

Barton Deakin Brief: 2021-22 Tasmania State Budget

30 August 2021

Overview

On 26 August the Tasmanian Premier and Treasurer, the Hon. Peter Gutwein MP delivered the 2021-22 Tasmanian State Budget.

Summary of Economic Indicators & Outlook

Revenue: \$7.257 billion.

Net Debt: \$1.704 billion. Forecast to improve to \$501.3 million in FY2022-23.

Operating deficit: \$689.8 million. Forecast to reach \$39.4 million surplus in FY2023-24.

Economic Growth: 4 per cent forecast.

Employment: 4.5 per cent.

COVID-19 Response

- \$44 million in COVID-19 response and recovery measures including: public housing initiatives on energy efficiency, hotel quarantine extension and the women's strategy.
- \$7.83 million for COVID-19 mental health services.
- \$8.52 million for vaccine costs.
- \$3.5 million for the COVID-19 coordination centre.
- \$1.2 million for the COVID-19 Small business financial counselling and advice support program.

Infrastructure

A total of \$3.8 billion infrastructure spending, including:

- \$2 billion for roads and bridges.
- \$503.7 million for hospitals and health.
- \$404.9 million for human services and housing.
- 238.8 million for law and order.
- \$335.8 million for schools, education, and skills.
- \$183.6 million for tourism, recreation, and culture.
- \$145.4 million for ICT support to service delivery.



Major projects include:

- \$700 million for the redevelopment of the Tarraleah power station.
- \$240 million for the Port of Devonport redevelopment.
- \$80 million for the Tamar River bridge.
- \$30 million for the new Bridgewater Bridge.
- \$23.4 million for the Greater Hobart Traffic Solution.
- \$23.9 million for the Digital Transformation Priority Expenditure Program.
- \$55.2 million for roads of strategic importance.

An additional \$783.8 million in equity contributions to government business and other entities. This includes \$65 million to Stadium Authority Trust.

Energy and Resources

- \$15 million to support the work of Renewables, Climate and Future Industries Tasmania.
- \$3 million to partner with industry to invest in a crumb rubber plant to turn end-of-life tyres into product.
- \$600,000 to facilitate the launch of a second Electric Vehicle Charge Smart Grants program.
- A two-year waiver of duty on the purchase of new and second hand electric and hydrogen fuel cell vehicles to incentivise the uptake of these vehicles by reducing up-front costs.
- Extending the Exploration Drilling Grants Initiative until 2025 with \$1.5 million.
- \$1.15 million to the Tasmanian Timber Promotions Board to promote Tasmanian timber products across the world.
- \$12 million Winter Energy Supplement as a one-off discount of \$125 per household for consumers eligible for annual electricity pensioner concession.
- \$3.75 million for the Renewable Energy Schools Program. This includes the roll-out of 100 solar panels to over 100 government schools.
- \$8 million for Renewables Tasmania to implement the Tasmanian Renewable Energy Action Plan and Tasmanian Renewable Hydrogen Action Plan.

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Health

The Tasmanian government has announced an increase of \$900 million to health, coming to a total \$10.7 billion in health funding over the next four years:

- \$198 million for an additional 50 beds to accommodate increased demand in major hospitals.
- \$18 million to enable private hospitals to support the increased demand in public hospitals.
- \$110 million for Royal Hobart Hospital Redevelopment as part of a 30-year plan for the Royal Hobart Hospital precinct.
- \$66 million for an additional 20,000 elective surgeries and 2,3000 endoscopies to address surgery demand in response to the COVID-19 pandemic.



- \$40.8 million into the Tasmanian Ambulance fleet to provide 30 new ambulances, 48 paramedics and upgrades.
- \$9 million for the implementation of voluntary assisted dying legislation next year.
- \$108 million in additional funding to mental health services.
- \$52 million has been allocated to implement a range of palliative care initiatives, including community palliative care and home and community based palliative care.
- \$15.7 million to implement the Health Workforce 2040 strategy.

Education

The budget \$8 billion for education, skills and training over 4 years:

- \$45 million for the TasTAFE Facility Upgrades and Transition Fund.
- \$37.6 million for 100 extra TasTAFE Teachers.
- \$11 million for the Trades and Water Centre of Excellence.
- \$6 million for 6 new child and family learning centres.
- \$5.3 million for the improvement of literacy for Tasmanian students, including funding for 40 additional literacy coaches.
- \$3.803 million for free access to speech pathologists, psychologists and social workers in child and family learning centres.
- \$6 million to support students impacted by trauma.

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Tourism

- \$50 million for a Tourism Industry Interest Free Loan Program and \$1 million will support travel agents affected by the extensive constraints on travel.
- Qantas payroll tax reimbursement of up to \$1 million per annum for 10 years from 2014-15, ending with a final reimbursement of up to \$250 000 in 2024-25.
- \$145 million into parks and reserves, including:
 - o \$4 million for the Cradle Mountain Visitor Experience.
 - o \$1.2 million for the Ben Lomond National Park.
- \$3.1 million for National and World Heritage Projects.
- \$3 million for the Freycinet Tourism Icons Project.

