

GETTING THINGS DONE

Budget 2018/19

Tim Pallas MP

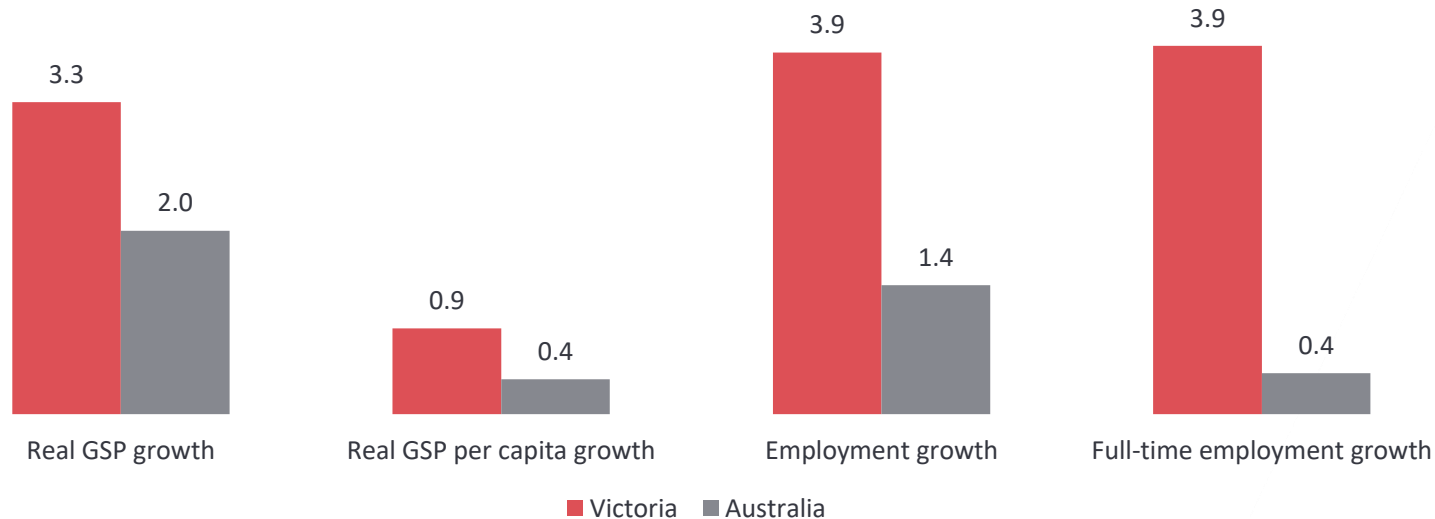
Treasurer of Victoria

15 May 2018



VICTORIA: ENGINE ROOM OF THE NATION

SELECTED ECONOMIC INDICATORS FOR VICTORIA AND AUSTRALIA, 2016-17 (PER CENT)



