



Dominic Perrottet
Treasurer
Minister for Industrial Relations

MEDIA RELEASE

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INFRASTRUCTURE RECORD EXTENDS TO \$80 BILLION DRIVEN BY NATION'S STRONGEST BUDGET

Treasurer Dominic Perrottet today released the 2017-18 Half-Yearly Review showing the NSW Government's infrastructure investment has grown to \$80.1 billion over four years.

The Government is also set to deliver a budget surplus of \$3.3 billion in 2017-18.

"Our record \$80.1 billion infrastructure pipeline is the largest program ever undertaken by any state in Australia," Mr Perrottet said.

"We are funding this massive program without saddling future generations with unsustainable debt thanks to strong economic management.

"The State's asset recycling strategy is at the heart of our expanded capacity to build and upgrade schools, hospitals, roads and rail networks while helping ease cost of living pressures on households across NSW.

"Our strong fiscal position means we can do more to help families meet the cost of living whether that's expanding energy rebates and free car registration for toll users or getting more children into local sports and fitness activities.

"We want NSW to be the best place to live, work, raise a family and run a business.

The stepped-up infrastructure program reflects an increase of \$7.4 billion compared to the 2017-18 Budget. The program includes major new commitments for projects including the Parramatta Light Rail and the Albion Park Rail bypass as well as the Government's commitment to provide \$4.3 billion for Restart NSW projects.

"We're delivering a fifth straight surplus, of \$3.3 billion, up from the \$2.7 billion forecast in June, as we better align spending with delivery. We have also delivered record low net debt of negative \$9.3 billion as at June 2017.

State budget surpluses are expected to average \$2.1 billion over four years to 2020-21.

Since the 2017-18 Budget, there's been a reduction in forecast transfer duty stemming from the success of the First Home Buyers Assistance Scheme introduced in June. This reduction is offset by upward revisions in payroll and land tax revenues as a result of an increase in full-time jobs and improved land values.

Since the introduction of the First Home Buyers Assistance Scheme, after the June Budget, 13,672 people received stamp duty concessions in the five months to November 2017.

“The fact more first home buyers than expected are rallying into the market is a great result, because it shows our first home buyer package is working - saving even more families thousands of dollars, and getting them into their first home sooner.

“NSW is also on track to become the first Australian state with a net worth of a quarter of a trillion dollars by June 2019, as the benefits of the NSW Government’s asset recycling help lift the State’s wealth and support the economy,” Mr Perrottet said.

“Both major ratings agencies recently reaffirmed NSW’s triple-A credit rating, recognising the Government’s commitment to sustainable financial management.

The NSW economy continues to outperform the nation, with its 2016-17 growth of 2.9 per cent accounting for nearly half the country’s economic growth in that year and outpacing Australia as a whole for a third straight year.

Above-trend economic growth is forecast over the next two years.

“This growth is on the back of historic levels of residential and public investment, which have helped create more full-time jobs than any other state since April 2015 and drive unemployment down to 4.6 per cent – lower than any other Australian state.

Notwithstanding the State’s solid budget surpluses, slowing revenue growth and emerging expense pressures will create challenges for the budget in the years ahead.

“These challenges will require the Government’s continued financial discipline and pursuit of reforms that contribute to economic growth and maintain a sustainable budget position,” he said.

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