

## Barton Deakin Brief: 2023-24 Tasmania State Budget

26 May 2023

### Overview

On Thursday 25 May the Tasmanian Deputy Premier and Treasurer, The Hon. Michael Ferguson MP delivered the Liberal Rockliff Government's 2023-24 Tasmanian State Budget.

Treasurer Ferguson said the 2023-24 Tasmanian State Budget is focused on embedding a strong, safe and secure future for Tasmania, able to deal with coming economic headwinds.

The Treasurer said that the Tasmanian State Budget builds on significant Tasmanian state economic growth of 4.3 per cent in the last financial year, following growth of 5 per cent in the 2020-21 year, stronger than the national growth rate. Strong economic growth is supported by historically high Tasmanian goods and retail trade which in March 2023 was 55 per cent higher than when the Liberal Party came to Government in Tasmania in 2014.

### Summary of Economic Indicators & Outlook

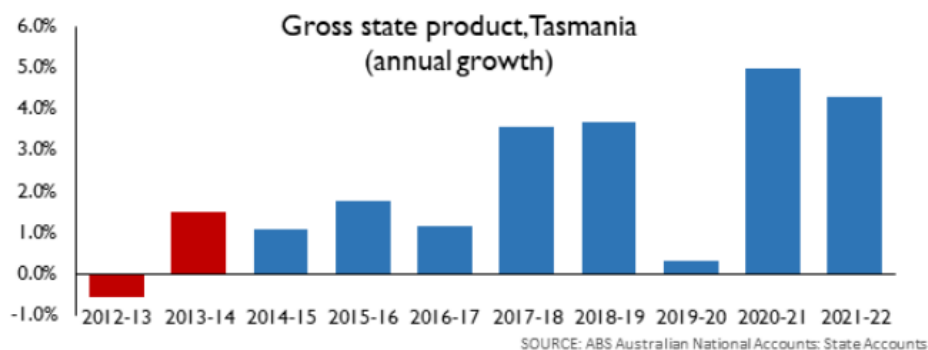
**Revenue:** \$8422.2 million.

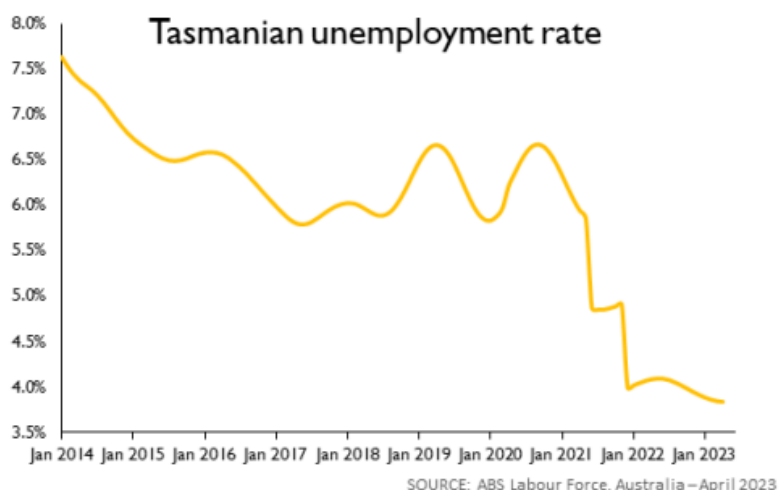
**Net Debt:** \$2994 million. Forecast to \$3497.2 million as at 30 June 2024, increasing to \$5596 million as at 30 June 2027.

**Operating deficit:** \$297.5 million. Forecast to improve to a Net Operating Surplus of \$61.2 million in FY2026-27.

**Economic Growth:** 1.5 per cent forecast for 2022-23. Forecast to increase to growth of 2 per cent in 2023-24.

**Employment:** Expected to grow by 2.5 per cent in 2022-23. Forecast to slow to 0.5 – 1 per cent in 2023-24.





Source: 2023-24 Tasmanian Budget Overview Booklet, Government of Tasmania

## Infrastructure

The 2023-24 Tasmanian State Budget includes almost \$5 billion in job-creating infrastructure across the next four years, including \$2.2 billion in new, upgraded roads and bridges across Tasmania, including:

- \$2.2 billion for roads and bridges.
- \$557.3 million for tourism, recreation and culture.
- \$502.9 million for hospitals and health.
- \$375 million for law and order.
- \$311.7 million for ICT support to service delivery.
- \$305.1 million for schools, education, and skills.
- \$26.5 million for other infrastructure.