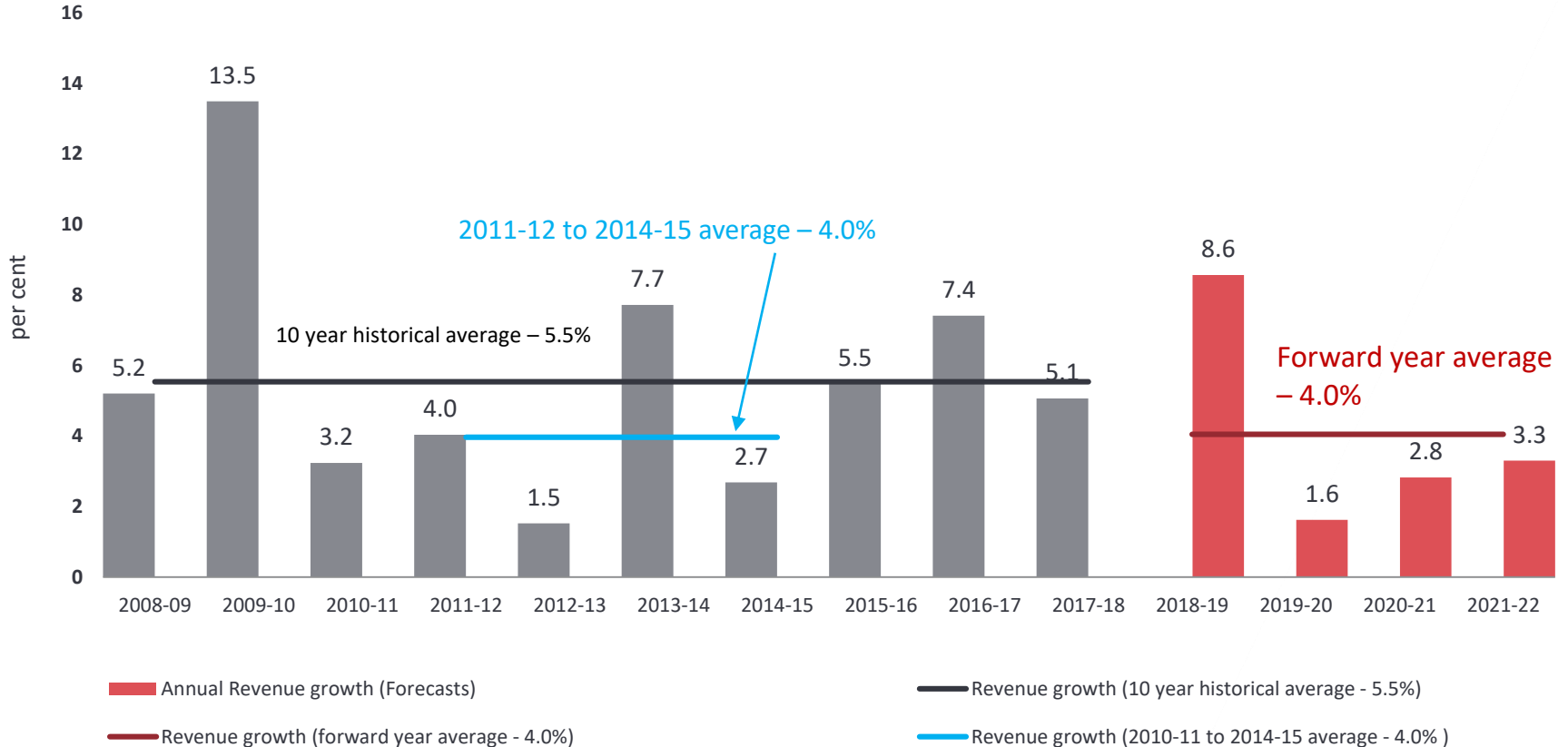
Source: Australian Bureau of Statistics

FISCAL OUTLOOK

VICTORIAN FISCAL FORECASTS	Unit of measure	2016-17 actual	2017-18 forecast	2018-19 forecast	2019-20 forecast	2020-21 projection	2021-22 projection
Net result from transactions	\$ billion	2.7	2.0	1.4	2.0	2.7	2.9
Government infrastructure investment	\$ billion	9.1	11.6	13.7	10.0	8.9	7.6
Net debt	\$ billion	15.8	19.6	24.3	28.0	29.8	31.4
Net debt to GSP	per cent	3.9	4.6	5.4	5.9	6.0	6.0

