

Budget & Economy

Securing Tasmania's Future • Delivering Our Plan

TASMANIAN
BUDGET
2021-22

SECURING TASMANIA'S FUTURE, DELIVERING OUR PLAN

Now more than ever it is vital we secure Tasmania's future. That we secure the health and safety of Tasmanians. That we secure our economy and the jobs it supports. And that we secure our future by providing better and more modern services to the Tasmanian community.

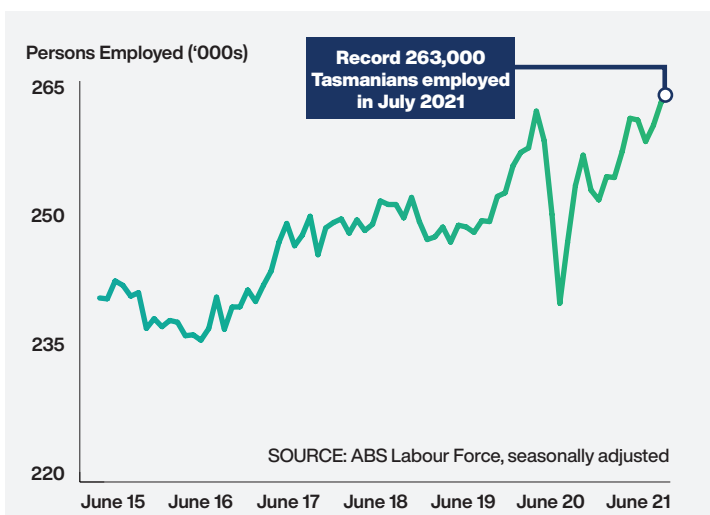
We are facing one of the biggest challenges that Tasmania and the world has ever seen. While it is a time of uncertainty for Tasmania, it is also a time of opportunity. We cannot let that opportunity pass us by.

This is a Budget that builds on the strong foundations that this Government has established over the past seven years. It is based on listening to what the Tasmanian community wants and providing support where it is most. This State will achieve great things if we all work together to secure Tasmania's future

ECONOMIC RECOVERY LEADING THE NATION

Since the largest downturn in generations, our economy has rebounded and continues to be nation-leading. Employment is now at its highest level on record, our unemployment rate is the lowest it's been in more than 10 years, and job vacancies are at a series high as businesses look to hire.

Tasmania's goods exports are at record levels and retail trade



is now higher than before the pandemic. Spurred on by our Construction Blitz last year, including HomeBuilder, our building sector is extremely strong. Overall, CommSec ranks our economy as the best-performing in the nation, for the sixth quarter in a row.

These results demonstrate the resilience and innovation of Tasmanian workers and businesses, our flexible and adaptive

management of COVID-19, and our pre-pandemic economic and budget strength.

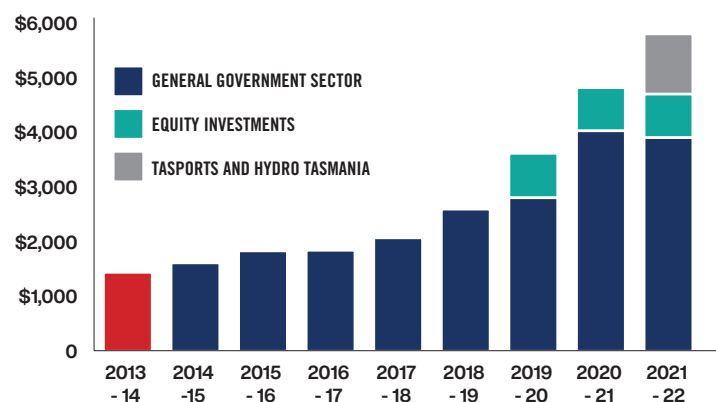
The Budget forecasts economic growth of 4% this year, and continued employment growth.

WORKING FOR TASMANIA

We are delivering on our plan to secure Tasmania's future, by supporting confidence, our economy and jobs in every region. It includes a total \$5.7 billion infrastructure investment over the next four years which will support 28,000 jobs.

We support businesses to grow, hire, and importantly, manage the impacts of COVID-19. We will support our industries to capitalise on our competitive advantages. And we will invest even more into education and skills, and TasTAFE to give Tasmanians greater opportunities to participate in, and benefit from, our growing economy.

Infrastructure investment over four years, \$m



TOTAL \$5.7 BILLION INFRASTRUCTURE INVESTMENT

The Budget supports a total infrastructure investment program of \$5.7 billion, which will build the intergenerational infrastructure to secure Tasmania's future, including better hospitals, more homes, better schools, roads, bridges, as well as irrigation systems and renewable energy assets.

IMPACT ON THE BUDGET

Our strong economy is strengthening our bottom line. The 2021-22 Budget anticipates a Net Operating Deficit of \$689.8M.

The Budget plots a return to an operating surplus by 2023-24, and a cash surplus next year. Importantly, as we use our strong balance sheet to stimulate our economy, our Net Debt will continue to be one of the lowest in the country. The 2021-22 Budget provides the foundation to continue to respond to the COVID-19 pandemic while growing our economy. It delivers on our plan to secure Tasmania's future.