Major projects include:

- \$280 million for improvements to the Bass Highway.
- \$213 million for upgrades to the East and West Tamar highways, the Launceston and Tamar Traffic Vision and Northern Region upgrades program.
- \$20.8 million for the Targeting Congestion Package.
- \$13.5 million in state funding as part of the \$99.7 million co-funded Urban Congestion Fund roads program with the Australian Government.
- \$291.1 million for Irrigation Projects, Energy on Farms initiatives and the Lake Leake Dam Life Extension Project.
- \$197.4 million for the Tasmanian Freight Rail Revitalisation Program, reconnection of the Bell Bay rail line to the Port of Bell Bay, construction of a new minerals hub on the Melba rail line, and an overhaul of TasRail's legacy locomotives and road rail vehicles.
- \$65 million for the Launceston UTAS Stadium redevelopment.
- \$50 million for TasWater's accelerated infrastructure program.



- \$42.2 million for the Tarraleah Power Station redevelopment.
- \$7.5 million for racing infrastructure in the North West of the State and for other capital works.
- \$3.3 million for an electric bus trial.

An additional \$656.5 million in equity contributions to government business and other entities.

## Health

The Tasmanian government will invest a record \$12.1 billion over four years for health services across Tasmania, an increase of \$1 billion, and \$682.9 million over 4 years for upgrades and new facilities at hospitals, ambulance stations and mental health centres, as well as boosting digital health capacity:

- \$374 million for an additional 298 beds to be opened by 30 June 2024.
- \$38 million in addition funding for the Statewide Elective Surgery Plan to provide an additional 22000 endoscopies.
- \$20 million to reduce outpatient wait times over the next two years.
- \$87.1 million for the North West Hospitals Masterplan, including \$40 million for the new mental health precinct in Burnie.
- \$580 million for the Launceston General Hospital redevelopment and new mental health precinct, with an additional \$15 million committed to construct a new state-of-the-art rooftop helipad on the campus.
- \$170.4 million to progress the 30-year masterplan for the Royal Hobart Hospital redevelopment.
- \$6.6 million over two years for a second angiography suite at the Royal Hobart Hospital.
- Permanent funding for 97 ambulance service positions originally established in response to the pandemic.
- \$3.5 million for the Midlands Multipurpose Health Centre at Oatlands.
- \$30 million for the next stage of the Kingston Community Health Centre.

## Housing

The Tasmanian State Budget embeds landmark reforms to social and affordable housing in Tasmania, providing funding to the new authority, Homes Tasmania, to build homes faster and deliver on the Rockliff Government's \$1.5 billion plan to provide 10,000 new homes and units by 2032. Housing initiatives in the Budget include:

- \$373 million for grant funding to provide housing and homelessness services.
- \$3 million to extend the Residential Land Release Rebate initiative.
- \$4 million over six years to provide a free work readiness program for Tasmanians aged between 16 and 24 to enter the construction industry.
- \$1.5 million to extend and enhance the Private Rental Incentive Program.



- \$28 million over four years to continue the Safe Spaces program for crisis and supported accommodation.
- \$1.73 million to continue the Hobart Women's Shelter Emergency Response.
- \$6 million to expand the Youth to Independence program.

## Education

The Budget invests a record \$8.9 billion for education, and a further \$305.1 million into schools, education and vocational training infrastructure. Education measures include:

- \$36.6 million to provide 100 additional in-class support positions and 25 Education Support Specialist positions by 2025.
- \$19 million to attract and retain teachers.
- \$15.4 million for more senior leadership roles in targeted areas of need.
- \$8 million for electrical switchboards.
- \$6.3 million for student bathrooms.
- \$5 million for solar panels in more than 100 schools.
- \$10 million for an Outdoor Learning program.
- \$6.5 million for the Literacy Community-wide Framework.
- \$660 million into skills and workforce growth over four years.
- \$1.5 million in addition funding for the Freer Farm Agricultural Centre of Excellence.
- \$3 million for TasTAFE facility upgrades.
- \$5.5 million in addition funding for the Jobs Hub initiative.
- \$1.8 million for the Employer of Choice program refresh.

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## Cost of Living

The Budget committed more than \$347 million in support for cost of living over the next four years, including:

- \$216.1 million for electricity concessions.
- \$88.9 million to assist with council rates bills.
- \$40.6 million to assist with water and sewerage bills.
- \$1.4 million in pensioner subsidies for travel on the Spirit of Tasmania.
- \$18.1 million in taxi fare concessions and subsidies for eligible persons with permanent disabilities or medical conditions.

The Budget also includes \$45 million in state funding for the Energy Bill Relief Fund, which is matched dollar for dollar by the Australian Government.



