

OVERVIEW



YOUR FAMILY,
YOUR future



NSW Treasury

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NSW BUDGET 2021-22 PUBLICATIONS INCLUDE:

Budget paper no. 1 Budget Statement
Budget paper no. 2 Outcomes Statement
Budget paper no. 3 Infrastructure Statement
Budget paper no. 4 Agency Financial Statements
Budget paper no. 5 Appropriation Bills
Treasurer's Speech
Overview
Regional NSW
How to Read the Budget Papers

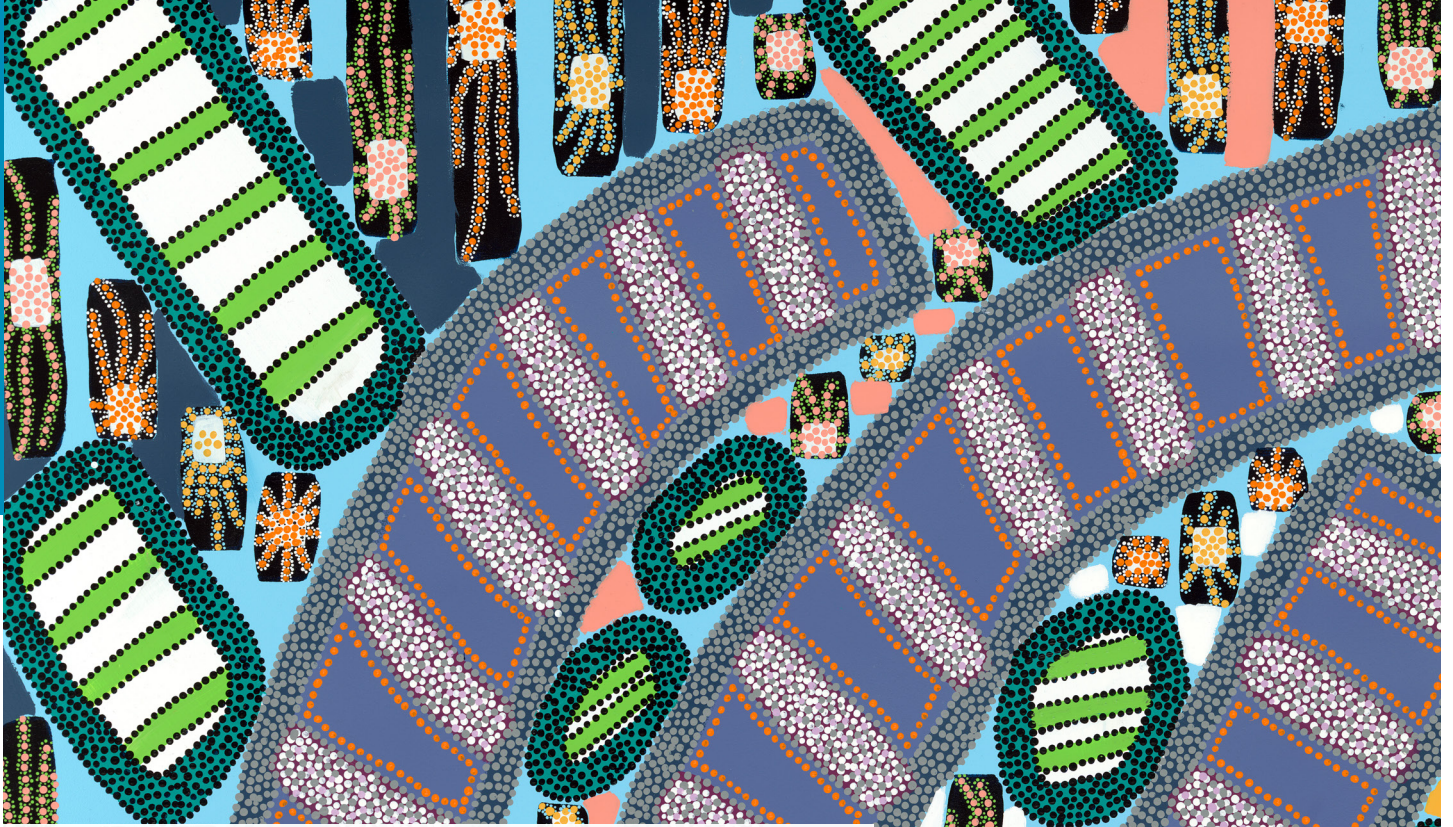
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Acknowledgement of Country

NSW Treasury acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

We pay respect to Elders past and present and commit to respecting the lands we walk on, and the communities we walk with.

We celebrate the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to Country and acknowledge their continuing custodianship of the land, seas and sky.

We acknowledge the ongoing stewardship of Aboriginal and Torres Strait Islander peoples, and the important contribution they make to our communities and economies.

We reflect on the continuing impact of government policies and practices, and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples, families and communities, towards improved economic, social and cultural outcomes.

Artwork: *Regeneration* by Josie Rose, 2020

Treasurer's Message



I am pleased to present the 2021-22 NSW Budget – a Budget to keep New South Wales (NSW) safe and accelerate our recovery, invest in families and their future, and transform our state.