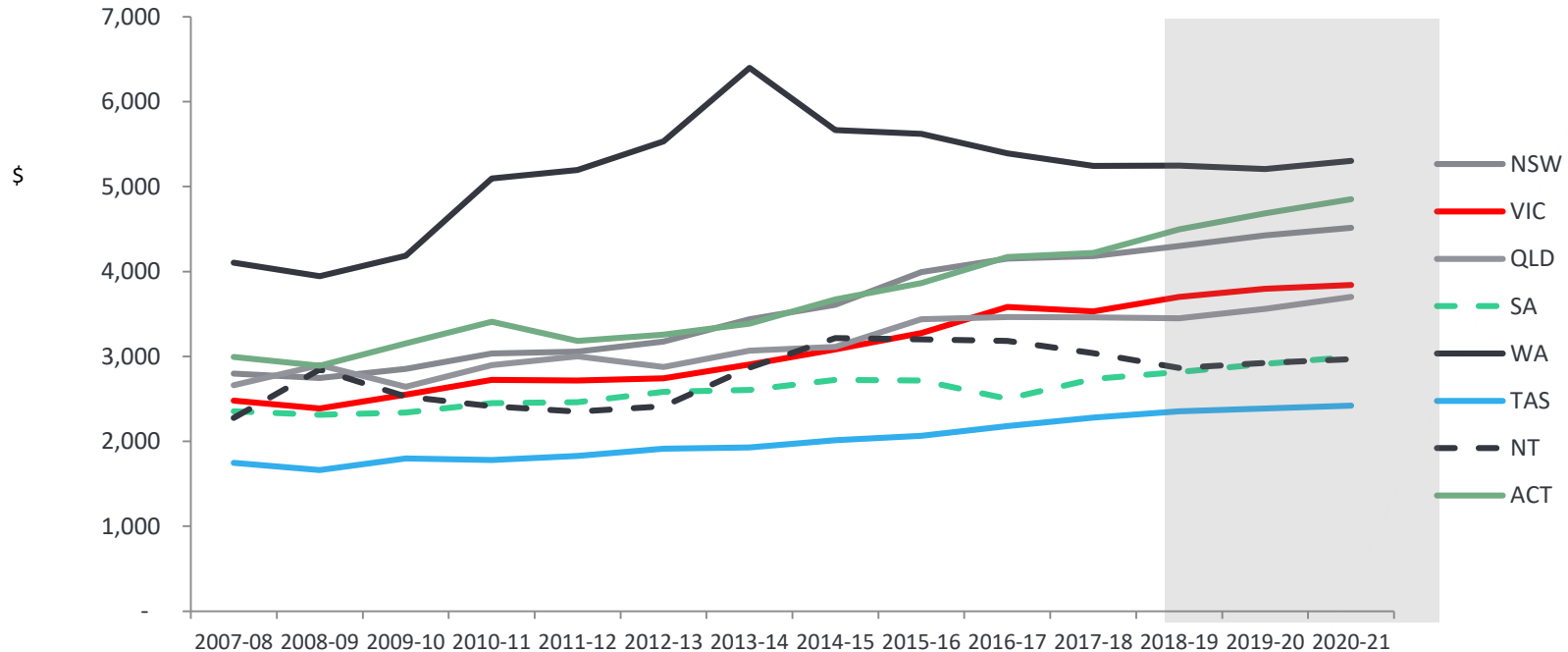
Source: Department of Treasury and Finance

