

# Building Tasmania's Future





## 2017-18 Tasmanian Economy – Continuing to Strengthen

Under the Hodgman Liberal Government, our economy is forecast to grow at the fastest rate in ten years, more than 6,400 jobs have been created, we have balanced the budget and we are building Tasmania's future.

This is a far cry from the last Labor-Green Government, when the state had negative growth in 2012-13, the unemployment rate rose to over eight percent, and business confidence was the lowest in the country.

Now, the outlook for the Tasmanian economy is positive with strong consumer spending, a confident business sector and a booming tourism industry driving jobs and investment across the State.

Tasmania's economic outlook has improved considerably, with expected above long term-trend growth in GSP of 2.5 per cent in 2017-18 and growth of 2 per cent across the Forward Estimates (refer Chart 1).

Our population is growing at the fastest annual rate in five years with a return to net positive interstate migration inflow. These trends are expected to continue over the medium term.

Directly and indirectly, the tourism sector contributes \$2.5 billion annually to the Tasmanian economy and represents 9.9 per cent of Gross State Product. More visitors are coming than ever before and they are spending more. In the year to December 2016, 1.24 million visitors came to Tasmania and visitor expenditure increased by 10 per cent to \$2.14 billion.

Retail spending continues to grow. Retail trade has grown consistently in recent years and has now had a record eleven consecutive months above the half-billion dollar mark. Retail turnover is now 11 per cent above the level at the last election.

According to recent surveys by both Sensis and the TCCI, small and medium business confidence remains strongly positive, with the level of regional business confidence particularly notable. Various other reports and commentators have expressed similar views over recent months. Confidence is essential to encouraging economic growth. When businesses have confidence in the future, they are willing to invest, take on new employees and take up opportunities for growth.



TASMANIAN BUDGET  
**2017-18**

All of these factors will drive change and growth in the Tasmanian economy into the future and the Hodgman Liberal Government will continue to provide the foundations for growth.

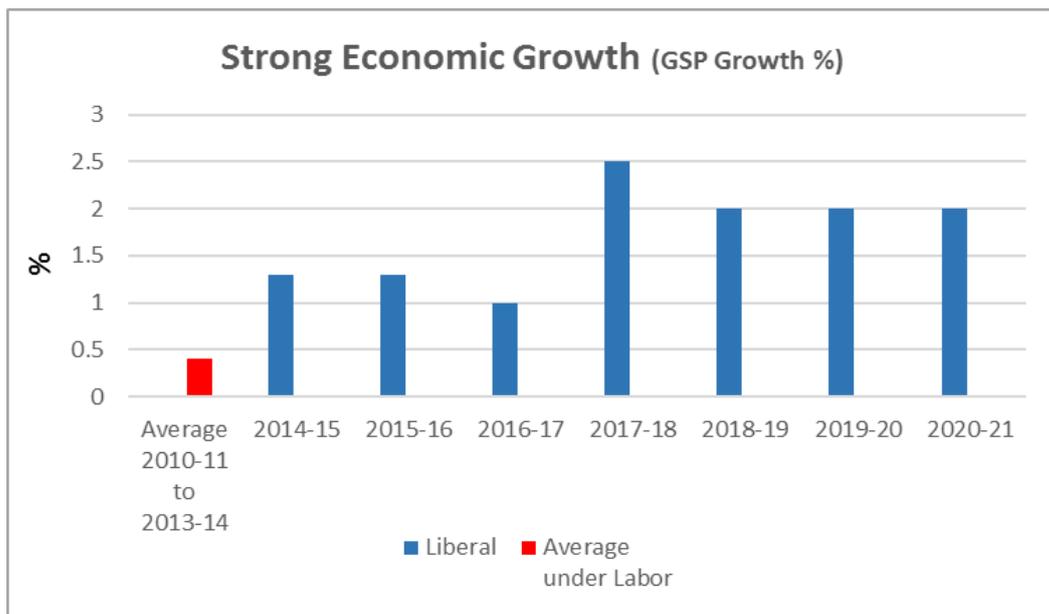


Chart I - Gross State Product Growth, Actual ABS figures 2010-11 to 2015-16, Treasury Forecast 2016-17 to 2020-21



## 2017-18 Budget landscape – Building Tasmania's Future

A stronger economy and improved levels of confidence are driving higher levels of activity. This has helped to increase own source revenues, which has in turn helped strengthen the Budget position and provide us with more flexibility.

In 2015-16 we returned to surplus four years ahead of schedule. This provides us with the capacity to do more, however, recent experience has taught us to be prudent and not to over commit with income that may not be certain into the future.

Our ongoing discipline, which commenced in the 2014-15 Budget, has allowed us to lay the foundations so that we can reinvest in essential services into the future, despite the challenges we have faced along the way. We can now proudly claim to have a balanced budget in each and every year of the Budget and Forward Estimates period, the first time that this has occurred in almost a decade.

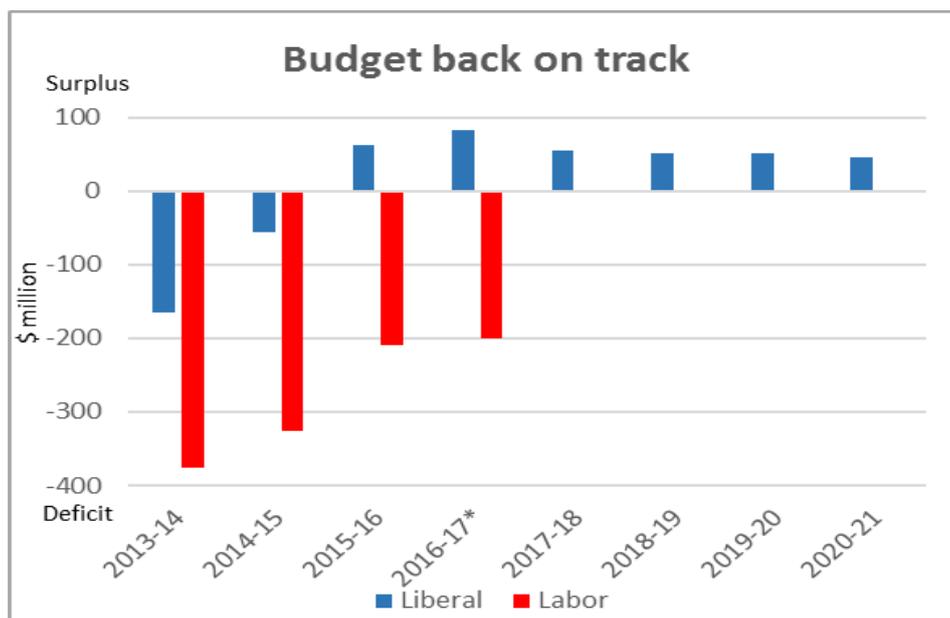


Chart 2 - Operating Surplus/Deficit

Sources: Labor Outcomes: 2013-14 to 2016-17 Risks Report forecast Net Operating Balances. Liberal Outcomes: 2013-14 to 2015-16 Actual Net Operating Balance Outcome (TAFR), 2017-18 Budget (\*2016-17 estimated outcome, excludes impact of Mersey Hospital funding) and 2017-18 to 2020-21 Net Operating Balance forecasts.



