

Barton Deakin Brief: 2016-17 NSW Budget Half-Yearly Review

13 December 2016

The New South Wales (NSW) Treasurer, the Hon Gladys Berejiklian MP, today released the 2016-17 NSW Budget Half-Yearly Review. The review provides an update to the State's economic and fiscal position since the 2016-17 NSW State Budget was delivered on 21 June 2016.

The Half-Yearly Review forecasts a \$4.0 billion surplus for 2016-17, \$259.9 million higher than forecast at the time of the 2016-17 Budget. Relative to the 2016-17 Budget, smaller surpluses are expected in 2018-19 and 2019-20, primarily as a result of revenue growth reducing as New South Wales' share of GST declines.

The decline of GST is offset by higher transfer duties as a result of the \$488.9 million duties received from the [partial long-term lease of Ausgrid](#). The partial long-term lease also delivers \$16.2 billion in gross proceeds which will contribute toward the Government's [Rebuilding NSW](#) plan.

A further \$1.5 billion has been included in the Budget for Rebuilding NSW projects across the state since the 2016-17 Budget. The Half-Yearly Review reflects new capital expenditure forecast of \$2.7 billion over four years.

Revenues are projected to be higher than forecast in the Budget by \$494 million and expenses have increased across the forward estimates by \$234 million since the 2016-17 Budget. This increase is due in part to policy decisions and reforms such as reparations for the survivors of the [Stolen Generations](#).

The NSW Government's asset recycling strategy has helped to fund infrastructure investments of \$73.2 billion across the budget and forward estimates. With the partial lease of Ausgrid, holdings of cash have increased and net debt has fallen. Net debt is now estimated to be \$443.5 million at 30 June 2017, a reduction of \$7.1 billion compared to the 2016-17 Budget.

The State's rising net worth is forecast to grow over the budget and forward estimates. Net worth rises from \$137.5 billion in 2011-12 to an estimated \$203.4 billion at June 2017 and \$248.4 billion at June 2020.

Barton Deakin's Brief on the New South Wales Government's 2016-17 State Budget can be read [here](#).

Further information

NSW Government's Half-Yearly Budget Review, [here](#).

NSW Government's 2016-17 Half-Yearly Review Fact Sheet, [here](#).

NSW Government's 2016-17 Budget Papers Budget Speech, [here](#).

NSW Government's 2016-17 Budget Papers Budget Overview, [here](#).

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