

**Barton Deakin Brief: Tasmanian State Budget 2015-16**

**28 May 2015**

The Treasurer of Tasmania, the Hon Peter Gutwein MP, today delivered the 2015-16 State Budget.

The Tasmanian Government will record a deficit of \$58.5 million in 2015-16, approximately \$67 million less than forecast in the previous Budget. The Budget forecasts a surplus of \$101.5 million in 2016-17.

Tasmania will be free of net debt across the forward estimates.

The Budget projects economic growth of 2.5 per cent in 2015-16, following estimated growth of 1.75 per cent in 2014-15.

Tasmania's unemployment rate is forecast to be 6.75 per cent in 2015-16, down from an estimated 7 per cent at the end of 2014-15.

**Key Budget measures**

*Jobs Package*

The Government has announced a \$315 million package of capital investment and new initiatives aimed at creating 8000 jobs across the economy.

Key initiatives include:

- \$120 million over four years from the State and Federal Governments to improve rail infrastructure;
- \$60 million for the Northern Cities Major Development Initiative, a program created to help revive local communities through infrastructure investment projects;
- A \$30 million investment in irrigation projects in regional and rural Tasmania;
- The creation of a new Business and Job Attraction Scheme, which will be used to attract and assist businesses with export and/or import replacement potential;
- The extension of the \$20,000 First Home Builders Grant until the end of the calendar year (it will continue at \$10,000 thereafter);
- An additional \$7.9 million for tourism marketing, support for Regional Tourism Organisations and assistance for the business events sector;
- The creation of a new Regional Events Start-up Program; and
- A \$5 million boost to the Regional Revival Fund, targeted at infrastructure upgrades in rural and regional Tasmania.



Barton Deakin's Brief on the Tasmanian Government's joint action plan to promote tourism in the state's national parks and reserves can be accessed [here](#).

### *Infrastructure*

The Budget allocates funding for a range of infrastructure projects, with the aim of improving infrastructure and creating jobs in the local building and construction sector. Key initiatives include:

- \$68 million to upgrade facilities in Tasmanian high schools;
- \$728 million for road and bridge improvements; and
- \$8 million for high-priority maintenance and infrastructure renewal in parks and reserves.

### *Support for key local industries*

The Budget provides funding for initiatives to support the key Tasmanian industries of mining, forestry and agriculture. Major commitments include:

- \$24 million to facilitate exploration and mining development, and improve the collection of geological information;
- \$250,000 to support the Forestry Tasmania reform process;
- \$1 million to grow Tasmania's private agri-forestry sector;
- \$1.2 million for the Ministerial Advisory Council on Forests;
- \$4.6 million to continue the implementation of the Cultivating Prosperity in Agriculture Policy, a set of initiatives directed at growing the state's agricultural sector; and
- An additional \$4 million for new biosecurity measures including additional quarantine detector dogs, upgrades to laboratory equipment and improvements to post border biosecurity hygiene infrastructure.

### *Health*

On 1 July the Government will launch a new single statewide health service as part of its comprehensive health reform process. The Budget allocates a record \$6 billion over the forward estimates to the health portfolio, including new spending initiatives such as:

- An additional \$100 million for frontline health services, including public hospital services and primary and community care;
- \$24 million for patient transport and care coordination;
- An additional \$8.3 million for the maintenance, replacement or upgrade of hospital and health centre infrastructure;
- An additional \$2.4 million for the Children and Adolescent Mental Health Services;
- \$14.5 million for the Northern Integrated Cancer Service; and
- \$4.8 million to address Ice and other drugs, including new residential rehabilitation beds, new specialist consultation liaison staff, new transport options for North and North West clients, and support for communities and service providers.



Barton Deakin's Brief on the Tasmanian Government's Health Green Paper, released in December 2014, can be accessed [here](#).

### *Education*

The Budget contains record funding of \$1.44 billion for education and training. Initiatives include:

- An extra \$21 million in 'Gonski' funding, targeting schools with the greatest need;
- \$68 million over four years to upgrade Tasmanian high schools; and
- Extending a further six regional high schools to Year 11 and 12 in 2016.

### *Support for Vulnerable Tasmanians*

The Government will provide \$300 million worth of concessions to Tasmanians, including concessions for public transport, electricity, rural and special needs school buses, water and sewerage and local government rates.

The Budget allocates \$16 million to Government agencies responsible for addressing family violence. Further annual funding of \$24 million will be made available for services such as social workers in schools, the sexual assault service and family support services. An additional \$720,000 will be provided to support victims of family violence and deliver preventative and support programs.

### **Further information**

Further detailed information on the 2015-16 State Budget can be found online:

- [Full transcript](#) of the Treasurer's Budget Speech;
- [Budget Paper No. 1](#);
- [Budget Paper No. 2 Volume 1](#);
- [Budget Paper No. 2 Volume 2](#);
- The [Tasmanian Treasury's Budget Webpage](#);
- [Budget Guide](#); and
- [Budget media releases](#): portfolio-specific media releases issued by Government Ministers.

Barton Deakin's Brief on the 2014-15 Tasmanian State Budget can be accessed [here](#).

On 4 March 2015, Premier Hodgman released a comprehensive policy agenda focused on the upcoming year. Barton Deakin's Brief on the Tasmanian Government's *365 Day Plan* can be accessed [here](#).

**For more information please contact [Kristian Galanti](#) on 0406 383 154.**