## The 2017-18 Budget

### Key points

- Another strong Budget result – \$54.3 million surplus expected in 2017-18
- Cumulative surplus of more than \$200m over the Budget and Forward Estimates period
- Biggest ever boost to health spending – an extra \$658 million over 4 years for a record total of more than \$7 billion
- Funding to support over 7 600 young Tasmanians into jobs
- Action to reduce cost of living pressures
- Balanced Budget each and every year

### Headline Facts

- Budget to deliver a second consecutive surplus this financial year (2016-17), well ahead of schedule
- The \$1.1 billion budget black-hole has been turned into a projected cumulative surplus over the Forward Estimates. In a little over three years, we have improved the budget outlook by \$1.3 billion
- Forecast to remain net debt free. Net cash and investments of \$452 million in 2017-18 and a positive balance across the entire Forward Estimates period
- No new structural savings measures
- No new taxes
- Total Revenue - \$5.9 billion in 2017-18
- Total Spending - \$5.8 billion in 2017-18
- Total GST Revenue - \$2.4 billion in 2017-18
- Total Health spending - \$1.72 billion in 2017-18 - record investment of more than \$7 billion over the Budget and Forward Estimates
- Total Education spending - \$1.54 billion in 2017-18 – record \$6.4 billion over the Budget and Forward Estimates
- Total Public Order and Safety spending - \$542 million in 2017-18 - \$2.2 billion over the Budget and Forward Estimates
- Total Infrastructure investment - \$2.0 billion over the Budget and Forward Estimates
- Over the period from when the Liberals came to office to the end of the Forward Estimates (2014-15 to 2020-21), revenue growth is forecast to be 2.7 per cent compared to expenditure growth of 2.4 per cent.



## 2017-18 Fiscal Situation

The Hodgman Liberal Government's strong and disciplined Budget management means the Budget is back on track and we are able to invest in building Tasmania's future. The State Budget has returned to surplus, well ahead of schedule and we have a forecast surplus in each and every year of the Forward Estimates.

The \$1.1 billion Labor-Green cumulative deficit we inherited is now forecast to be a cumulative surplus of more than \$200 million over the Budget and Forward Estimates period – illustrated in Chart 2.

We have turned around the net debt position, which is a dramatic improvement compared to the predicted \$400 million of net debt under Labor and the Greens. In fact, it is now forecast we will have net cash and investments of \$452 million in 2017-18 and a positive balance across the entire Forward Estimates period (Chart 3).

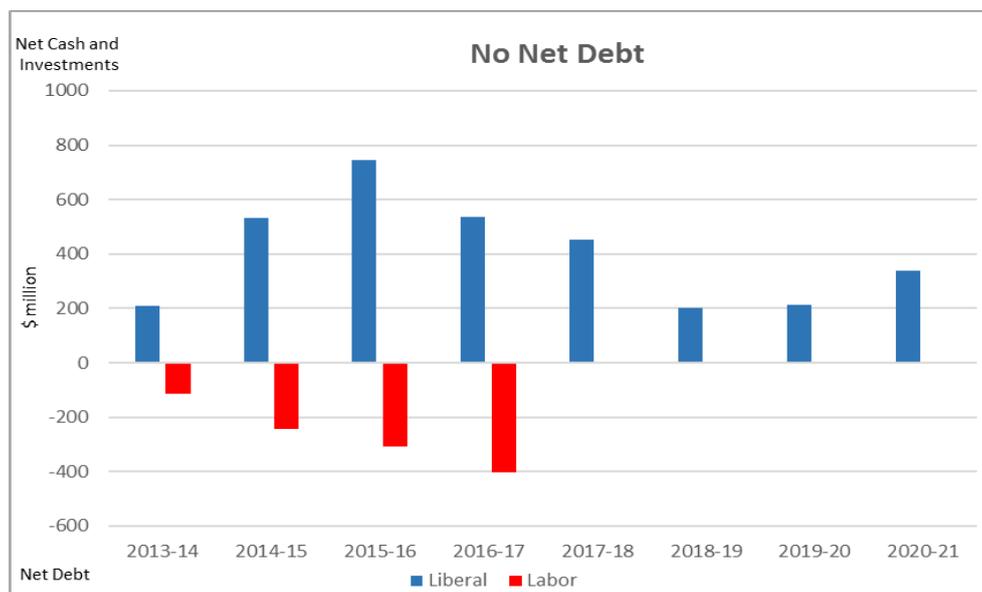


Chart 3 - Labor Net debt projections, Liberal actual outcomes and 2017-18 Budget Forward Estimates  
Sources: Labor 2013-14 Risks Report. Liberal 2014-15 to 2015-16 TAFR and 2017-18 Budget



We are building Tasmania's future by stepping up the level of investment in job creating infrastructure. More than \$2 billion will be invested in infrastructure over the Budget and Forward Estimates (Chart 4).

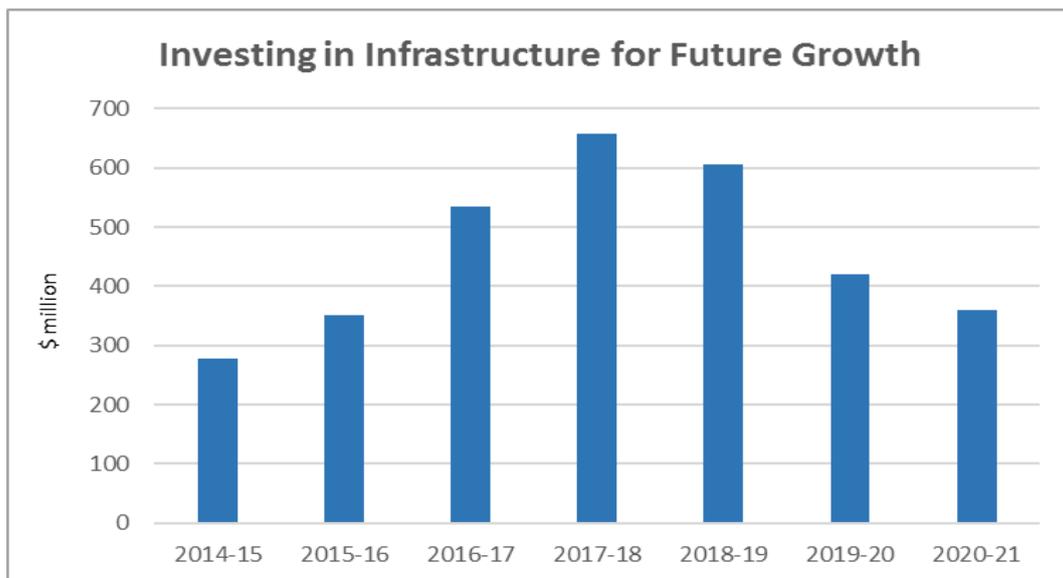


Chart 4 - Infrastructure Investment 2014-15 to 2020-21

Source: TAFR 2014-15 and 2015-16, 2016-17 Estimated Outcome and Forecasts from 2017-18 State Budget

\$827 million is being invested in roads and bridges, almost \$500 million into hospitals and health and \$117 million into better schools and TAFE buildings.