NSW already has regained the ground lost during COVID-19, but it is hard to believe that only 12 months ago, our State was nearing the deepest point of its first recession in nearly 30 years.

The turnaround did not happen by chance. It is the result of a decade of sound economic and financial management, and years of investment to build the most modern and reliable services in the nation.

When the crisis struck, NSW was able to respond effectively with a **best-in-class public health system**, combined with the biggest economic support and stimulus package of any state.

We kept NSW more open and free, fuelling confidence and spurring a recovery that has so far exceeded all expectations.

NSW has not only recovered the 270,000 jobs lost during the initial impact of COVID-19, we have continued to grow jobs, adding an additional 75,000 in May alone meaning we are well placed to take NSW beyond recovery and into a stronger future.

An additional \$1.1 billion will continue to keep NSW COVID safe, part of a **\$30.2 billion health budget** that will further strengthen the best health system in the nation. We are extending stimulus programs like Dine & Discover, targeting industries still struggling from the effects of the pandemic, and securing stronger growth.

The State's exceptional performance through COVID-19 has unleashed a wave of pride in NSW and we are investing more in our own backyard to enhance communities and tourist and cultural attractions in the city and the bush.

For the NSW Public Sector employees that help oversee and look after our State, this Budget will provide a resumption of the up

to 2.5 per cent increase in remuneration for public sector workers for agreements due to be renewed from 1 July 2021, while still providing another \$200.0 million in tax relief.

And our infrastructure pipeline just keeps getting bigger, with a **record \$108.5 billion pipeline of infrastructure** planned across the four years to 2024-25.

We'll build 44 new and upgraded schools, the Bradfield City Centre, the Muswellbrook Bypass and the Goulburn Hospital Redevelopment – adding to the wave of projects already underway, like WestConnex, and the Parramatta Light Rail Stage 1.

Families will benefit from more cost-of-living savings, including the new Learn to Swim Active Pre-Schooler voucher program – an initiative that adds to the Active and Creative Kids vouchers, so every pre-school aged child in NSW can learn to be water safe.

Even with record investment, the Budget remains firmly under control. The forecast deficit for 2020-21 has been halved and we will get our Budget back to **surplus by 2024-25**.

Recovery is only the first step and our government is determined to use this strong start as a springboard to a better future.

So, this Budget continues to drive a wide-ranging reform agenda, daring to do things differently to improve education and skills, abolish inefficient taxes (starting with motor vehicle duty on electric vehicles), while continuing to nurture the industries of the future – all with an eye to productivity growth.

We have come a long way in just 12 months, but we are not resting on our laurels. This budget takes the state from recovery to reform for your family and your future.

A handwritten signature in black ink, appearing to read 'Dom Perrottet'. The signature is fluid and cursive.

Dominic Perrottet
NSW Treasurer



2021-22 BUDGET AT A GLANCE



Record infrastructure investment

\$108.5 BILLION

over the next four years



Stimulus support

\$6.0 BILLION



\$1.1 BILLION

in health
COVID-19 response



Jobs

**MORE THAN
300,000**

recovered since
the pandemic



Cost of living

**MORE THAN
\$6.0 BILLION**

in support to households



TRIPLE-A

credit rating
(Moody's,
December 2020)



\$2.1 BILLION

for digital investment
in NSW



\$7.9 BILLION

record investment for over 210
new and upgraded schools



\$9.4 BILLION

in tax relief
(since 2011)

01.

Budget 2021-22



The 2020-21 Budget was all about kick-starting the economy and strengthening the foundation of the State. Now the 2021-22 Budget has more ambitious goals – to elevate, innovate and reinvigorate our economy, and help the people of NSW to move forward and enjoy their lives, whilst we continue to safeguard the health of the community.

Since the last Budget seven months ago, the actions of the NSW Government have led to outcomes many did not think were possible. Individuals, businesses and communities have largely been able to continue their lives in a way that many around the world have not. The NSW Government has successfully navigated dual challenges – ensuring the safety of citizens and the health of the economy.

Previous investment in critical services like public health, as well as a world-class digital government platform, has supported what is now considered the gold standard in contact tracing and containment of the pandemic.

As a result of the improved economic outlook, the state's economy is now larger than before the pandemic. The State's operating position is improving in line with the improved economy and NSW remains the only state in Australia to have a triple-A credit rating (Moody's, December 2020).

The 2020-21 NSW Budget sets out the roadmap for response, recovery and reform. This Budget aims to secure and build on the strong start to recovery, ensuring the State's stronger financial position to plot the economic journey beyond the pandemic.

