

Tuesday, 17 November 2020

BUDGET TO BOOST JOBS, KICK-START THE ECONOMY AND CONTINUE KEEPING PEOPLE SAFE

Creating and supporting jobs through targeted stimulus measures, billions of dollars for infrastructure and maintenance, tax cuts for business and record health funding are at the centre of today's 2020-21 NSW State Budget.

The Budget reinforces our world-class health system that has made NSW a global leader in tracking, tracing and containing COVID-19 to keep our people safe, as part of a record \$29.3 billion health budget.

Job creation is front and centre with a record \$107 billion infrastructure pipeline targeting shovel and screwdriver-ready projects, while a skills and training blitz will help people get back into the workforce after this year's significant job losses.

Hip-pocket support will give families peace of mind, with 15 hours of free preschool per week extended to the end of 2021, and \$100 worth of Out & About vouchers for every adult resident to inject new energy into the economy, help businesses doing it tough and encourage employment.

More assistance is being fast-tracked to help those most affected, with the biggest mental health budget in NSW's history, and a major investment to provide intensive tutoring in schools to help students overcome the challenges of a rollercoaster school year.

Premier Gladys Berejiklian said the Budget takes decisive action to meet the needs of people across NSW, as we emerge from an unprecedented health and economic crisis.

"The people of NSW have done it tough over the past 12 months, faced with the triple crises of drought, bushfires and COVID-19," Ms Berejiklian said.

"We are doing whatever it takes to stay ahead of the pandemic and provide the support our households, businesses and communities need to get back on their own two feet."

The NSW economy contracted by 1 per cent in 2019-20, with negative growth of $\frac{3}{4}$ per cent projected for 2020-21, followed by a projected return to growth of $2\frac{1}{2}$ per cent in 2021-22.

The Budget will make targeted investments to turbo-charge jobs over the next five years with the unemployment rate projected to fall to $5\frac{1}{4}$ per cent by June 2024 as up to 270,000 people return to the workforce.

"With so many people out of work this year and more predicted to become unemployed, we're in a race against time to help create as many new jobs as we can," Ms Berejiklian said.

"This Budget has workers at its heart, with temporary, targeted stimulus to generate jobs and get businesses booming again."

Treasurer Dominic Perrottet said nine years of strong financial management had put the Government in a strong position to deploy its fiscal firepower, which would be coupled with record low interest rates, to stimulate a strong recovery through responsible borrowing.

“The risk of long-term economic damage is too great if we do not take action, so we are taking advantage of record low interest rates and a strong balance sheet to turbo-charge our recovery,” Mr Perrottet said.

“That doesn't mean abandoning our firm commitment to fiscal responsibility. This Budget includes measures to chart a course back to surplus by 2024-25, and a strong economic recovery will support that goal.”

The Budget takes the next steps to secure greater prosperity for current and future generations, continuing to deliver large-scale infrastructure to build a better future, investing in our people through education and skills, and securing the quality services everyone in NSW can rely on.

Employers will get a major recovery boost with \$2.8 billion in payroll tax cuts including increasing the threshold to \$1.2 million to lower the cost of creating jobs, and businesses that are under the payroll tax threshold will receive \$1,500 vouchers to cover government fees.

A new push to cut red tape will make it easier to run a business, and through the Government's Jobs Plus initiative we will support companies who want to relocate their head offices to NSW or expand their jobs footprint in NSW.

The Budget also supports a broad-ranging reform agenda including planning, education and digital reform, and examining reform to the state's property tax system.

The record investment in this Budget sets us up for a prosperous, post-pandemic NSW

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