We have allocated over \$60 million to Digital Transformation Priority Expenditure. This will fund the replacement of important legacy systems across Tasmania Police, the Department of Justice and the Department of Health and Human Services. The replacement of these systems will support frontline workers in providing better services to the community.

The overall infrastructure program will help drive future economic growth and improve services for the benefit of the whole community.

Over the period from when the Liberals took office until the end of the Forward Estimates period, we have restrained spending increases to just 2.4 per cent, less than the revenue growth rate of 2.7 per cent. In contrast, in the last 8 years of Labor and the Greens, expenditure grew at 4.8 per cent per year.



While being prudent with our expenditure has meant that over time the Budget has been able to return to a sustainable position, this has not come at the expense of essential services. There has been a significant investment in frontline services under the Hodgman Liberal Government. This is being further boosted in this Budget. (Chart 5).

The Health system in particular will benefit from the biggest ever increase in expenditure, with an extra \$658 million budgeted over the Budget and Forward Estimate period delivering 106 new beds.

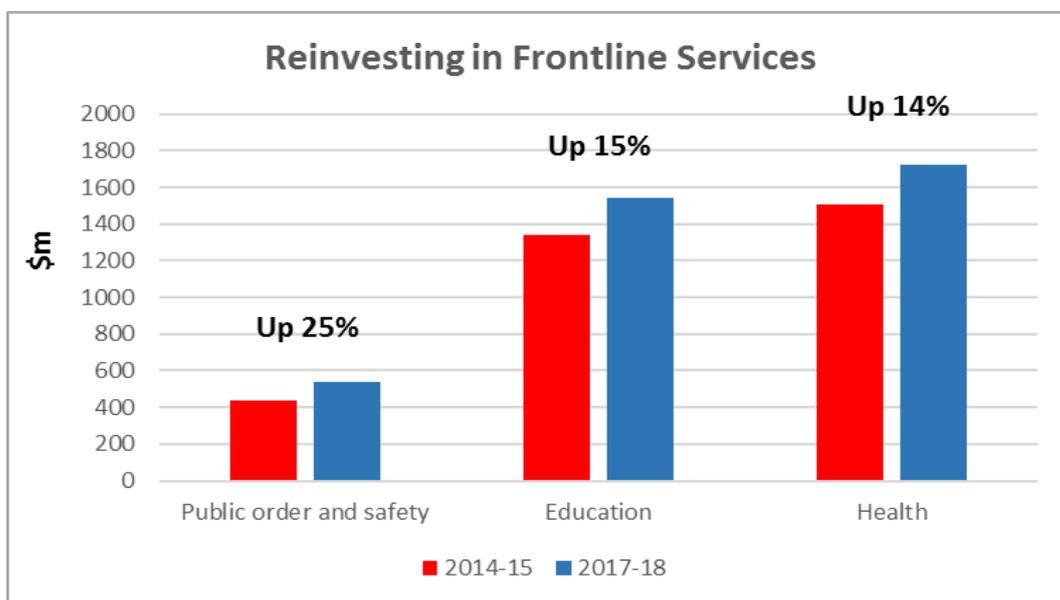


Chart 5 – Increase in expenditure on frontline services  
Expenditure figures from 2014-15 TAFR and forecast for 2017-18 taken from 2017-18 State Budget

The Hodgman Liberal Government did not make the same mistakes as previous Tasmanian Governments and those in other Australian States, in failing to take a long-term view and committing to unsustainable recurrent spending in response to a short-term funding increase. Our prudent and sensible financial approach has been vindicated.

We promised to fix the Budget mess so we could afford to reinvest in essential services and that is what we are doing.



## Key Budget Initiatives

### Jobs for Young Tasmanians

- \$17.1m Payroll Tax relief for employing apprentices, trainees and young people
- \$4000 grants to small businesses to support apprentices and trainees - \$2m
- \$4.1m Jobs Action Package: Employment Partnership with TasCOSS and the TCCI helping increase employment, including the "Jobs Bus"
- \$600,000 Whitelion Work Ready program for high risk young people aged between 16-24
- A Workforce for Now and the Future initiative - including Driving for Jobs, helping young people get a driver's licence - \$1.1m

### Biggest Ever Boost to Health

- 106 more hospital beds and staff across the State
- A record recurrent spend of more than \$7b, with new spending of \$658m over four years including:
  - More hospital beds and staff across Tasmania - \$144.4m
  - Mental health initiatives - \$16m
  - Second Medical/Police search and rescue helicopter - \$9m
  - Statewide Operations and Command Centre - \$6m
  - Medical Cannabis Controlled Access Scheme - \$3.8m
- Continuing a strong focus on Hospital and Health Infrastructure, with \$493.7m for projects including:
  - Royal Hobart Hospital Redevelopment - \$388.7m<sup>+></sup>
  - Mersey Community Hospital upgrade - \$35m
  - Launceston General Hospital 4K Children's Ward upgrade - \$7.7m<sup>+</sup>
  - Hospital upgrades and maintenance - \$17.9m<sup>+</sup>
  - Glenorchy and Kingston Health Centres - \$12.5m<sup>+</sup>
  - New St Helens District Hospital - \$11.4m<sup>+</sup>
  - Building a new ward at the Repatriation Hospital - \$7m



## Key Budget Initiatives cont.

### Action to Reduce the Cost of Living

- Capping electricity prices to protect households and small businesses from national electricity price bill shock - saving average households around \$300 per year
- Relief for medium to large Tasmanian businesses from national electricity market volatility - \$20m
- \$60m to councils for TasWater returns - takeover will save average customers up to \$550 over six years
- New Housing Incentive Package including:
  - Extending \$20,000 first home builders' grant boost
  - Stamp duty relief for house and land package purchases

### Small Business and the Economy

- Start-Up Accelerator Program to attract and support cutting edge start-ups - \$900,000
- Enhancing small business participation in the digital economy - \$900,000
- Leading edge Enterprize Hubs to support new and early stage businesses - \$1.1m
- Tasmania's Freight Rail Revitalisation - \$30m
- Tasmanian tourism marketing boost - \$1.1m
- Loans for local councils to accelerate up to \$60m work, creating up to 800 jobs
- Roads and Bridge infrastructure investment - \$827m<sup>+</sup>
- Tasmanian Cycle Tourism Strategy supporting new experiences and existing trails - \$6m
- Delivering flagship tourism experiences in national parks - \$8m
- Investment in agriculture, fisheries, biosecurity - \$44m
- \$4m<sup>+</sup> to support actions in the Forestry Strategic Growth Plan to help grow the industry and create jobs



## Key Budget Initiatives cont.

### Investing in Tasmanians

- \$6.36b record investment in education and training
- Maintained our commitment to \$134m of additional Gonski funding over 6 years
- Better school and TasTAFE buildings - \$117m<sup>+</sup>
- \$17.8m to improve student wellbeing including additional District School Health Nurses
- Rebuilding Tasmania's Police Service - \$53.4m
- Body Worn Video for Tasmania Police - \$3.4m
- Record support for Child Protection - \$44.8m
- Record funding for Community Sector Organisations – \$270m
- Delivering the National Disability Insurance Scheme - \$750m
- Affordable Housing Action Plan - \$73.5m<sup>+</sup>
- Tasmania's Family Violence Action Plan - \$15.4m<sup>+</sup>
- Volunteering Tasmania, building an army of emergency volunteers - \$200,000