ONGOING STIMULUS SUPPORT

The economy will continue to be supported by targeted stimulus into 2021-22. Around **\$6.0 billion** is projected to be spent next year across a range of projects. This includes:



\$3.6 BILLION INFRASTRUCTURE AND CAPITAL MAINTENANCE:

\$1.2 BILLION through the Jobs and Infrastructure Acceleration Fund

\$2.0 BILLION across new capital works upgrades and maintenance projects

OVER \$360.0 MILLION for the maintenance, upgrade and supply of new social housing



SUPPORT TO BUSINESS AND ECONOMY

\$1.7 BILLION to support business and the economy, significant measures include:

\$1500 Small Business Fees and Charges Rebate

JOBS PLUS: a \$250.0 million program to attract businesses and jobs to NSW

FRIDAYS DINE & DISCOVER: a new CBD voucher



\$400.0 MILLION IN EDUCATION AND SKILLS PROGRAMS, WHICH INCLUDE:

Targeted Tutoring program

Skilling for Recovery program



\$160.0 MILLION for Social and Community Support programs

To date, delivery of stimulus measures has included:

- more than **52,000** small businesses assisted through the Small Business Support Grants program to ease the financial pressure on businesses highly impacted by the COVID-19 pandemic
- more than **36,000** Small Business Recovery Grants to support businesses to meet the costs of safely re-opening or scaling up operations
- more than **2,200** small businesses supported through the Small Business Southern Border Grants program to assist businesses affected by the NSW/Victoria border closure meet the costs of surviving and adapting
- more than **4.4 million** people registered for the Dine & Discover Program and over \$441.0 million in vouchers issued
- a temporary two-year reduction in the payroll tax rate, estimated to provide NSW businesses with around **\$2.1 billion** in savings
- a permanent increase in the payroll tax threshold to **\$1.2 million**, expected to save businesses a further \$744.0 million over four years from 2020-21 to 2023-24
- more than **\$45.0 million** to 322 arts organisations through the Arts Industry Rescue and Restart program
- support for more than **8,000** victims and survivors through the Domestic Family Violence support package
- return to work grants and assistance for more than **1,200** women
- access to training to reskill for future employment through the Skilling for Recovery program for more than **70,000** jobseekers and school leavers access training; and
- more than **6,000** tutors employed in 2,184 government schools involved in the Intensive Learning Support program for the most disadvantaged students.



ECONOMIC OVERVIEW

The NSW economy is continuing a strong recovery from the effects of the COVID-19 pandemic. The NSW Government's effective management of the pandemic and unprecedented levels of stimulus have substantially mitigated the effects of the deepest recession in almost 80 years.

By 2024-25 the unemployment rate is forecast to decline back to its pre-COVID level of around 4½ per cent. Meanwhile, Gross State Product per person, a key indicator of average living standards for the population, will surpass pre-COVID trends by 2023-24.

The ongoing nature of the pandemic means the outlook remains volatile. Risks that could interrupt the economic recovery include the emergence of new strains of the virus, delays with vaccine rollouts and further delay in opening international borders.

The Commonwealth's assumed delay to reopening of borders until mid-2022 will reduce economic demand while contributing to labour shortages in some industries. However, this will not prevent the economy from growing strongly over the forecast horizon, with targeted government support.

With the recovery expected to continue, it is an opportune time for the NSW Government to focus on reform and shift the dial on the drivers of long-term economic growth – especially lifting productivity and labour participation.

FISCAL OVERVIEW

This Budget reflects NSW's improving fiscal outlook, with a forecast surplus of \$0.5 billion for 2024-25.

Net debt has also improved in line with the State's economic recovery.

With the growth in the NSW Generations Fund and an ingoing asset recycling program, net debt is projected to trend back down towards 7 per cent of GSP over the medium-term.

The NSW Government is using its balance sheet to support a record infrastructure program of \$108.5 billion.

The NSW Generations Fund (NGF) continues to grow. Seeded with an initial investment of \$10.0 billion in late 2018, the NGF achieved a return of 15.5 per cent over the 12 months to



NSW remains the only State with a

TRIPLE-A CREDIT RATING

(Moody's, December 2020)



\$0.5 BILLION

forecast surplus for 2024-25



NGF to grow to more than

\$90.0 BILLION

by 2030-31

April 2021, reaching a balance of **\$14.7 billion**. The NSW Government plans to grow the NGF to over \$90.0 billion by 2030-31 as part of its fiscal repair efforts, thereby boosting the NGF's debt offset capacity and fostering a more resilient State balance sheet now and in the future.





02.

A Budget that builds on the State's success

Looking to the future whilst learning from the lessons of the pandemic, NSW can continue to rebound strong, with investments that will transform communities, support individuals and families, address cost-of-living pressures and drive productivity – making NSW a great place to live, work and visit.



**KEEPING NSW SAFE WHILE
ACCELERATING OUR RECOVERY**



INVESTING IN FAMILIES AND THE FUTURE



TRANSFORMING NEW SOUTH WALES



1. KEEPING NSW SAFE WHILE ACCELERATING OUR RECOVERY



Health recurrent spend

\$27.1 BILLION



Health capital spend

\$3.1 BILLION



Health cluster COVID-19 spend

\$4.0 BILLION



INVESTING IN OUR WORLD-CLASS HEALTH SYSTEM

Since March 2020, the NSW Government has committed more than **\$4.0 billion** to help the healthcare system to increase its capacity and ensure it is well placed to manage the ongoing impacts of COVID-19.