AVERAGE REVENUE GROWTH*



OUR REVENUE BASE

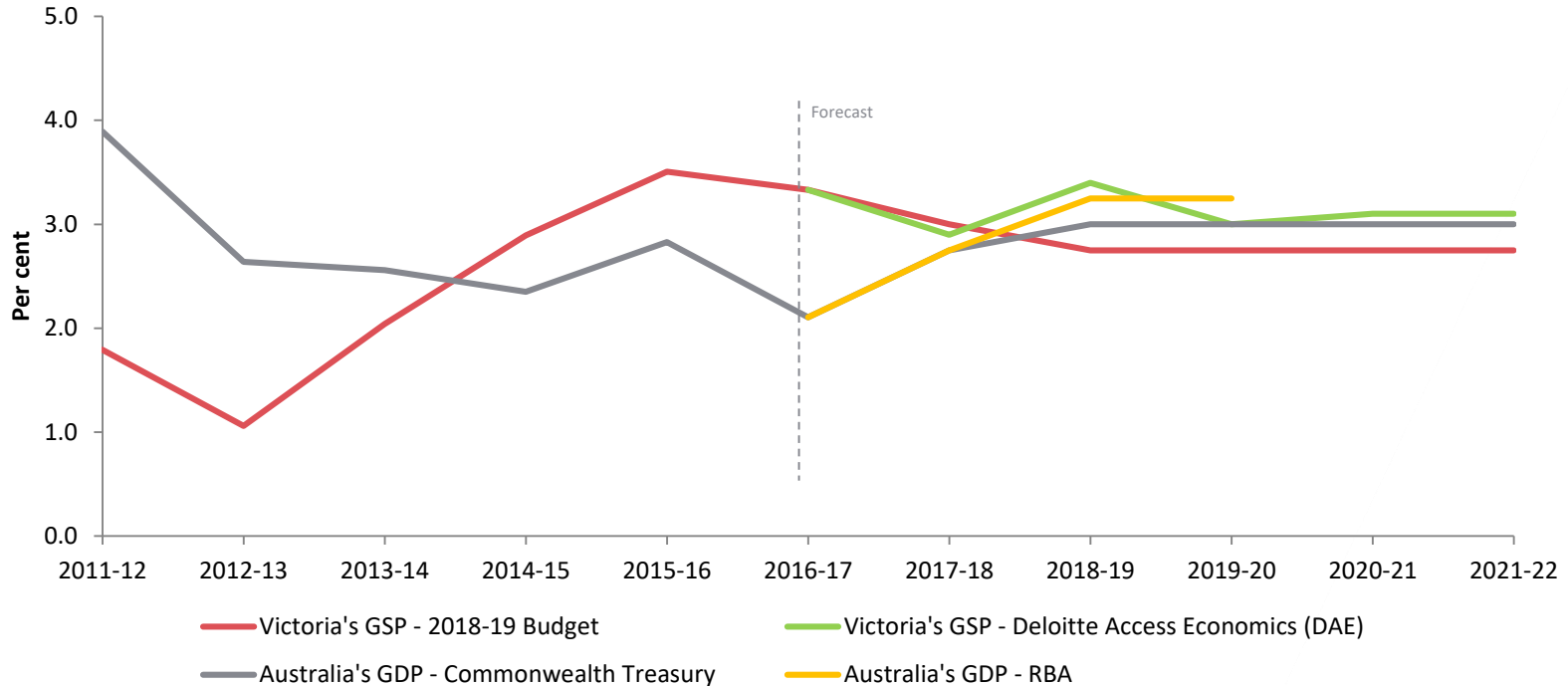
TAXATION AND ROYALTY REVENUE PER CAPITA



Source: Department of Treasury and Finance, Interstate Budget and Budget Update Papers