<sup>+</sup>includes funding already allocated

<sup>></sup>includes Australian Government funding



**Specific budget measures for the North-West and West Coast of Tasmania include:**

- North West Regional Hospital - 8 beds and staffing - \$12 million
- Mersey Community Hospital upgrade - \$35 million
- North West Regional Hospital new dedicated Nurse Training facility - \$2.2 million
- Bass Highway bridge upgrades - \$6.4 million
- Foodbank distribution base in Devonport - \$400,000
- Circular Head new aquatic centre - \$3.5 million
- Dial Regional Sports Complex upgrade- \$3.5 million
- Devonport Golf Club multi-purpose sports clubhouse - \$3.5 million
- East Devonport Primary School - \$1.75 million<sup>+</sup>
- Latrobe High School - \$10 million<sup>+</sup>
- Parklands High School - \$9.1 million<sup>+</sup>
- Somerset Primary School - \$1.75 million<sup>+</sup>
- Boat Harbour Primary School - \$1.8 million
- Spreyton Primary School - \$1.66 million
- Upgrading visitor facilities at The Nut - \$150,000
- Zeehan Neighbourhood Centre - \$25,000<sup>^</sup>
- Rosebery Community House - \$25,000<sup>^</sup>
- Copper Mines of Tasmania - projects essential for restart of Mt Lyell mine - \$9.5 million
- Mining industry - projects supporting new technologies and best practice - \$1 million
- West Coast tourism infrastructure - \$400,000
- Phoenix House supporting local community well-being - \$10,000
- Construction of BBQ shelters at Penny's lagoon - \$40,000
- Extending the King Island Wallaby Officer and Biosecurity Officer - \$650,000
- King Island School car parking and traffic management - \$600,000
- King Island hospital upgrades - \$600,000

<sup>+</sup>includes funding already allocated

<sup>^</sup>includes \$10,000 one-off bonus payment



Specific budget measures for the North and the North-East of Tasmania include:

- Launceston General Hospital Ward 4D - 19 beds - \$35.8 million
- John L Grove Rehabilitation Centre - 20 beds - \$20 million
- Northern Cities Major Development Initiative - \$50 million<sup>+</sup>
- Mowbray Connector/East Tamar Highway junction upgrade - \$7 million
- Northern Suburbs Community Centre construction - \$1.7 million<sup>+</sup>
- Elphin Sports Centre - \$230,000
- Silverdome upgrade - \$1.9 million<sup>+</sup>
- Midland Highway bridge upgrades - \$1.1 million
- Launceston City Deal including City Heart revitalisation - \$5.8 million
- Tamar Estuary Management Taskforce - \$500,000
- Queechy High School - \$5 million<sup>+</sup>
- Riverside Primary School - \$2.5 million<sup>+</sup>
- Riverside High School - \$12 million<sup>+</sup>
- East Launceston Primary School - \$4.5 million<sup>+</sup>
- Expansion of Thyne House Youth Supported Accommodation - \$1.6 million
- Missionbeat, Launceston mobile food van helping those in need - \$20,000
- Northern Stadium Strategy - \$100,000
- Continuing support for the Launceston 10 and Stan Siejka Cycling Classic - \$140,000
- Launceston Chamber of Commerce - \$150,000 to support a business liaison officer to link local industry to procurement opportunities including those that will emerge from the University of Tasmania relocation project.
- Northern Tasmania Development Corporation - \$140,000 for a regional economic development strategy
- Brid River Jetty replacement - \$500,000
- Bridport Road bridge upgrades - \$1.95 million
- Dorset Community House - \$25,000<sup>^</sup>
- George Town Neighbourhood House - \$25,000<sup>^</sup>
- Mt Strzelecki track upgrade - \$40,000
- Blue Derby Mountain Bike Trails - \$800,000
- Additional support for Tranche 2 Irrigation including Scottsdale Irrigation Scheme - \$17.5 million
- New Campbell Town Ambulance Station - \$3 million
- Bass Highway bridge upgrades - \$3.25 million
- Ben Lomond Ski Patrol - \$120,000
- Tresca Community Centre - \$25,000<sup>^</sup>
- Beaconsfield House - \$25,000<sup>^</sup>

<sup>+</sup>includes funding already allocated      <sup>^</sup>includes \$10,000 one-off bonus payment

**Specific budget measures for Southern Tasmania include:**

- \$76.6 million to open 59 new hospital beds and staffing
- Repatriation Hospital new ward - \$7 million
- Royal Hobart Hospital Pharmacy Redevelopment - \$3.8 million<sup>+</sup>
- Hobart Traffic Congestion Management - \$1.8 million
- Bonnet Hill road improvements - \$1.4 million<sup>+</sup>
- Hobart Women's Shelter - \$3.8 million
- Loui's Van, mobile food van helping those in need - \$20,000
- Rugby Park upgrade - \$250,000
- Hobart College - \$2.5 million<sup>+</sup>
- Lenah Valley Primary School - \$3 million<sup>+</sup>
- Tarooma High School - \$5 million
- Lansdowne Crescent Primary School - \$4.73 million
- TasTAFE Drysdale upgrades - \$3.2 million
- New biotoxin testing laboratory to support seafood industry - \$1.2 million
- New Glenorchy Health Centre - \$6.7 million<sup>+</sup>
- Brooker Highway bridge upgrades (Berriedale) - \$2.05 million
- Construction and operation of new Moonah Youth Facility - \$4.9 million
- Austins Ferry Primary School - \$5.5 million<sup>+</sup>
- Windermere Primary School - \$5.5 million<sup>+</sup>
- Bucaan Community House - \$25,000<sup>^</sup>
- Goodwood Community Centre - \$25,000<sup>^</sup>
- Karadi Aboriginal Corporation - \$25,000<sup>^</sup>
- West Moonah Community House - \$25,000<sup>^</sup>
- Midland Highway Jordan River bridge upgrade - \$350,000
- Ellendale Road bridge upgrade - \$1.05 million
- Sorell School - \$3.75 million<sup>+</sup>
- Oatlands Swimming Pool redevelopment - \$2 million
- Three Capes Track Stage 3 - \$4 million<sup>+</sup>
- Tasman District School - \$4 million<sup>+</sup>
- Molesworth Primary School - \$1.9 million
- Derwent Valley Community House - \$25,000<sup>^</sup>
- Bridgewater Community Centre - \$25,000<sup>^</sup>
- Dunalley Tasman Neighbourhood House - \$25,000<sup>^</sup>
- Gagebrook Community Centre - \$25,000<sup>^</sup>
- Okines Community House - \$25,000<sup>^</sup>
- Pittwater Neighbourhood House - \$25,000<sup>^</sup>