NSW Health has expanded the vaccination clinic footprint across the state to ensure

vaccines are accessible to eligible people across the state, providing outreach to locations in rural and regional areas.

A major boost to the vaccine rollout in NSW has been the opening of the mass vaccination centre at Sydney Olympic Park, which can administer up to 30,000 vaccinations per week. A new centre at Newcastle, to open in July, will complement the existing network of clinics across the State.

COVID-19 HEALTH RESPONSE

- **\$340.0 million** for personal protective equipment and associated warehousing costs to keep our frontline health workers safe
- **\$261.3 million** for COVID-19 vaccine distribution
- **\$200.0 million** for pop-up clinics, testing and contact tracing
- **\$145.4 million** for returning travellers in quarantine requiring medical assistance
- **\$80.0 million** to continue additional elective surgery; and
- **\$30.0 million** for enhanced cleaning within health facilities.

HEALTH INFRASTRUCTURE

\$3.1 billion will be invested in 2021-22 to continue and commence around 110 health capital projects across 18 metropolitan hospitals, 28 regional hospitals and other health facilities. Major works currently underway include:

- **\$835.0 million** for the John Hunter Health and Innovation Precinct
- **\$740.0 million** for the Liverpool Health and Academic Precinct; and
- **\$673.3 million** for the Tweed Hospital and Integrated Ambulatory Services Redevelopment.

MENTAL HEALTH

- **\$109.5 million** over four years to develop 25 Safeguards - Child and Adolescent Mental Health Crisis Teams across NSW to provide support services to children and adolescents with moderate to severe mental health issues and their families/carers
- **\$36.4 million** over four years for 57 mental health Response and Recovery Specialists across regional and rural NSW to provide assertive outreach support for communities, and coordination with local services at the time of a disaster or crisis and during the ongoing recovery phase; and
- **\$25.8 million** to continue funding the co-responder program, PACER, involving Police, Ambulance and Clinical Early Response teams working collaboratively when responding to mental health situations.

DIGITAL HEALTH

The NSW Government has increased investment in digital health initiatives to over **\$500.0 million** over the next four years, including:

- **\$141.0 million** to commence implementing a Single Digital Patient Record to enhance care coordination across hospital and other settings
- **\$37.3 million** for Real Time Prescription Monitoring to track medicines associated with a high risk of causing harm, dependence or misuse
- **\$25.3 million** to fast track electronic prescribing to support the home delivery of medicines
- completion of the latest expansion of Virtual Care and Telehealth to safely connect patients with health professionals to deliver care when and where it is needed; and
- **\$21.7 million** investment (Commonwealth and NSW Government) in the NSW Telestroke Service to provide 24/7 access to specialist clinical advice for acute ischaemic stroke patients in regional and rural NSW.

REGIONAL HEALTH

\$900.0 million will be invested in health capital works across regional NSW. This includes:

- **\$80.0 million** for Moree Hospital
- **\$53.0 million** for Gunnedah Hospital
- **\$45.0 million** for Muswellbrook Hospital Stage 3; and
- **\$30.0 million** for Wentworth Hospital.

HEALTH SERVICES

- **\$82.8 million** over four years to continue strengthening palliative care services, including improving community-based care, enhanced palliative care services and enhancements to the specialist palliative care workforce in regional and rural NSW
- **\$34.0 million** over four years for NSW Ambulance to convert 246 paramedics to Intensive Care Paramedics, of which 203 will be in regional NSW; and
- **\$8.6 million** over four years to support community care for people with neurodegenerative disorders, such as Parkinson's disease.



