

The 2013-2014 Tasmanian Budget

May 2013

On 23 May 2013 Tasmanian Premier and Treasurer Lara Giddings delivered the 2013-14 Tasmanian Budget. In her Budget speech, Ms. Giddings set the economic context by highlighting a \$200 million fall in State taxation revenue which combined with a \$1.0 billion loss of GST and expenditure on government services exceeding \$5.0 billion. Consequently, the return to surplus will be delayed another two years until 2016-17.

Ms. Giddings outlined a budget that focuses on job creation, investment in major infrastructure projects in health, education and irrigation, as well as helping low income Tasmanians to deal with rising living costs. This was Ms. Giddings' third budget as Premier and Treasurer.

Ms. Giddings' Budget speech and the full budget are available [here](#).

2013-14 Budget at a glance

- Revenue: \$4.8 billion
- Expenditure: \$5.0 billion
- Budget deficit: \$266.9 million
- Net debt: \$226.1 million
- Economic growth: 2.0 per cent

The Government expect a budget deficit of \$266.9 million in 2013-14, \$164.5 million in 2014-15, \$33.9 million in 2015-16 and a surplus of \$9.9 million in 2016-17. The net debt is estimated to peak in 2014-15 at \$229.0 million and estimated to decrease across the Forward Estimates from \$95.0 million in 2015-16 to a negative debt position of \$47.0 million in 2016-2017.

General expenses

The 2013-14 Budget continues to provide funding for the ongoing implementation of key Government services and initiatives. These include:

- Education (\$1.3 billion), including an additional allocation for Tasmanian Education Funding Reform
- Health (\$1.4 billion)
- Public Order and Safety (\$447.5 million), including additional funding for frontline services
- Social Security and Welfare and Housing and Community Amenities (\$645.5 million), including additional funding for the introduction of the National Disability Insurance Scheme.



Highlights of the 2013-14 Budget include:

Roads and Rail

In 2013-14, total roads expenditure is \$163.4 million. This includes State Government funding of \$132.5 million and Australian Government funding of \$30.9 million.

An equity contribution of \$21.4 million will be provided in 2013-14 to the Tasmanian Rail Railway for the critical upgrade of the Tasmanian rail network infrastructure and the Company's rolling stock assets.

Health

In 2013-14, the Government's total health infrastructure expenditure will be \$108.7 million. The major projects include:

- \$27.6 million for Royal Hobart Hospital
- \$7.0 million for Glenorchy Tier Three Community Health Services
- \$14.0 million for Launceston General Hospital Acute Medical and Surgical Unit
- \$23.0 million for State-wide cancer services

ICT

In 2013-14, the Government will establish an ICT Project Fund, with a funding allocation of \$4.0 million in 2013-14, increasing to \$10.0 million per annum in 2016-17. This initiative will establish a provision of funding for significant State ICT projects.

The ICT Policy Board will be responsible for determining which projects will be funded from the ICT Project Fund. Potential projects include:

- The Integrated Tasmanian Government Contact Centre
- Budget Information Management System
- State Revenue Systems
- Criminal Justice Information Management System
- Emergency Despatch System and Student Management System Replacement

Housing

In 2013-14, total housing infrastructure funding is \$27.8 million. This funding includes:

- \$3.4 million for the Church Street Youth Accommodation and Training Facility
- \$5.0 million for the Stainforth Court Redevelopment project.

- \$2.6 million to support the development of non-government housing organisations, through the progression of stock management under the Better Housing Futures program and other strategies to increase the supply of social and affordable housing in Tasmania.

Education

In 2013-14, a total of \$22.0 million has been allocated to education infrastructure expenditure. The major infrastructure projects include:

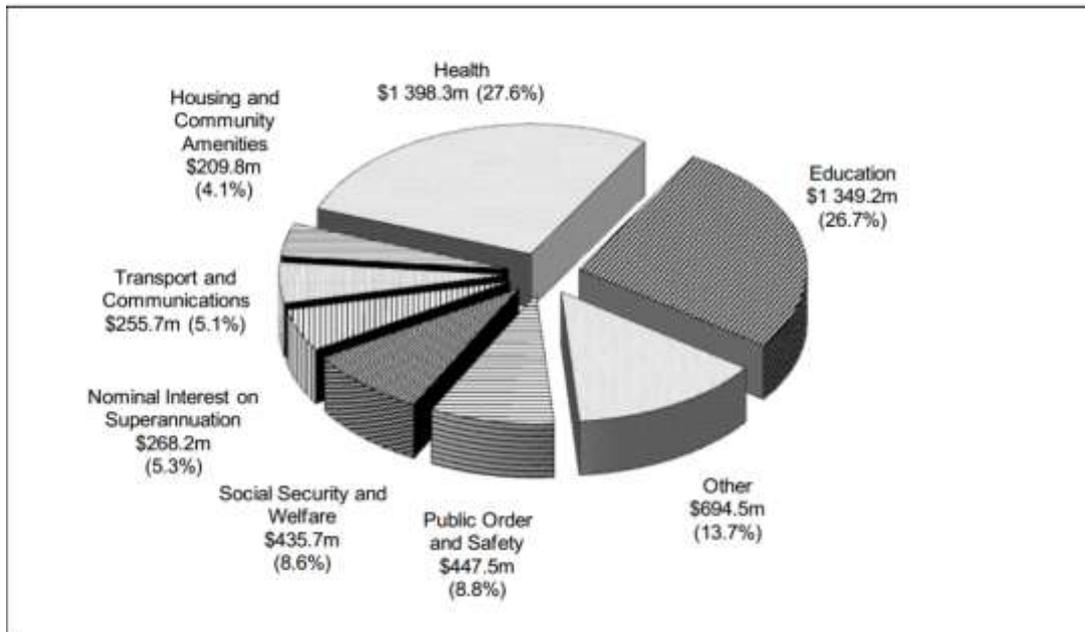
- \$3.6 million for the construction of a Learning and Information Network Centre at George Town
- \$3.3 million for the George Town Child and Family Centre
- \$6.9 million for the construction of Trade Training Centres under the Trade Training Centres in Schools National Partnership. This funding will support the finalisation of construction work at centres in Huonville, St Helens and the Southern project which includes development at both Sorell and Triabunna

Key Budget and Forward Estimates

	2012-13 Budget	2012-13 Estimated Outcome	2013-14 Budget	2014-15 Forward Estimate	2015-16 Forward Estimate	2016-17 Forward Estimate
	\$m	\$m	\$m	\$m	\$m	\$m
GENERAL GOVERNMENT						
Revenue	4 631.5	4 606.7	4 792.1	4 953.4	5 187.6	5 309.3
Expenses	4 914.5	5 032.4	5 059.0	5 117.9	5 221.5	5 299.4
Net Operating Surplus/(Deficit)	(283.0)	(425.7)	(266.9)	(164.5)	(33.9)	9.9
Fiscal Surplus/(Deficit)	(428.6)	(441.0)	(309.1)	(215.2)	(26.9)	(18.7)
Net Debt at 30 June	134.2	16.4	226.1	229.0	95.0	(47.0)
Infrastructure Investment	437.7	313.5	350.1	376.8	326.2	367.7

The total Government revenue is estimated to be \$4,792.1 million in 2013-14, an increase of \$160.6 million (3.5%) above the 2012-13 budgeted revenue of 4,631.5 million.

On the expenditure side the Government anticipate total expenses to be \$5,059.0 million which represents an increase of \$144.5 million (2.9%) above the 2013-14 budgeted expenses of 4,914.5 million.



To watch Hawker Britton Director Danny Pearson talk about the Budget Cycle, [click here](#).