- Building new Kingston Health Centre - \$5.8 million<sup>+</sup>
- Huon Highway bridge upgrades - \$850,000
- Woodbridge Jetty replacement - \$700,000
- Snug Primary School - \$2.5 million<sup>+</sup>
- Southern Support School - \$4.3 million
- Illawarra Primary School - \$2.9 million
- Cockle Creek campground site and boat ramp upgrade - \$150,000
- Bruny Island Neck visitor facilities upgrade - \$700,000
- Bruny Island Main Road Neck upgrade - \$3.19 million<sup>+</sup>
- Southern Outlet Proctors Road Underpass strengthening - \$300,000
- South Coast Track upgrade - \$250,000
- Geeveston Community Centre- \$25,000<sup>^</sup>
- Maranoa Heights Community Centre - \$25,000<sup>^</sup>
- West Winds Community Centre - \$25,000<sup>^</sup>
- Risdon Vale Bike Collective mentoring youth - \$50,000
- Clarendon Vale Neighbourhood Centre - \$25,000<sup>^</sup>
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- Rokeby Neighbourhood Centre - \$25,000<sup>^</sup>
- Warrane Mornington Neighbourhood Centre - \$25,000<sup>^</sup>
- Supporting development of international hospitality training college, Bellerive - \$200,000
- Montagu Bay Primary School - \$1.75 million<sup>+</sup>
- New orange-bellied parrot breeding facility at Five Mile Beach - \$3.2 million

<sup>+</sup>includes funding already allocated

<sup>^</sup>includes \$10,000 one-off bonus payment

## BIGGEST EVER BOOST TO HEALTH

The health of all Tasmanians is a top priority for the Hodgman Liberal Government, which is why we're boosting health spending by a record \$658m over four years.

We're building better hospitals and health services, significantly increasing bed numbers and employing more nurses and doctors.

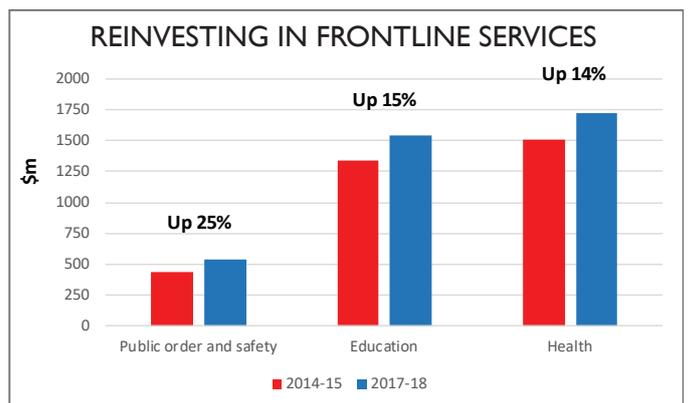
A record recurrent spend of more than \$7b, including:

- 106 more hospital beds and staff across Tasmania - \$144.4m
- Implementing new services under the One Health System - \$16.9m
- Mental health initiatives - \$16m
- Second Medical and Police search and rescue helicopter - \$9m
- Statewide Operations and Command Centre - \$6m
- Medical Cannabis Controlled Access Scheme - \$3.8m

This Budget continues the Hodgman Liberal Government's strong focus on Hospital and Health Infrastructure, with \$493.7m for a range of projects, including:

- Royal Hobart Hospital Redevelopment - \$388.7m<sup>+</sup>>
- Mersey Community Hospital upgrade - \$35m
- Launceston General Hospital 4K Children's Ward upgrade - \$7.7m<sup>+</sup>
- Hospital upgrades and maintenance - \$17.9m<sup>+</sup>
- Glenorchy and Kingston Health Centres - \$12.5m<sup>+</sup>
- New St Helens District Hospital - \$11.4m<sup>+</sup>
- Building a new ward at the Repatriation Hospital - \$7m

<sup>+</sup>includes funding already allocated  
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Increase in expenditure on frontline services. Expenditure figures from 2014-15 TAFR and Forecast for 2017-18 taken from 2017-18 State Budget



Mersey Community Hospital funding secured - \$730.4m

*“Our long term Plan is working. Together with business and the community we’ve turned the State around and we’re now building Tasmania’s future” – Premier Will Hodgman*

## INVESTING IN TASMANIANS

Our goal is to lead the nation in education, create a job-ready generation and give our children the best opportunities possible. To deliver this we are investing a record \$6.36b over four years in education and training. With the Budget now back in balance we're also investing more in essential services which support the broader Tasmanian community.

**We will invest \$117m+ in better schools and TasTAFE buildings.** Funding will upgrade facilities at Austins Ferry, Drysdale, East Devonport, East Launceston, Hobart College, Latrobe, Lenah Valley, Montagu Bay, Parklands, Queechy, Riverside, Smithton, Snug, Somerset, Sorell, St Marys, Tasman District, Windemere, Boat Harbour, Illawarra, Lansdowne Crescent, Molesworth, Southern Support School, Taroona and Spreyton.



**\$17.8m to improve student wellbeing** - employing additional health nurses in District Schools and additional support staff in government schools such as psychologists, social workers and speech pathologists.

**\$3.2m to establish Drysdale as a Centre of Excellence** - working with the tourism and hospitality industry and TasTAFE to establish Drysdale as a hub for training and skills development for Tasmania's visitor economy.

Maintained our commitment to **\$134m** of additional Gonski funding over 6 years.

**\$44.8m** record support for child protection - providing children with a safe and caring environment is critical to breaking the cycle of neglect and abuse.

**\$53.4m** to continue rebuilding Tasmania Police numbers.

+includes funding already allocated

**\$3.4m** for Body Worn Video for Tasmania Police - an additional tool to assist police officers to perform their duties safely and gather real-time evidence and intelligence in the fight against crime.

**A record \$270m for Community Sector Organisations** - Tasmania's network of support services is critical to those in need.

**\$750m** delivering the National Disability Insurance Scheme - revolutionising the way people living with disability are able to participate in all aspects of community life.

**\$346,000** for the Seniors Active Ageing Plan and Seniors Week - recognising the positive contribution older Tasmanians make economically and socially.

**\$15.4m+** support for Tasmania's Family Violence Action Plan - continuing to take a leadership role to reduce violence.

**\$36m+** supporting communities across the state to address fire risk through the Fuel Reduction Program.



**For a full list of commitments the Hodgman Liberal Government is delivering:**  
[www.premier.tas.gov.au/budget\\_2017](http://www.premier.tas.gov.au/budget_2017)

## JOBS FOR YOUNG TASMANIANS

Tasmania has come a long way in the last three years. Our economy is now forecast to grow at the fastest rate in 10 years, our budget is back in balance, more than 6400 new jobs have been created and our unemployment rate has fallen to 5.8 per cent, around the national average.

The outlook is positive, the Tasmanian economy is expected to grow by 2.5 per cent in 2017-18, which is stronger than the long-term average.

Our long term Plan is working. Together with business and the community we've turned the State around and now we're building Tasmania's future. But there is a long way to go. Along with a good education, every Tasmanian deserves a job which is why we're investing almost \$25m into projects to support 7600 young Tasmanians into jobs, including:

- **\$17.1m in payroll tax relief for businesses which employ apprentices, trainees and young people.** This measure will encourage employers to expand their workforce by taking on young Tasmanians.
- **\$4000 grants to small businesses to support apprentices and trainees.** Taking on a new employee to train can be expensive, this pilot program will support small businesses to expand their number of apprentices.
- **\$4.1m to fund a Jobs Action Package, including the "Jobs Bus".** In partnership with TasCOSS and the TCCI we will remove barriers which limit employment opportunities for young people.
- **A \$600,000 Whitelion Work Ready program** for high risk young people aged between 16-24.
- **\$1.1m Workforce for Now and the Future initiative,** including the Driving for Jobs trial to help young people get a driver's licence by blending driver training with education and vocational training.