Transport capital

\$18.7 BILLION

Transport recurrent

\$16.8 BILLION



Education capital

\$3.4 BILLION

Education recurrent

\$20.9 BILLION



Customer service capital

\$697.3 MILLION

Customer service recurrent

\$3.6 BILLION

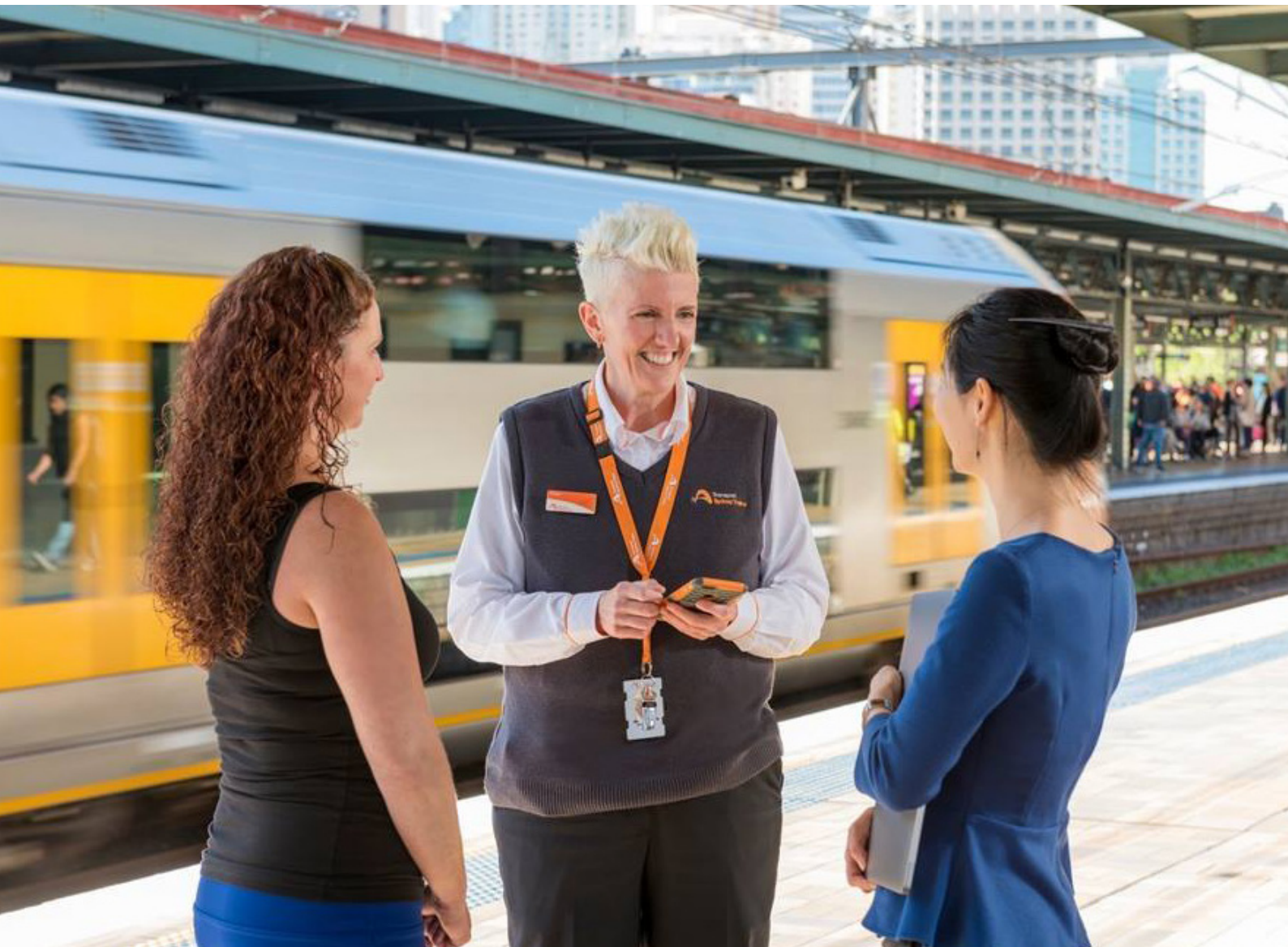


Stronger Communities capital

\$1.5 BILLION

Stronger Communities recurrent

\$18.3 BILLION



DELIVERING A RECORD INFRASTRUCTURE PIPELINE

This Budget provides an infrastructure program that builds a better NSW, with a record pipeline of **\$108.5 billion** over four years to ensure the delivery of projects across the State. Infrastructure investments include:

- **\$12.0 billion** over the next four years for Sydney Metro West
- **\$3.1 billion** over the next four years for the More Trains, More Services program to modernise the rail network
- **\$2.7 billion** over the next four years for the M6 Stage 1
- **\$2.1 billion** over the next four years in new capital expenditure to deliver 44 new and upgraded schools, including significant funding to construct 30 schools which are progressing through the planning phase, taking the State's total investment in school infrastructure to \$7.9 billion over four years to deliver major projects at over 210 schools
- **\$2.0 billion** over the next four years for the Great Western Highway upgrade, co-funded with the Commonwealth, to reduce congestion and deliver safer, more efficient and reliable journeys
- **\$1.9 billion** over the next four years for WestConnex
- **\$1.3 billion** over the next four years for the Maryung Fleet (new Intercity Fleet)
- **\$1.3 billion** over the next four years for the Northern Road upgrade and the M12 Motorway
- **\$717.9 million** over the next four years for the Transport Access program to provide a better experience of public transport customers
- **\$683.5 million** over the next four years for road safety investment
- **\$588.1 million** over the next four years for NSW bus services, including new buses, identifying new bus routes and continuing the transition to low-emissions transport fleet
- **\$168.7 million** over four years to continue planning, design and pre-construction of the Muswellbrook bypass, improving safety on the New England Highway and reducing travel times for long haul freight movements
- **\$115.6 million** for the construction of Henry Lawson Drive widening between Tower Road, Georges Hall and Auld Avenue, Milperra (Stage 1) to double capacity and reduce congestion and to continue the development of Stage 2 between Keys Parade and the M5 Motorway; and
- **\$50.0 million** over three years to continue planning and development of the Parramatta Light Rail Stage 2, connecting to Stage 1 and continuing north through Ermington, Melrose Park and Wentworth Point to Sydney Olympic Park.