Housing and Community

- \$615 million into social and affordable housing, and homelessness initiatives.
 - o Includes building 3 500 new homes by 2027, adding an additional 2 000 homes to the current plan to deliver 1 500 homes by 2023.
- Increase in the tax-free threshold for Land Tax from \$24 999 to \$49 999, increase the start of the middle tax band threshold to \$50 000 and increase the top tax band threshold from \$350 000 to \$400 000.



- Increase the First Home Owner Grant from \$20,000 to \$30,000.
- Increased in the value threshold for the First Home Buyer Duty Concession and Pensioner Duty Concession from \$400 000 to \$500 000.
- \$15 million for the Local Community Facilities fund program to support community associations and sporting clubs to improve their facilities and infrastructure.
- \$100 million has been allocated to implement the whole-of-government Child and Youth Wellbeing Strategy.
- \$4 million towards building capacity in Aboriginal Community-Controlled Organisations to better meet the needs of Tasmanian Aboriginal people.
- \$970,000 to support major Aboriginal policy reform initiatives. Includes drafting new Aboriginal heritage legislation and finalising the Review into the Model of Returning Land.

Arts and Culture

- \$12 million to support artists and arts organisations.
- \$4.8 million for the cultural and creativity industry operational assistance.
- \$18 million for Securing Tasmania's Iconic Events to create iconic events and festivals in Tasmania.
- \$8 million for events support and attraction fund to attract events and visitors to Tasmania.

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Sport and Entertainment

- \$83.5 million for the redevelopment of the Derwent Entertainment Centre and Multi-Sports facility.
- \$42.15 million for the Royal Agricultural Society of Tasmania (RAST) Hobart Showground Redevelopment.
- \$10 million for football club upgrades.
- \$12.415 million for the Local Community Facilities Fund.
- \$2 million for the Industry Training Initiative for improved training for jockeys and other racing industry career opportunities.

Community Safety

- \$47.5 million for the new Southern Remand Centre.
- \$6.4 million for the Emergency Services Operations Centre.
- \$9.425 million for 50 additional police officers.
- \$10.6 million to ensure a consistent level of policing in rural and remote police stations when police officers are on leave.
- \$2.4 million for Family Violence Electronic Monitoring to continue Tasmania's electronic monitoring of high-risk family violence perpetrators.
- \$8.8 million for legal assistance sector support to provide free and low-cost legal services.



- \$6 million for the Emergency Services Personnel and Volunteers Health and Wellbeing Program. This provides psychologists and other services to emergency services personnel.
- \$18 million to for measures to build bushfire safety in communities and to support firefighters and volunteers in our fire brigades and State Emergency Service units.
- An additional \$1.5 million per annum to the Emergency Services Personnel and Volunteers Health and Wellbeing Program.
- \$567 million for the Tasmanian Government Radio Network.
- \$46 million for the upgrade of critical police ICT systems.

Regions and Agriculture

- Rebates of up to \$10,000 on carbon farming advice sought from experts to create carbon credits for sale.
- \$1.8 million for the Fisheries Digital Transition Project.
- \$50 million to achieve the annual farm-gate value target of \$10 billion by 2050.
- \$10.2 million for a new Ag-Protection Package to future-proof the industry and assist manage risks to primary industries.
- \$5.6 million for a new Community Farming Partnerships Program, including \$450,000 to extend the Safe Farming Tasmania Program.
- \$2.6 million for a Rural Business Resilience Package.
- \$250,000 for Aboriginal cultural fisheries to identify options for Indigenous and cultural fisheries development.
- \$15 million for the Tasmanian Agricultural Precinct to develop a Tasmanian Agricultural Precinct in Launceston.
- \$3 million for the Agricultural Development Fund supporting research and development in the agricultural sector.
- \$2 million for the Strategic Industry Partnership Program supporting co-investment with agricultural peak bodies to support sustainable industry growth.
- \$100,000 for Wine Tasmania to improve the resilience of the wine sector and fund emergency smoke testing.
- \$2 million for the primary producer safety rebate scheme. This includes cash-back rebates to farmers that implement safety measures that reduce work-related injuries and death in farming.

Jobs and Small Business

- Payroll tax relief to businesses operating in Tasmania that employ apprentices, trainees and youth employees until 30 June 2022.
- \$10.625 million for the Jobs Hub Initiative to build four new jobs hubs in regional communities.
- \$20.5 million for the Working Tasmania Program. This aims to address barriers to employment and to support employers to employ.



- \$2 million for the Small Business Incubator and Accelerator pilot program.
- A \$20 million business support package in partnership with the Australian Government to support businesses affected by the flow-on effects of lockdowns interstate.
- \$300,000 for Regional Chambers of Commerce, to support their small business members.
- \$150,000 for the Tasmanian Small Business Council to advocate and support its members.

Further Information

[The Premier's Budget Speech](#)

[The Budget Papers](#)

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