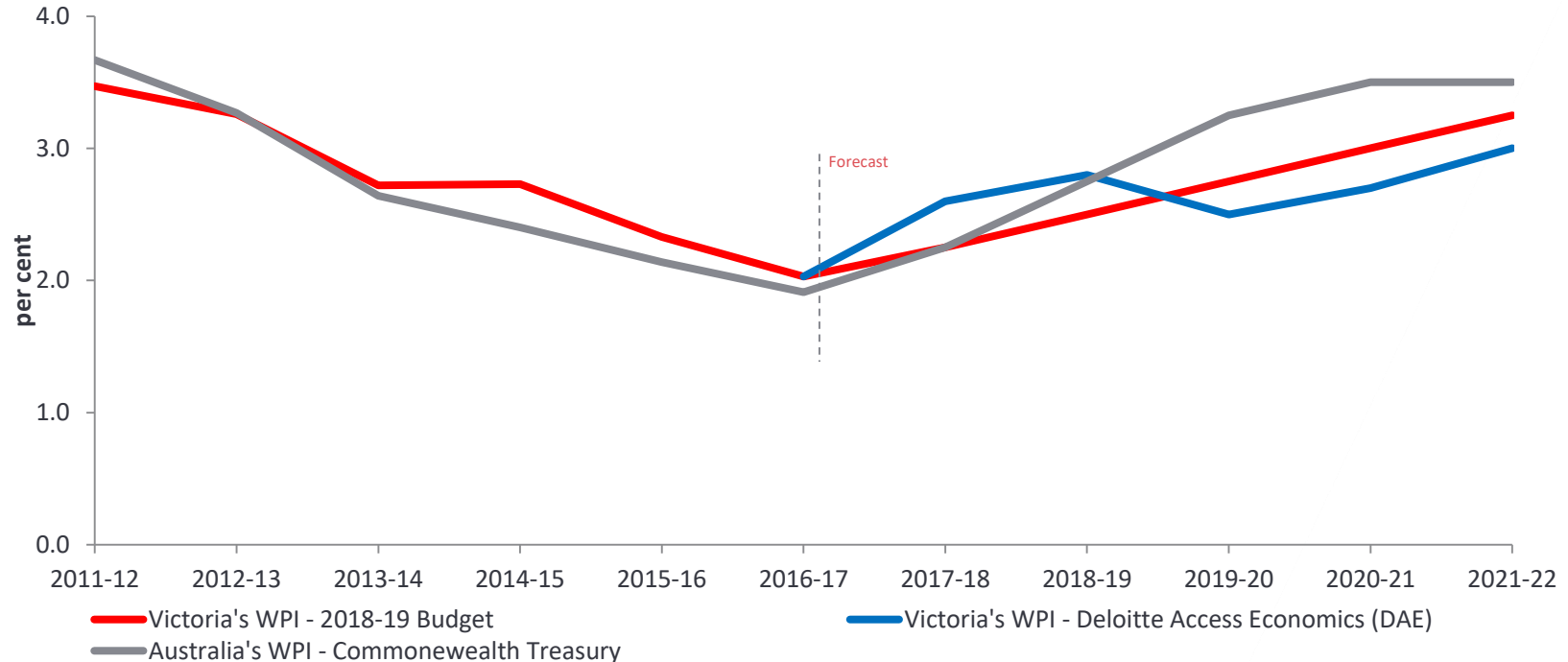
VICTORIA'S REAL GSP GROWTH FORECASTS CONSISTENT WITH THE NATIONAL OUTLOOK

Real GSP/GDP growth forecasts



VICTORIA'S WAGE GROWTH FORECASTS CONSISTENT WITH THE NATIONAL OUTLOOK

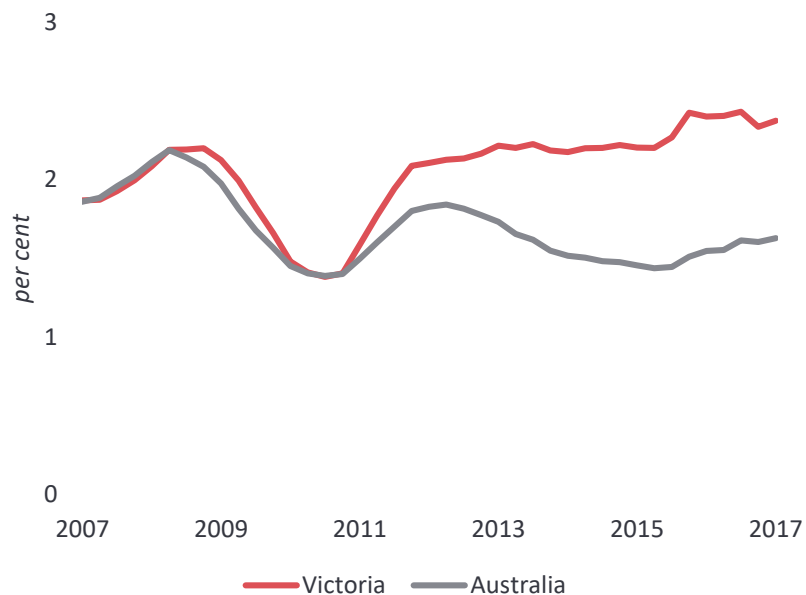
Wage price index growth forecasts



Source: Budget Papers, Commonwealth Budget Papers, Deloitte Access Economics