NSW PROUD: A GREAT PLACE TO VISIT, NO MATTER WHERE YOU LIVE

Our communities help to make New South Wales be the best place to live and work. Our state should also be the best place to visit. This Budget puts resources into place to realise the vision and includes:

- **\$200.0 million** over four years to secure future major events and rejuvenate the visitor economy, promoting NSW as the premier state to visit and do business
- **\$168.2 million** over four years toward the transformation of the Ultimo Powerhouse Museum into a dynamic precinct featuring world-class exhibition spaces focusing on presenting the iconic Powerhouse Collection including design and fashion, education and research
- **\$119.3 million** to create a cultural venue and public open space at the Registrar General's Building, consistent with the Macquarie Street East Precinct Review
- **\$80.4 million** for new signature walking experiences, including the Great Southern Walk in the Illawarra
- **\$60.0 million** over two years for the Creative Capital program to deliver new cultural infrastructure projects in Greater Sydney and Regional NSW to boost community participation in the arts, along with cultural tourism
- **\$59.9 million** over three years for upgrades at 12 country race clubs across Regional NSW, to provide improvements to racetracks and additional capacity for stabling thoroughbreds

- **\$50.0 million** to support regional tourism, including \$30.0 million for the Regional Tourism Activation Fund and \$20.0 million for the Regional Events Acceleration Fund
- **\$40.0 million** over four years to attract major blockbuster art and museum exhibitions to NSW, showcasing the world's finest cultural treasures in our world-renowned cultural institutions
- **\$24.0 million** over four years to expand the State's Arts and Cultural Funding program to incentivise innovation, vibrancy and creativity within the cultural sector. The uplift will focus on funding to small and medium arts companies, along with funding to enable additional regional touring
- **\$15.0 million** for a Cahill High Line, inspired by the Manhattan High Line, temporarily transforming the Cahill Expressway into a contemporary landscape which will host a series of events and provide a viewing deck for New Year's Eve fireworks and Sydney Harbour until the opening of the 2022 Sydney Festival; and
- **\$5.0 million** to establish the Heritage Blue Plaques program that will identify heritage sites for communities to appreciate and connect with their historic surrounds.

CBD REVITALISATION

The NSW Government is investing in initiatives to revitalise the CBD, create local jobs and drive economic activity. This includes:

- **\$50.0 million** for a new Dine & Discover voucher program to be used on Fridays in the CBD
- an additional **\$20.0 million** for the CBD Revitalisation program for a range of initiatives to revitalise the area and encourage increased spending and mobility in the CBD. This builds on the successful \$20.0 million partnership with City of Sydney to fund initiatives such as the Alfresco Dining program and CBD activation grants
- **\$20.0 million** accommodation voucher program, which will provide \$100 accommodation vouchers to NSW residents to stay in the Sydney CBD; and
- extension of the successful Dine & Discover program until 31 July.





2. INVESTING IN FAMILIES AND THEIR FUTURE



Cost of living savings

**MORE THAN
\$6.0 BILLION**



Energy Social Programs

\$333.2 MILLION



Regional Seniors Travel Card

\$246.3 MILLION

The strength of the State's finances has enabled the NSW Government to provide significant support to individuals and families.

SUPPORTING INDIVIDUALS AND FAMILIES WITH THE COST OF LIVING

In 2021-22 more than **\$6.0 billion** in new and existing rebates, concessions and cost of living measures are available to households to assist in reducing the impost of everyday living costs and encourage involvement in activities to support development and participation.

In this Budget, the NSW Government is bolstering its existing support programs with a range of ongoing, new and expanded measures, including:

- **\$333.2 million** for Energy Social Programs (bringing total commitments to \$1.3 billion over four years) to enable the provision of energy rebates and emergency vouchers to help reduce energy bills and provide the community with more affordable energy
- **\$246.3 million** to extend the Regional Seniors Travel Card for an additional two years, providing eligible seniors living in regional New South Wales with \$250 each year for fuel, taxi travel, or NSW TrainLink tickets
- **\$150.0 million** to deliver the Start Strong Free Preschool program for school year 2022 – to provide approximately two days of free preschool per week to all eligible preschool children

- **\$43.9 million** over two years to provide a \$100 Learn to Swim Active Pre-Schooler Voucher for children aged 3 to 6 years not yet enrolled in school to develop important water safety and swimming skills
- **\$14.2 million** for a Cost of Living program and campaign to increase public awareness of NSW Government support available to individuals and families; and
- the Treasurer's Financial Literacy Program, which will encourage children to develop positive money habits and increase their financial literacy.

Continuing existing measures, including Active Kids, Creative Kids, Smart and Skilled, Student Transport Scheme and Toll Relief, alongside numerous tax relief measures, not only save our citizens thousands of dollars each year, but contribute to the delivery of social outcomes.





The NSW Government is keeping the Opal fare increase in line with inflation, while also ensuring off-peak discounts and weekend caps introduced in 2020 will remain in place and continue to benefit customers.