Getting more Tasmanians into work

Securing Tasmania's Future • Delivering Our Plan

**TASMANIAN
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Now, more than ever, it is vital that we secure Tasmania's future. We must recognise that all sectors of the economy, and all regions of Tasmania, have an important part to play. The 2021-22 Tasmanian Budget includes an extensive package that supports our economic growth, supports Tasmanian business, supports jobs, supports our regions and helps cushion the impact of the COVID-19 pandemic.

GETTING MORE TASMANIANS INTO WORK

- Total \$5.7 billion investment into job-creating infrastructure, supporting 28,000 jobs around the State*
- \$20.5M Working Tasmania program, including the \$2M Job Ready Fund to help Tasmanians with the tools they need for a job, and the \$6.5M Tasmanian Employer Bonus Fund to support long-term unemployed into work[^]
- \$10.6M to establish four new Jobs Hubs in regional communities under our Local People into Local Jobs agenda and expand the Northern Employment and Business Hub. New Hubs will be located at Brighton, Huonville, St Helens and Burnie[#]
- \$1.5M for a Jobs Partnership Fund to work with the community-sector to add value to Jobs Hubs[#]
- \$12.4M to build and improve local community facilities across the State, assisting small businesses in every region
- \$1.342M to pilot Youth Connectors working with Sorell, Glenorchy and the George Town Launchpad to focus on getting young Tasmanians into work[^]
- \$700,000 for the Digital Ready for Daily Life program to improve digital literacy and inclusion*
- \$190,000 to help migrants into employment[^]
- \$170,000 to support the Fit for Work Devonport project
- \$585,000 for a community services-based project team to drive research to help reduce barriers to employment.
- \$300,000 for the NILS Micro Business Loan Program to encourage more small business start-ups*
- \$1.5M to expand the Sorell Trade Training Centre in partnership with the Australian Government
- \$10M for the Building Projects Support Program, to bring forward projects
- \$9M partnership with MBA, CCF and HIA to build a High-Vis Army*
- \$3.6M for the Building and Construction Support Loan Scheme
- \$2M for the Small Business Incubator and Accelerator Pilot Program[#]
- \$2.6M for Rural Business Resilience package[#]
- \$15M for Tasmanian Agricultural Precinct for research, skills and development of industry[#]
- \$1.5M for exploration drilling grants[#]
- Up to \$5M to support the mining sector in exploration with refreshed Geoscience Initiative* (including Australian Government funding)
- \$8M to grow on-island processing and value-adding of forest products* (including Australian Government funding)
- \$1.2M for the Business Events Attraction Fund*
- \$8M to secure and attract events with new Events Support and Attraction Fund*
- \$2.4M to deliver the Great Customer Experience hospitality program[#]
- \$3M for the Tourism Industry Interest Free Loan Program[#]
- \$2.25M for Hospitality 2030 skills and workforce development[#]
- \$1M to extend subsidised flights to King and Flinders Island
- \$16M for additional tourism marketing[#]
- \$18M to secure Tasmania's iconic events*
- \$1.34M to support start-ups through the 'Enterprize Hubs' in Hobart, Launceston and a new hub for the Cradle Coast region*
- \$5M for cultural and creative industry assistance to support artists, and small grants program
- \$3M for Tasmanian Screen productions
- \$3M towards construction of rubber crumbing plant to re-use waste tyres*

BACKING INDUSTRY TO CREATE JOBS

- \$800,000 to boost Business Tasmania to better support Tasmanian businesses*
- \$1.2M for Small Business Financial Counselling and Advice*
- \$750,000 for the Digital Ready for Business program to help businesses grow the digital skills*
- \$8M in Innovation and Development Grants for key visitor attraction projects
- \$10.3M for Macquarie Point activation and operations[#]
- \$8M for Tasmanian Renewable Energy Action Plan and Renewable Hydrogen Action Plan priorities
- \$6M in interest on \$100M loan to Incat, supporting hundreds of new and existing jobs
- \$3M for Advanced Manufacturing Accelerating Growth Grants[^]
- \$4.95M to deliver the Advanced Manufacturing Action Plan[#]
- \$2.25M for international business development managers to expand export markets[#]
- \$3.75M to implement Tasmanian Trade Strategy*
- \$600,000 for Tender Incentive Grant Program for competitive defence industry tenders[^]

MORE SKILLS AND TRAINING, AND AN IMPROVED TASTAFE SYSTEM

- \$37.6M to deliver 100 extra TasTAFE teachers*
- \$10M for the TasTAFE virtual campus, increasing access for regional students[^]
- \$2.43M for Community Services Sector workforce readiness, training and skills[#]
- \$2M for the Skill Up! Program - fee-free short courses for job readiness*
- \$2M for Racing Industry Training Initiative*
- \$4M to increase TasTAFE access for rural and remote students with Libraries Tasmania[^]
- \$45M for TasTAFE facility upgrades and Transition Fund to new TasTAFE model*

* Over four years # Over three years ^Over two years