POPULATION

ANNUAL POPULATION GROWTH, 2007 TO 2017



POPULATION GROWTH FORECASTS FOR VIC

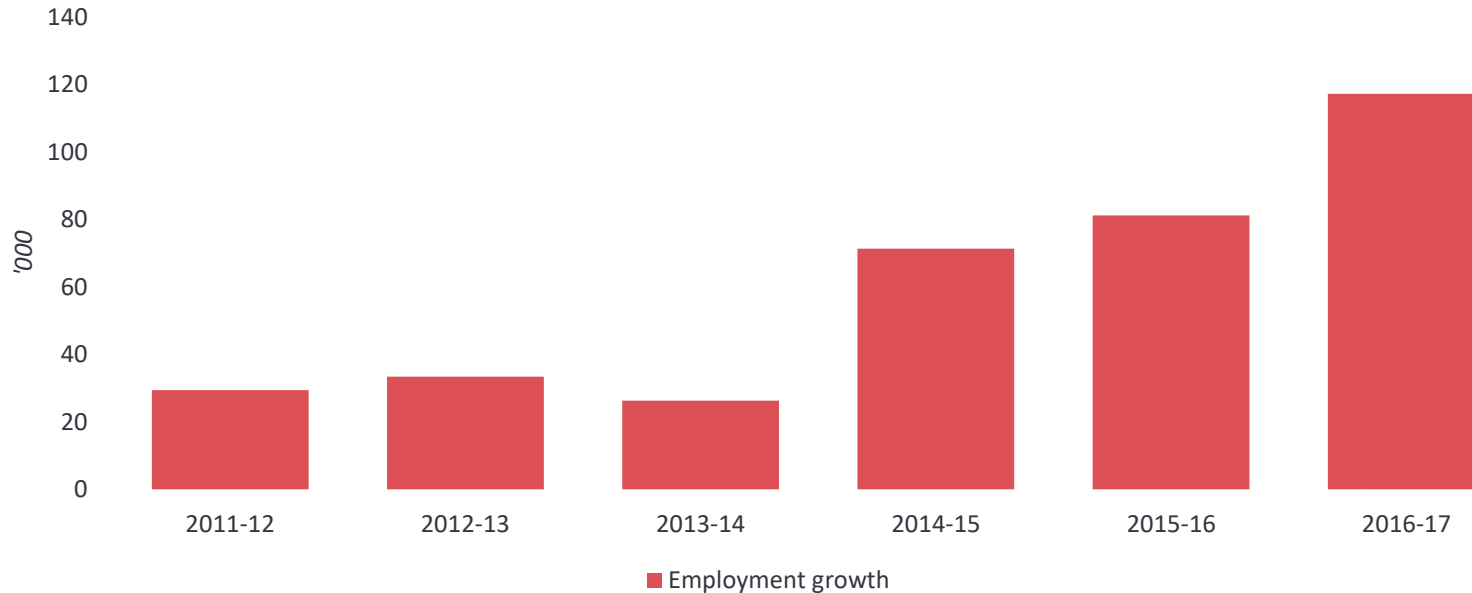
	2018-19	2019-20	2020-21	2021-22
2018-19 Budget	2.2	2.1	2.0	2.0
Commonwealth Treasury*	2.2	2.2	2.2	2.1

* December year end.

A STRONG ECONOMY THAT CREATES JOBS

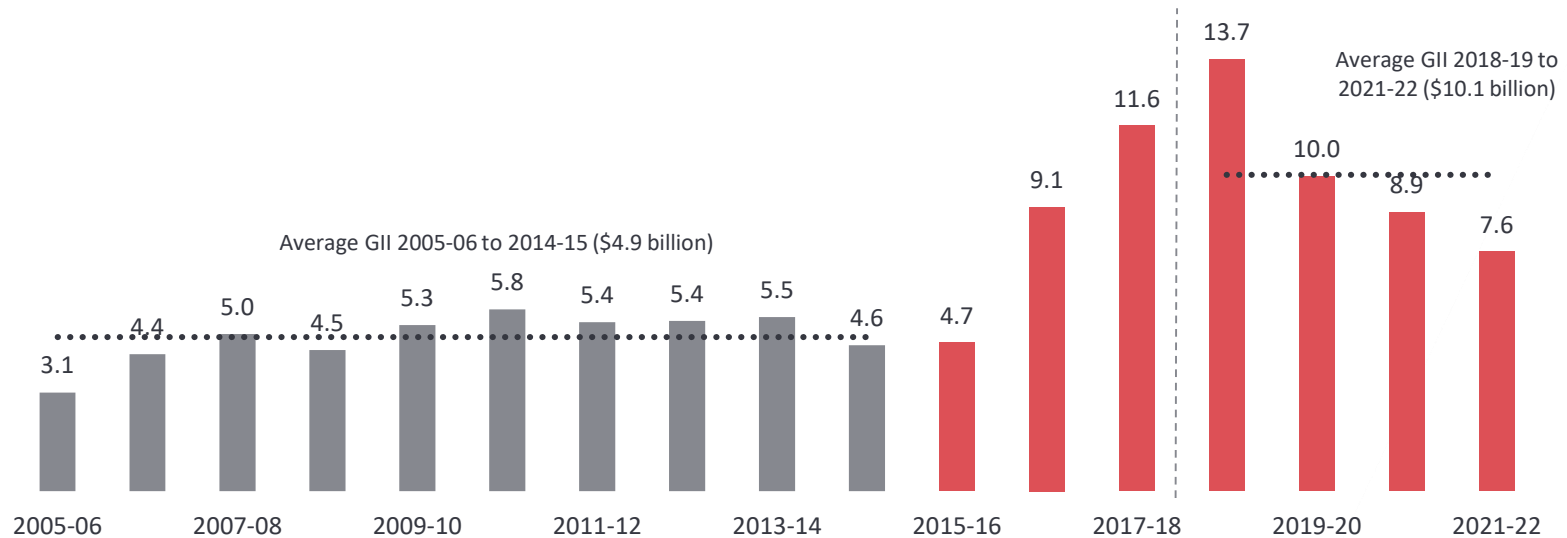
333 900 jobs created since November 2014