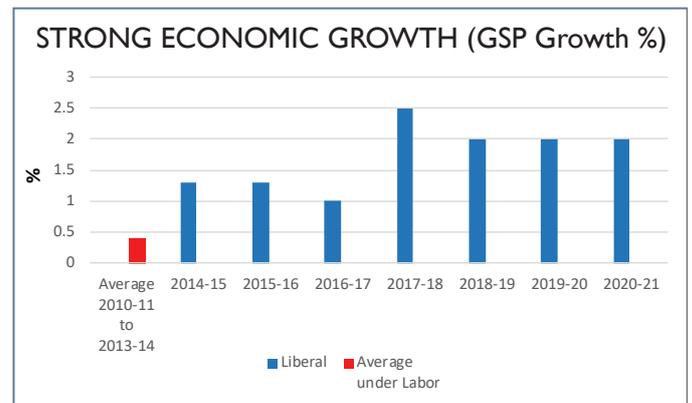


Chart 1 - Gross State Product Growth, Actual ABS figures 2010-11 to 2015-16, Treasury Forecast 2016-17 to 2020-21, 2017-18 Budget



*“Our long term Plan is working. Together with business and the community we’ve turned the State around and we’re now building Tasmania’s future” – Premier Will Hodgman*

## A BALANCED BUDGET EVERY YEAR

The Budget is in surplus by \$54.3m this year and forecast to be in balance for every year across the forward estimates, with a cumulative surplus of just over \$200m. The Government also remains free of net debt, with General Government Net Cash and Investments projected to be \$451.8m as at 30 June 2018.

We're also ensuring the Government continues to live within its means.

For the seven years from when the Hodgman Liberal Government came to office to the end of the Forward Estimates, annual expenditure growth is forecast to be 2.4 per cent, compared with revenue growth of 2.7 per cent.

A balanced budget gives business confidence to invest and employ more people.

Our Budget discipline also means we can invest more in supporting essential services.

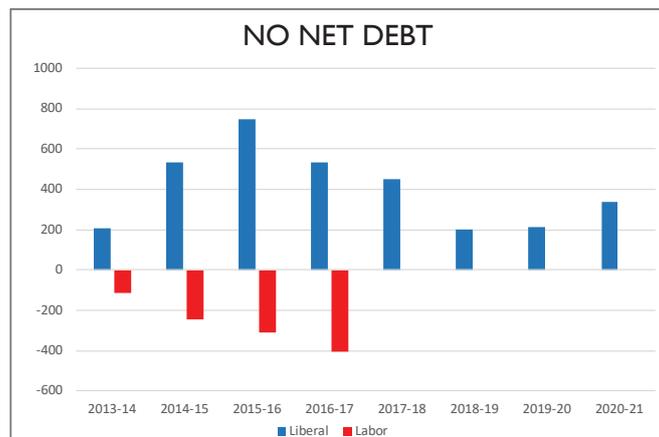


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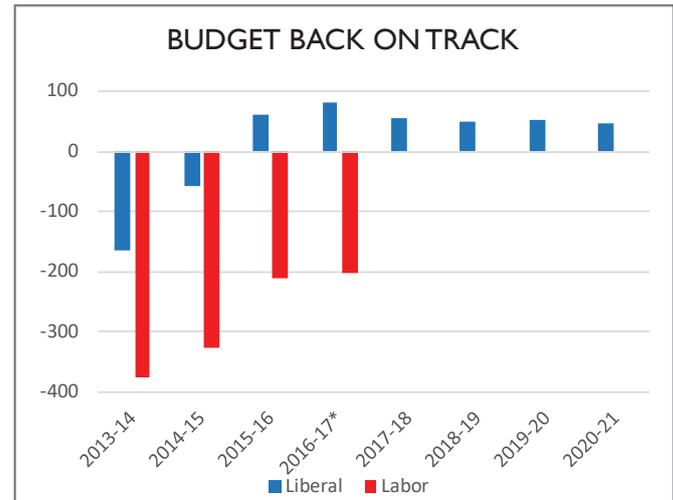


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## INFRASTRUCTURE

The Hodgman Liberal Government is building Tasmania's future through investment in important infrastructure across the state.

This \$2b commitment includes:

- \$117m+ for better schools and TasTAFE buildings
- \$493.7m for hospitals and health
- \$827m for roads and bridges<sup>+</sup>
- \$67.5m for ICT to support frontline services
- \$44m investment in agriculture, fisheries and biosecurity
- Another \$100m for the TT-Line ship replacement fund

<sup>+</sup>includes funding already allocated

<sup>></sup>includes Australian Government funding



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**JOBS FOR YOUNG TASMANIANS**

- \$17.1m Payroll Tax relief for employing apprentices, trainees and young people
- \$4000 grants to small businesses to support apprentices and trainees - \$2m
- \$4.1m Jobs Action Package: Employment Partnership with TasCOSS and the TCCI helping increase employment, including the "Jobs Bus"
- \$600,000 Whitelion Work Ready program for high risk young people aged between 16-24
- A Workforce for Now and the Future initiative - including Driving for Jobs, helping young people get a driver's licence - \$1.1m

**BIGGEST EVER BOOST TO HEALTH**

- 106 more hospital beds and staff across the State
- A record recurrent spend of more than \$7b, with new spending of \$658m over four years including:
  - More hospital beds and staff across Tasmania - \$144.4m
  - Mental health initiatives - \$16m
  - Second Medical/Police search and rescue helicopter - \$9m
  - Statewide Operations and Command Centre - \$6m
  - Medical Cannabis Controlled Access Scheme - \$3.8m
- Continuing a strong focus on Hospital and Health Infrastructure, with \$493.7m for projects including:
  - Royal Hobart Hospital Redevelopment - \$388.7m<sup>+</sup>
  - Mersey Community Hospital upgrade - \$35m
  - Launceston General Hospital 4K Children's Ward upgrade - \$7.7m<sup>+</sup>
  - Hospital upgrades and maintenance - \$17.9m<sup>+</sup>
  - Glenorchy and Kingston Health Centres - \$12.5m<sup>+</sup>
  - New St Helens District Hospital - \$11.4m<sup>+</sup>
  - Building a new ward at the Repatriation Hospital - \$7m

**ACTION TO REDUCE THE COST OF LIVING**

- Capping electricity prices to protect households and small businesses from national electricity price bill shock - saving average households around \$300 per year
- Relief for medium to large Tasmanian businesses from national electricity market volatility - \$20m
- \$60m to councils for TasWater returns - takeover will save average customers up to \$550 over six years
- New Housing Incentive Package including:
  - Extending \$20,000 first home builders' grant boost
  - Stamp duty relief for house and land package purchases