The Cost of Living 'One-Stop Shop' service provided by Service NSW has undertaken more than 70,000 cost of living appointments since July 2018. With the average saving per appointment almost \$600, this means more money is being spent on things that matter.

LOVING WHERE YOU LIVE

The NSW Government is investing to enhance our communities to support healthy living, including:

- **\$205.1 million** over two years for the Multisport Community Infrastructure Fund to support local community-based organisations to develop sporting facilities across NSW, to increase participation

and maximise accessibility through the development of universally designed facilities

- **\$18.6 million** additional recurrent expenditure over two years for the Community Building Partnerships program to stimulate further investment in local communities, increasing the total funding for the program to \$37.2 million in 2021-22
- expanding the Surf Club Facility program, bringing the total funding over four years to **\$16.0 million**, to construct new and upgraded Surf Club facilities that are safe and inclusive; and
- Restart NSW grants to local government, community organisations and other sectors.

SMALL BUSINESSES

The NSW Government continues to support small to medium businesses with ongoing and new measures, including:

- **\$20.0 million** in 2021-22 for the Business Concierge service to provide small business operators with personalised support through Service NSW
- **\$9.8 million** in 2021-22 to continue the Business Connect program which provides professional business advice to small businesses across NSW
- **\$4.3 million** in 2021-22 for the NSW Small Business Commission to deliver increased mediation and advisory services to commercial parties; and
- continuation of the NSW Government's **\$472.0 million** small business fees and rebates scheme. Eligible small businesses can claim **\$1500** in rebates against eligible government fees and charges until 30 June 2022.

SUPPORTING VULNERABLE COMMUNITIES

This government is investing in critical support services for the most vulnerable and disadvantaged in our state to ensure appropriate care and services are available where and when they are needed. This includes:

- **\$57.0 million** over two years to build on the successful Together Home program, which has assisted hundreds of rough sleepers or vulnerable individuals into accommodation
- **\$33.9 million** over four years for specialist domestic violence case management to be rolled out state wide through the Staying Home, Leaving Violence program to ensure victims of domestic and family violence are afforded the option to stay home safely
- **\$30.0 million** over four years for social impact investments with a focus on women facing disadvantage and Indigenous youth
- **\$12.2 million** over two years to fund Tresillian for a series of support measures to families experiencing difficulties in the critical first years of their child's life, including six Regional Family Care Centres, five 'Tresillian 2U' vans, and staffing for the Macksville residential unit; and
- **\$12.0 million** over four years to promote adoption and guardianship for children in out-of-home care, through increased awareness, a dedicated taskforce, and greater support for adopted parents and guardians.

EMPOWERING ABORIGINAL COMMUNITIES

The 2021-22 Budget reaffirms the NSW Government's commitment to First Nations communities. New and existing measures include:

- **\$259.6 million** to provide quality and affordable housing to Aboriginal communities
- **\$185.0 million** on targeted education services to increase the learning potential of First Nations students
- **\$52.4 million** in 2021-22 towards the Aboriginal Community Housing Investment Fund
- **\$43.7 million** to deliver targeted health services through the Aboriginal Community Controlled Health sector, especially in Regional NSW
- **\$41.0 million** to expand the Stolen Generations Reparations Scheme, including the digitisation of records
- **\$34.1 million** over three years to expand the Roads to Home program, which will provide planning and infrastructure upgrades to up to 10 additional Aboriginal communities; and
- **\$11.6 million** over two years for the extension of the Services Our Way program, providing on the ground, practical support and skill development for Aboriginal people and families with complex needs.





3. TRANSFORMING NEW SOUTH WALES



Over four years to encourage the take up of electric vehicles

\$489.5 MILLION



Critical Communications Enhancement Program

\$719.0 MILLION



Bradfield City Centre, Australia's first smart city,

MORE THAN \$1.0 BILLION



DRIVING PRODUCTIVITY AND INCREASING LIVING STANDARDS

As outlined in the *2021-22 NSW Intergenerational Report*, a growing economy will enable us to maintain high-quality services, build our resilience to future challenges and create opportunities for future generations.

Building a stronger economy will require reform to lift productivity growth. The *NSW Productivity Commission White Paper 2021, Rebooting the economy*, considered the four foundations for rebooting productivity growth: talent, investment and innovation, housing, and infrastructure and natural resources.

This Budget announces a comprehensive package of incentives to support the take-up of electric vehicles (EVs) in NSW and establish the foundations for a more efficient and sustainable revenue base to support road funding. The package includes:

- **\$200.5 million** over four years for motor vehicle duty exemptions for eligible new and used zero and low emission vehicles
- **\$171.0 million** investment in charging infrastructure over the next four years to ensure accessibility of ultra-fast chargers, especially on major highways and at regional tourist destinations
- **\$75.0 million** for a rebate of \$3,000 for Battery Electric Vehicles (BEVs) and fuel cell electric vehicles sold for a GST inclusive price of less than \$68,750 (excluding public or private fleet operators) from 1 September 2021, for the first 25,000 eligible sales
- **\$33.0 million** for government fleet procurement of BEVs in the next four years and \$265.0 million over the next ten years, targeting 50 per cent of government fleet purchases by 2025-26 and 100 per cent by 2029-30; and
- **\$10.0 million** in 2021-22 to support the implementation of these programs.