VICTORIAN EMPLOYMENT



BUILDING NOW FOR A BETTER FUTURE

GOVERNMENT'S RECORD INFRASTRUCTURE INVESTMENT, BILLION (\$)

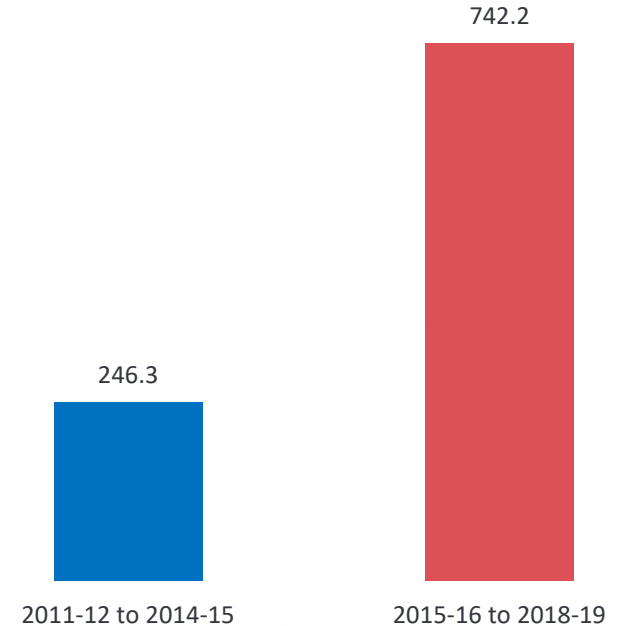


CREATING JOBS AND WORKING WITH BUSINESS

Almost \$500 million to benefit Victorian businesses

- // **\$167 million** to reduce the regional payroll tax rate from 3.65 per cent to 2.425 per cent – the lowest in Australia
- // **\$55 million** for the Investment Attraction Assistance Program
- // **\$51 million** to attract more tourists to Victoria
- // **\$22 million** in specialised support programs to help long-term unemployed Victorians
- // **\$16 million** to grow agriculture exports, farms and tourism
- // **\$14 million** supporting Victorian small businesses

TOTAL BUSINESS TAX CUTS, MILLION (\$)



THE RIGHT SKILLS FOR THE JOB

With the right skills and training, Victorians can get the jobs they need for their future

- // **\$304 million** for new TAFE and training places
- // **\$172 million** to make training at TAFE free for priority courses
- // **\$120 million** for three regional TAFE upgrades and better facilities for TAFE students
- // **\$109 million** to assist students get the right career advice so they can make the right choices early on
- // **\$50 million** for the Head Start Apprenticeships and Traineeships initiative
- // **\$44 million** transforming apprenticeships to drive job opportunities in the modern economy
- // **\$26 million** for secondary vocational pathways



THE 2018/19 BUDGET

The Budget funds **\$9.4 billion** in new output measures and up to **\$9.3 billion** in new capital measures

