Badgerys Creek
- **\$35.0 million** in 2018-19 to develop the final business case for the North-South Rail Link to service the new Western Sydney Airport, a joint funding arrangement with the Commonwealth Government committed through the Western Sydney City Deal
- **\$132.2 million** for road upgrades to support population and economic growth in Western Sydney, including construction of the first stage of the Campbelltown Road upgrade at Edmondson Park, improvements to Appin Road, and the start of construction of the Jane Street and Mulgoa Road upgrade at Penrith
- **\$258.0 million** in 2018-19 on stage one of the Parramatta Light Rail to support growth in Western Sydney and create new communities by expanding connections.



Investing for the future today

In a world first initiative, the Government introduces the NSW Generations Fund (NGF)—a new sovereign wealth fund made possible by disciplined financial management and the State's strong fiscal position. The NGF is a debt retirement fund for tomorrow that supports the State's triple-A credit rating; and a fund for today that improves wellbeing of local communities through participatory budget projects.

The unprecedented strength of the NSW balance sheet means the Government can seed the NGF with **\$3 billion** sourced from the State's balance sheet reserves. These funds are available only for debt retirement, with growth in the NGF allowing for more infrastructure investment while keeping debt at sustainable levels.

The Fund will grow over time through investment earnings and further significant contributions into the Fund. After the sale of 51 per cent of WestConnex, the Government intends to include the State's residual interest in the NGF.

As the NGF grows, up to 50 per cent of investment returns will support investment in local communities through the My Community Dividend initiative.

My Community Dividend aims to improve community wellbeing across a number of key themes, including liveable communities, revitalising communities, healthy communities, and safe communities. NSW residents can propose and vote on new projects in their local area, with the projects that receive the highest number of votes to be funded by the Government.

Projects may include all ability playgrounds, community mobility services, public gardens, upgrades to local sporting facilities, public artworks and festivals, programs for at risk youth, and healthy lifestyles initiatives. Further information on My Community Dividend can be found at the NSW Government 2018-19 Budget website.

This world first, dual purpose fund is set to benefit NSW residents across the State and set the right foundations for future generations: it is a program to build for tomorrow and deliver for today.



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