**SMALL BUSINESS AND THE ECONOMY**

- Start-Up Accelerator Program to attract and support cutting edge start-ups - \$900,000
- Enhancing small business participation in the digital economy - \$900,000
- Leading edge Enterprize Hubs to support new and early stage businesses - \$1.1m
- Tasmania's Freight Rail Revitalisation - \$30m
- Tasmanian tourism marketing boost - \$11m
- Loans for local councils to accelerate up to \$60m work, creating up to 800 jobs
- Roads and Bridge infrastructure investment - \$827m<sup>+</sup>
- Tasmanian Cycle Tourism Strategy supporting new experiences and existing trails - \$6m
- Delivering flagship tourism experiences in national parks - \$8m
- Investment in agriculture, fisheries, biosecurity - \$44m
- \$4m<sup>+</sup> to support actions in the Forestry Strategic Growth Plan to help grow the industry and create jobs

**INVESTING IN TASMANIANS**

- \$6.36b record investment in education and training
- Maintained our commitment to \$134m of additional Gonski funding over 6 years
- Better school and TasTAFE buildings - \$117m<sup>+</sup>
- \$17.8m to improve student wellbeing including additional District School Health Nurses
- Rebuilding Tasmania's Police Service - \$53.4m
- Body Worn Video for Tasmania Police - \$3.4m
- Record support for Child Protection - \$44.8m
- Record funding for Community Sector Organisations - \$270m
- Delivering the National Disability Insurance Scheme - \$750m
- Affordable Housing Action Plan - \$73.5m<sup>+</sup>
- Tasmania's Family Violence Action Plan - \$15.4m<sup>+</sup>
- Volunteering Tasmania, building an army of emergency volunteers - \$200,000

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For Braddon this means the Hodgman Liberal Government will significantly boost health funding, invest in schools and support staff and improve the lives of Tasmanians by reducing cost of living pressures. Projects for the next four years include:

## NORTH-WEST

- North West Regional Hospital - 8 beds and staffing - \$12m
- Mersey Community Hospital upgrade - \$35m
- Mersey Community Hospital long-term funding secured - \$730.4m
- North West Regional Hospital new dedicated Nurse Training facility - \$2.2m
- Bass Highway bridge upgrades - \$6.4m
- Northern Cities Major Development Initiative - Burnie - \$15m<sup>+</sup>
- Foodbank distribution base in Devonport - \$400,000
- Circular Head new aquatic centre - \$3.5m
- Dial Regional Sports Complex upgrade- \$3.5m
- Devonport Golf Club multi-purpose sports clubhouse - \$3.5m
- East Devonport Primary School - \$1.75m<sup>+</sup>
- Latrobe High School - \$10m<sup>+</sup>
- Parklands High School - \$9.1m<sup>+</sup>
- Somerset Primary School - \$1.75m<sup>+</sup>
- Boat Harbour Primary School - \$1.8m
- Spreyton Primary School - \$1.66m
- School extensions to Year 12\* - Wynyard High School, School of Special Education NW
- Upgrading visitor facilities at The Nut - \$150,000

## KING ISLAND

- Phoenix House supporting local community well-being - \$10,000
- Construction of BBQ shelters at Penny's lagoon - \$40,000
- Extending the King Island Wallaby Officer and Biosecurity Officer - \$650,000
- King Island School car parking and traffic management - \$600,000
- King Island hospital upgrades - \$600,000

## WEST COAST

- Zeehan Neighbourhood Centre - \$25,000<sup>^</sup>
- Rosebery Community House - \$25,000<sup>^</sup>
- Copper Mines of Tasmania - projects essential for restart of Mt Lyell mine - \$9.5m
- Mining industry - projects supporting new technologies and best practice - \$1m
- West Coast tourism infrastructure - \$400,000



<sup>^</sup>includes \$10,000 one-off bonus payment

<sup>\*</sup>part of \$45 million election commitment to extend High Schools to Year 12

<sup>+</sup>includes funding already allocated

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For Bass this means the Hodgman Liberal Government will significantly boost health funding, invest in schools and support staff and improve the lives of Tasmanians by reducing cost of living pressures. Projects for the next four years include:

## LAUNCESTON

- Launceston General Hospital Ward 4D - 19 beds - \$35.8m
- John L Grove Rehabilitation Centre - 20 beds - \$20m
- Northern Cities Major Development Initiative - \$50m<sup>+</sup>
- Mowbray Connector/East Tamar Highway junction upgrade - \$7m
- Northern Suburbs Community Centre construction - \$1.7m<sup>+</sup>
- Elphin Sports Centre - \$230,000
- Silverdome upgrade - \$1.9m<sup>+</sup>
- Midland Highway bridge upgrades - \$1.1m
- Launceston City Deal including City Heart revitalisation - \$5.8m
- Tamar Estuary Management Taskforce - \$500,000
- Queechy High School - \$5m<sup>+</sup>
- Riverside Primary School - \$2.5m<sup>+</sup>
- Riverside High School - \$12m<sup>+</sup>
- East Launceston Primary School - \$4.5m<sup>+</sup>
- Expansion of Thyne House Youth Supported Accommodation - \$1.6m
- Missionbeat, Launceston mobile food van helping those in need - \$20,000
- Northern Stadium Strategy - \$100,000
- Continuing support for the Launceston 10 and Stan Siejka Cycling Classic - \$140,000

## REGIONAL

- Brid River Jetty replacement - \$500,000
- Bridport Road bridge upgrades - \$1.95m
- Dorset Community House - \$25,000<sup>^</sup>
- George Town Neighbourhood House - \$25,000<sup>^</sup>
- Mt Strzelecki track upgrade - \$40,000
- Flinders Island District High School extension to Year 12\*
- Blue Derby Mountain Bike Trails - \$800,000
- Additional support for Tranche 2 Irrigation including Scottsdale Irrigation Scheme - \$17.5m



<sup>^</sup>includes \$10,000 one-off bonus payment

\*part of \$45 million election commitment to extend High Schools to Year 12

<sup>+</sup>includes funding already allocated

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For Lyons this means the Hodgman Liberal Government will significantly boost health funding, invest in schools and support staff and improve the lives of Tasmanians by reducing cost of living pressures. Projects for the next four years include:

## NORTHERN LYONS

- Cradle Mountain visitor infrastructure - \$21.8m<sup>+</sup>
- New Campbell Town Ambulance Station - \$3m
- Bass Highway bridge upgrades - \$3.25m
- Midland Highway - \$185.3m<sup>+></sup> (share of)
- Midland Highway bridge upgrades - \$1.35m
- Kentish bus services - \$400,000
- Deloraine High School - extension to Year 12<sup>\*</sup>
- Ben Lomond Ski Patrol - \$120,000
- Tresca Community Centre - \$25,000<sup>^</sup>
- Beaconsfield House - \$25,000<sup>^</sup>
- Deloraine House - \$25,000<sup>^</sup>

## EAST COAST

- Maria Island restoration works - \$1.8m
- Increasing Wineglass Bay Carpark capacity - \$170,000
- New St Helens Hospital - \$11.4m<sup>+</sup>
- St Marys District School - \$5m<sup>+</sup>
- Aboriginal Land Council of Tasmania wukalina Cultural Walk development - \$278,000
- St Helens Neighbourhood House - \$25,000<sup>^</sup>
- Fingal Valley Neighbourhood House - \$25,000<sup>^</sup>
- Great Eastern Drive - \$6.3m
- St Helens Mountain Bike Trail Network - \$1m