To provide a sustainable and efficient source of road funding into the future, a 2.5 cents per kilometre road user charge for electric vehicles will be introduced from the earlier of 1 July 2027 or the time battery electric vehicles reach 30 per cent of new vehicle sales.

This Budget invests in a range of productivity measures, including:

- delivering the **Electricity Infrastructure Roadmap: \$379.6 million** in new funding (as part of \$412.9 million commitment over four years) to deliver the Electricity Infrastructure Roadmap, including funding for the coordinated setup of Renewable Energy Zone network infrastructure across the State
- improving the **quality and safety of care for patients: \$141.0 million** in 2021-22 to commence implementing a Single Digital Patient Record to improve the quality and safety of care for patients by enhancing care coordination across hospital and other settings
- starting the transition to **electrify all NSW buses** to zero emissions: **\$10.0 million** for a Bus Electrification Program strategic business case that aims to transition all NSW buses to zero-emission buses
- **lowering the cost of occupational license holders: \$2.5 million** to support Automatic Mutual Recognition of occupational licensing, lowering the cost for those who do business in multiple locations
- an additional **\$9.7 million** in funding, along with the introduction of legislation, to implement the package of 29 recommendations from the NSW Productivity Commission Infrastructure Contributions Review. These reforms will support the timely delivery of critical infrastructure as it is needed to meet population growth and unlock housing supply
- investments to improve student outcomes and support long-term productivity including:
 - **\$196.6 million** to implement the Curriculum Reform program, a program to create a new curriculum that will improve student performance and enhance future employment outcomes
 - **\$124.8 million** to attract and retain high performing teachers under the Teacher Supply Strategy, to deliver a sustainable pipeline of teachers; and



- **\$24.6 million** to support implementation of recommendations in the Gonski Shergold Review including establishing pilot sites for the Institute of Applied Technology and piloting a new Careers NSW platform, which will partner with industry and young people to provide valuable and timely advice to match students with in-demand industries.

Cutting red tape and fast-tracking major development will keep people in jobs and the construction industry moving and create business hubs that encourage innovation. Support includes:

- **\$870.0 million** for enabling works to prepare the site and build a solid foundation for the new Bradfield City Centre, Australia's first smart city, providing a new economic hub for businesses and jobs of the future
- **\$175.9 million** to provide the first high tech building at Bradfield City Centre and a new education and training model
- **\$139.3 million** for round two of the Accelerated Infrastructure Fund, which will provide funding to councils in high growth areas to support construction activity and the release of new homes and employment areas in key greenfield sites
- an Emerging Industry Infrastructure Fund as part of a **\$36.0 million** investment into research initiatives, to invest in targeted industries aligned with the 2021 Accelerating Research and Development Plan
- **\$35.0 million** to deliver the Entrepreneurship and Innovation Ecosystems Action Plan to promote new ideas, design and investment while creating sustainable jobs in targeted sectors, precincts and Regional NSW; and
- **\$20.0 million** to accelerate the delivery of strategic planning precincts to shape land use and rezoning outcomes.

IMPROVING SERVICES AND OUTCOMES

For NSW, the decade ahead will not look like the last, both because of the pandemic and because of trends such as digital advancement and environmental sustainability. We need to maintain a

modern, diversified economy to ensure continued prosperity for generations to come. This Budget invests in new initiatives and technologies to further improve the Government's services, including:

- **\$719.0 million** for completion of the Critical Communications Enhancement Program that will expand and enhance the Public Safety Network and ensure there is radio coverage across the State for first responders
- an additional **\$500.0 million** for the Digital Restart Fund to continue driving investments in digital technologies across the NSW Government
- **\$56.1 million** over the next four years to appoint eight extra Local Court magistrates
- an additional **\$24.6 million** to continue the services of the Data Analytics Centre, which provides cross-sector data-driven insights to inform policy decisions and citizen-focused outcomes; and
- **\$19.0 million** to provide an asset refresh to video conferencing and computer facilities in TAFE campuses across NSW.

BOOSTING RECOVERY AND RESILIENCE

Targeted support for communities hit hardest by recent challenges, will support businesses and communities to recover, rebuilt and reduce risk for the future. This includes:

- continuing **\$4.5 billion** over six years, in partnership with the Commonwealth, for bushfire response, relief, and recovery, providing support to those communities still feeling the impacts of the 2019-20 bushfires, and responding to the recommendations of the NSW Bushfire Inquiry
- **\$590.4 million** to support communities in their recovery from the impacts of the 2021 storm and flood events, with additional funding being sought from the Commonwealth; and
- **\$150.0 million** over two years to expand the help for rural and regional communities to combat the mouse plague.

IMAGE CREDITS:

City of Sydney, A. Richards, Department of Planning, Industry and Environment, Destination NSW, NSW Government, NSW Health and Transport for NSW.



YOUR FAMILY,
YOUR future