## Communities and Culture

- \$2.4 million for Neighbourhood Houses.
- \$2.1 million uplift in funding in 2023-24 for community sector organisations
- \$50 million over four years for the Family and Sexual Violence Action Plan
- \$2.4 million over four years for arts and cultural production and services.
- \$1 million over two years for Screen Tasmania.
- \$2 million for the Tasmanian Museum and Art Gallery restoration.
- \$2 million toward Closing the Gap.
- \$200 000 for legislative reforms for Aboriginal land rights and cultural heritage.
- \$500 000 for Aboriginal heritage projects.

## Community Safety and Commission of Inquiry Actions

- \$38.6 million over four years for the Tasmanian Police, including \$4.3 million to provide more body-worn cameras and cloud reporting technology.
- \$2.9 million over three years for the Sex Offender Register management.
- \$300 000 to establish a Sex Offender Disclosure Program.
- \$3 million to continue the Health and Wellbeing Program.
- \$19.5 million to support injured police, fire fighters and emergency services officers.
- \$1.2 million for police infrastructure.
- \$10 million over two years for volunteer emergency service stations.
- \$2.2 million for flood mitigation in Kentish and Latrobe.
- \$50 million for a 52-bed facility at the Risdon Prison Complex.
- \$1.5 million for increased drug and alcohol intervention and therapeutic support for inmates.
- \$1 million to expand and boost the delivery of the Family Violence Offender Intervention program and violence prevention programs across the Tasmania Prison Service.
- \$46.5 million for a new Burnie Court Complex.
- \$350 000 to establish the new State Litigation Office.
- \$1.2 million to fund Acting Judges.
- \$4.9 million p.a. for the criminal justice response to family violence program, Safe at Home.
- \$30 million to fund any urgent actions from the Commission of Inquiry.
- \$70 million for compensation and administration costs of the National Redress Scheme and civil claims for child sexual abuse.

## Climate Change and Renewables

- \$3.75 million over two years for the Renewable Energy Plan, which progresses renewable energy project developments, Renewable Energy Zone implementations, and the Project Marinus and Battery of the Nation project developments.
- \$900 000 over three years for the Tasmanian Green Hydrogen Hub development at Bell Bay.



## Business and industry support

- \$750 000 over three years for major industrial businesses' client-focused services.
- \$3.5 million over three years for the Business Energy Efficiency Scheme.
- \$685 000 over two years for small business grants associated with the Small Business Growth Strategy 2026.
- \$230 million for the Macquarie Point Urban Renewal Precinct delivery.
- \$34.5 million for the new Tasmanian AFL and AFLW's establishment and initial operations.
- \$60 million for a new AFL High Performance Training and Administration Centre
- \$65 million for the York Park upgrade.

## Tourism

- \$6 million for state promotion to interstate and international markets.
- \$1.25 million for the operation of the West Coast Wilderness Railway
- \$5 million, in partnership employer Elphinstone, to deliver a \$25 million facility to diversify export operations for global defence contracts.
- \$2.75 million to help Tasmanian businesses compete and succeed in the national and international defence supply chains.
- \$780 000 over two years for the Accelerating Trade Program.

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## Parks and Environment

- \$163.7 million over four years for parks and reserves, including:
  - o \$58.1 million for the Cradle Mountain Experience Master Plan.
  - o \$28.3 million toward the \$40 million investment in the Tyndall Ranges walk.
- \$4 million over two years for critical road maintenance.
- \$1.6 million for car parking and vehicle access improvements at the Bruny Island lighthouse.
- \$900 000 for the jetty at Maria Island upgrade.
- \$325 000 for the Royal Tasmanian Botanical Gardens critical repair works, which will replace ageing irrigation infrastructure at the Eardley-Wilmot wall.
- \$2.1 million in addition funding for the Circular Economy to contribute to the delivery of organics waste processing.
- \$3 million over two years for a crumbed rubber plant.
- \$1.3 million over two years for the Orange-bellied Parrot tracking program.

## Agriculture and Resources

- \$2 million over two years to the Agriculture Innovation Fund.
- \$2.59 million for the Emergency Animal Disease Risk Fund.
- \$1.4 million in additional funding over two years for the Weed Action Fund extension.
- \$600 000 over two years for a modernised Water Information Management System business case and concept.



- \$850 000 over three years to implement the Tasmanian Salmon Industry Plan.
- \$2 million over two years for the Abalone Industry Reinvestment Fund.
- \$1 million over two years for a flathead recovery program in partnership with Tasmanian Association for Recreational Fishing.
- \$1 million for the Fisheries Digital Transition Project through the Digital Transformation Priority Expenditure Program.

## Further Information

[The Treasurer's Budget Speech](#)

[The Budget Papers](#)

For more information, please contact [Anthony Benscher](#) on +61 438 439 431

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