- // **\$4.3 billion** for better roads around Victoria
- // **\$248 million** to boost court capacity and fund more prosecutors
- // **\$4.2 billion** in additional investment in our health and mental health system
- // **\$242 million** boost for women's and community sport
- // **\$2.8 billion** investment in schools
- // **\$231 million** to redevelop some of our most loved sporting venues
- // **\$1.9 billion** for public transport
- // **\$858 million** to continue *Roadmap to Reform*
- // **\$115 million** for police, prevention and protection
- // **\$689 million** for the Lara Prison Precinct
- // **\$266 million** to protect our environment



A STRONGER, FAIR VICTORIA

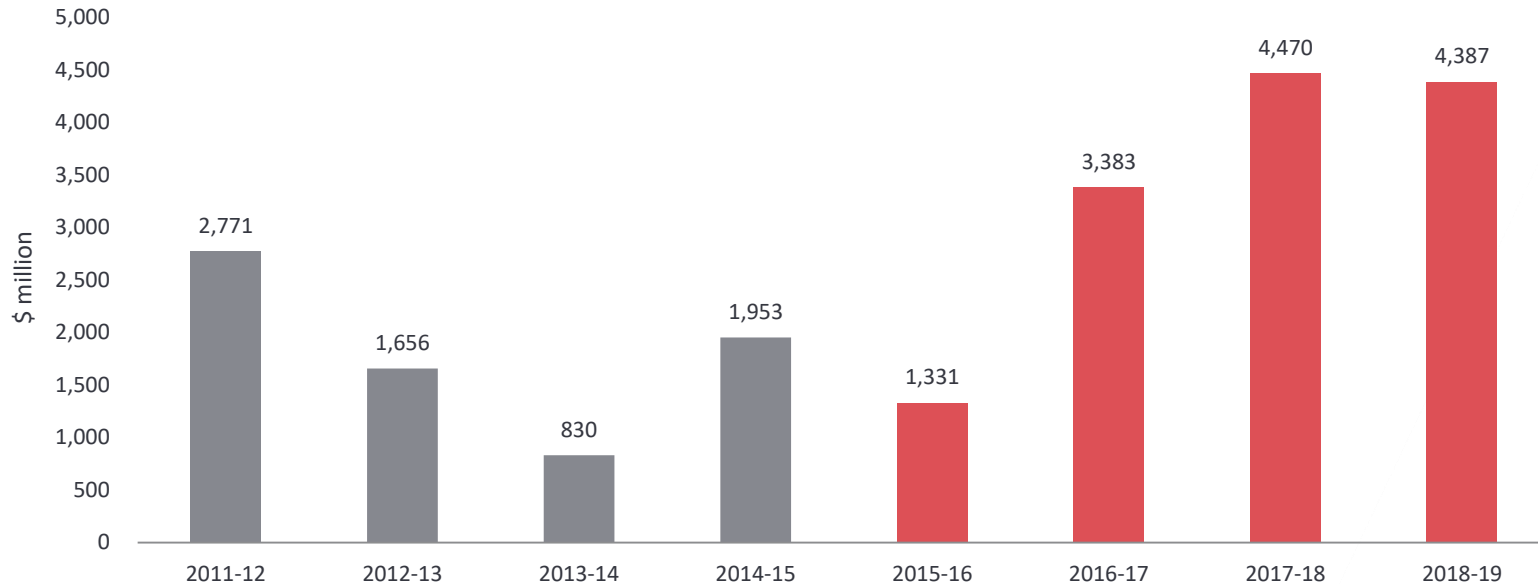
Addressing energy and cost-of-living pressures

- // **\$48 million** for the Power Saving Bonus – \$50 payment to all Victorian households if they seek out a better electricity deal
- // **\$22 million** to expand the Utility Relief Grants Scheme, which will increase the payment cap from **\$500** to **\$650**
- // **\$172 million** to make training at TAFE free for priority courses



TOTAL REGIONAL INVESTMENT*

RECORD INVESTMENT IN REGIONAL AND RURAL VICTORIA



* Includes the total value of output and asset related announcements made in Budget and Budget Update every financial year

Source: Budget Papers

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