## SOUTHERN LYONS

- New Norfolk Hospital - 7 beds - \$1.9m
- Midland Highway - \$185.3m<sup>+></sup> (share of)
- Midland Highway Jordan River bridge upgrade - \$350,000
- Ellendale Road bridge upgrade - \$1.05m
- Sorell School - \$3.75m<sup>+</sup>
- Oatlands Swimming Pool redevelopment - \$2m
- Three Capes Track Stage 3 - \$4m<sup>+</sup>
- Tasman District School - \$4m<sup>+</sup>
- Molesworth Primary School - \$1.9m
- Derwent Valley Community House - \$25,000<sup>^</sup>
- Bridgewater Community Centre - \$25,000<sup>^</sup>
- Dunalley Tasman Neighbourhood House - \$25,000<sup>^</sup>
- Gagebrook Community Centre - \$25,000<sup>^</sup>
- Okines Community House - \$25,000<sup>^</sup>
- Pittwater Neighbourhood House - \$25,000<sup>^</sup>



<sup>^</sup>includes \$10,000 one-off bonus payment | <sup>\*</sup>part of \$45 million election commitment to extend High Schools to Year 12

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For Franklin this means the Hodgman Liberal Government will significantly boost health funding, invest in schools and support staff and improve the lives of Tasmanians by reducing cost of living pressures. Projects for the next four years include:

## MORE HOSPITAL BEDS

- \$76.6m for 59~ hospital beds and staffing including:
  - Roy Fagan Centre - 10 beds - \$10m
  - Hobart Private Hospital - 8 beds - \$1.8m<
  - Royal Hobart Hospital Intensive Care Unit - 2 beds - \$14.4m
  - Royal Hobart Hospital Emergency Department - 10 beds - \$20m
  - Repatriation Hospital - 22 beds - \$19.3m



## KINGBOROUGH /HUON REGION

- Building new Kingston Health Centre - \$5.8m+
- Bonnet Hill road improvements (southern end) - \$1.4m+
- Huon Highway bridge upgrades - \$850,000
- Woodbridge Jetty replacement - \$700,000
- Snug Primary School - \$2.5m+
- Southern Support School - \$4.3m
- Illawarra Primary School - \$2.9m
- Cockle Creek campground site and boat ramp upgrade - \$150,000
- Huon Highway/Summerleas Rd junction - \$21.9m+>
- Bruny Island Neck visitor facilities upgrade - \$700,000
- Bruny Island Main Road Neck upgrade - \$3.19m+
- Southern Outlet Proctors Road Underpass strengthening - \$300,000
- South Coast Track upgrade - \$250,000
- Geeveston Community Centre- \$25,000^
- Maranoa Heights Community Centre - \$25,000^
- West Winds Community Centre - \$25,000^

## EASTERN SHORE

- Hobart Airport Roundabout Flyover - \$30m>
- Risdon Vale Bike Collective mentoring youth - \$50,000
- Clarendon Vale Neighbourhood Centre - \$25,000^
- Risdon Vale Neighbourhood Centre - \$25,000^
- Rokeby Neighbourhood Centre - \$25,000^
- Warrane Mornington Neighbourhood Centre - \$25,000^
- Supporting development of international hospitality training college, Bellerive - \$200,000
- Montagu Bay Primary School - \$1.75m+
- New orange-bellied parrot breeding facility at Five Mile Beach - \$3.2m

~includes 7 beds at New Norfolk Hospital  
 ^includes \$10,000 one-off bonus payment  
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 <cost for first year only

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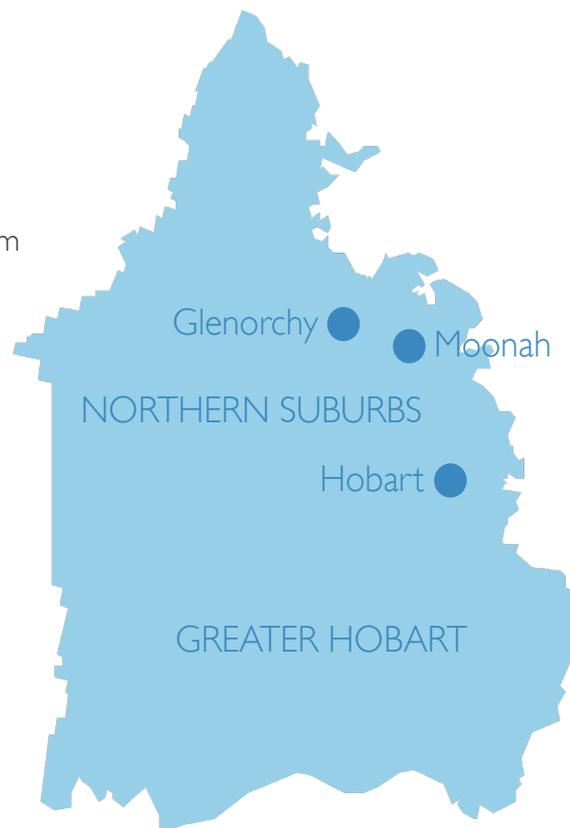


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For Denison this means the Hodgman Liberal Government will significantly boost health funding, invest in schools and support staff and improve the lives of Tasmanians by reducing cost of living pressures. Projects for the next four years include:

## GREATER HOBART

- \$76.6m for 59~ hospital beds and staffing including:
  - Roy Fagan Centre - 10 beds - \$10m
  - Hobart Private Hospital - 8 beds - \$1.8m<
  - Royal Hobart Hospital Intensive Care Unit - 2 beds - \$14.4m
  - Royal Hobart Hospital Emergency Department - 10 beds - \$20m
  - Repatriation Hospital - 22 beds - \$19.3m
- Repatriation Hospital new ward - \$7m
- Royal Hobart Hospital Pharmacy Redevelopment - \$3.8m+
- Royal Hobart Hospital Redevelopment - \$388.7m+>
- Hobart Traffic Congestion Management - \$1.8m
- Bonnet Hill road improvements - \$1.4m+
- Hobart Women's Shelter - \$3.8m
- Loui's Van, mobile food van helping those in need - \$20,000
- Rugby Park upgrade - \$250,000
- Hobart College - \$2.5m+
- Lenah Valley Primary School - \$3m+
- Tarooma High School - \$5m
- Lansdowne Crescent Primary School - \$4.73m
- TasTAFE Drysdale upgrades - \$3.2m
- New biotoxin testing laboratory to support seafood industry - \$1.2m



## NORTHERN SUBURBS

- New Glenorchy Health Centre - \$6.7m+
- Brooker Highway bridge upgrades (Berriedale) - \$2.05m
- Construction and operation of new Moonah Youth Facility - \$4.9m
- Austins Ferry Primary School - \$5.5m+
- Windemere Primary School - \$5.5m+
- Bucaan Community House - \$25,000^
- Goodwood Community Centre - \$25,000^
- Karadi Aboriginal Corporation - \$25,000^
- West Moonah Community House - \$25,000^

~includes 7 beds at New Norfolk Hospital

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