



# **2015-16 BUDGET SPEECH**

***'Heading in the right direction.  
Building on the momentum.'***

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BY  
THE TREASURER  
HON PETER GUTWEIN MP

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*Presented to both Houses of Parliament by the Governor's  
Command*



# Madam Speaker,

Tasmania has come a long way in the last 15 months.

Under our long-term Plan the economy is growing, jobs are being created, we are improving frontline services and, importantly, we are getting the State's finances back on track.

While it is early days, the State is now heading in the right direction.

Our first Budget commenced the delivery of our long-term Plan, delivered our election commitments, and wiped \$446 million from the cumulative deficits we inherited.

It put the State on a path to return to surplus in six years, and cut projected Net Debt from around \$400 million to around \$50 million.

It was a measured Budget, a Budget that got the balance right, that put the State's finances back on track, while kick-starting the economy and commencing the delivery of our long-term Plan.

This, our second Budget, builds on the foundations that we laid in that first Budget.

It builds on our reform agenda to get the fundamentals right.

It contains no new taxes or tax increases, and no new savings measures.

It strikes the right balance between spending on services now and building for the future.

It capitalises on the gains made over the past year.

It supports confidence in our community.

And importantly, it builds on the growing momentum now evident in our economy.

Madam Speaker,

The Government's number one priority is jobs.

Some 4 200 jobs have been created since March 2014, and the gap between the State and national unemployment rate has halved.

Employment is stronger right around the State - over the last year it is up 3.3 per cent in Hobart and the South East, up by 1.8 per cent in Launceston and the North East and up 3.9 per cent in the West and North West.

But there is a lot more to do, which is why the centrepiece of this Budget is a suite of job-creating initiatives totalling \$315 million across the Forward Estimates.

This jobs package will underpin the creation of more than 8 000 new jobs.

We understand that it is individuals and businesses who generate wealth and create jobs, not the Government.

But we also know and understand that the Government has a very important role to play in assisting this process.

Be that through investing in productive infrastructure, incentive programs and business attraction schemes, or through direct stimulus such as the First Home Builders' Boost.

Knowing that the Government has the State's finances under control is also a key driver of business confidence and job creation.

And that is exactly what this Budget demonstrates.

Madam Speaker,

The Government is strongly committed to achieving better results for Tasmanians in health, education and public safety.

Our first Budget invested additional funds into supporting long-wait elective surgery patients, improving education outcomes, and increasing the number of police on the beat.

This Budget builds on those achievements by providing significant new targeted investments in health, education and public safety.

We want to improve outcomes - because we understand that getting better results is a fundamental task of any state government.

And Madam Speaker, significantly, this Budget makes further progress in putting our State's finances back on track.

I can announce today that as a result of our responsible, disciplined financial management, the State Budget will be back in surplus in the 2016-17 financial year.

We will be back in the black and out of deficit, three years ahead of schedule.

In fact, the outlook over the Forward Estimates is for a cumulative surplus of over \$310 million. This is in sharp contrast to the \$1.1 billion in projected Budget deficits the previous Government left behind.

That is a turnaround of more than \$1.4 billion in the Budget bottom line in our first year.

Madam Speaker,

I want to be very clear about this: were the structural savings measures we introduced last year to be unwound, the State would return to the dire financial circumstances we are now recovering from.

Instead of a cumulative surplus of \$310 million, we would have a cumulative deficit of more than \$400 million and remain in deficit across the Forward Estimates with any return to surplus at the whim of other Governments.

We must control our expenditure to ensure our financial sustainability and cannot simply hope for higher Australian Government payments or increased GST.

The savings plan we announced last year is integral to the early return to surplus.

Unlike those before us, this Government recognises that it cannot go on spending more than it receives.

The early return to surplus is because we have contained, and continue to contain, our spending.

In the 2015-16 Budget and Forward Estimates, spending growth is forecast to be just 1.1 per cent per annum, while revenue growth is expected to increase by 2.8 per cent per annum.

By comparison, in the eight years 2005-06 to 2013-14 expenditure growth averaged 4.9 per cent, exceeding revenue growth which was 4.1 per cent.

Madam Speaker,

The estimated Net Operating deficit for 2015-16 is \$58.5 million, an improvement of around \$67 million on the forecast for that year in the 2014-15 Budget.

I am very pleased to be able stand here today and declare that in 2016-17, the Budget will be back in the black - with a forecast surplus of a little over \$100 million.

As a result of improved operating results, the Government will remain Net Debt free right across the Forward Estimates. Rather than building up debt, the Government will pay debt off. By the end of the Forward Estimates period, rather than being in Net Debt, the Government is forecast to hold Net Cash and Investments of \$493 million.

This turnaround has not been easy.

Getting the Budget onto a sustainable footing was a priority, it has meant taking some difficult but necessary decisions, and it will require ongoing discipline.

For example, this February's Revised Estimates Report showed that since last year's Budget we made only two additional unbudgeted spending decisions (the Chinese President's visit and the support for Mt Lyell workers), worth \$3 million.

By comparison, under the former Government in the previous year there were 33 additional spending decisions costing \$49.8 million.

We set a target of 1 200 FTE reductions over the Forward Estimates period and are on track to achieve the planned FTE reductions for this year of 821 that we outlined.

Over this year and the Forward Estimates the remaining reduction in FTEs equates to only around 0.5 per cent of the total public sector each year.

With staff turnover averaging around 2 per cent a year, this can largely be achieved by using vacancy control and natural attrition, and without the need for any more frontline savings.

Madam Speaker,

It is vitally important that we stay the course.

We have received a higher than expected GST outcome for the coming Budget year, totalling some \$151 million Budget to Budget, and \$142 million by comparison with the 2014-15 Revised Estimates Report.

The Government is determined not to make the mistake of spending that money on recurrent expenditure that we will not be able to afford in the future. We have learned from the mistakes of the previous government, and are determined not to fall into the traps of the past, or of other states.

We know that inevitably, over time as our economy strengthens, our GST share will decline.

We know that there will always be shocks that the Government will need Budget flexibility to be able to respond to.

We also know that while we won the latest GST battle with the other states, the GST war continues and this is a continuing threat to our fair share of the GST into the future.

So we have instead invested those windfall gains into productive job-creating infrastructure that will provide benefits long after the money has gone, while also strengthening our bottom line and repairing the Budget mess we inherited.

## Wages Policy and State Revenue

Madam Speaker,

The Government's wages policy will continue at two per cent. The 12 month pay freeze that was applied to Parliamentarians, the Senior Executive Service and Ministerial Staff is due to expire, and wages for these groups will return to the State wages policy.

For future years, Parliamentarians' pay will be taken entirely out of the hands of the Government and set by the Tasmanian Industrial Commission, in much the same way as the Commonwealth and most other States set their parliamentary salaries.

Madam Speaker, own source revenue has improved by comparison with that expected in the 2014-15 Budget.

The outlook for Government business returns has improved relative to the 2014-15 Budget. Over the period 2015-16 to 2017-18, a total of \$121.4 million more in dividends, tax equivalents and rate equivalent payments are expected. This is a result of improved business performance - there are no changes in dividend policy or special dividends generating these outcomes.

I am pleased to announce that Hydro Tasmania which in last years' Budget was forecasting zero returns to Government until the 2017-18 year has, under our strong stewardship, returned to profitability earlier than forecast and, over the coming four years, will provide to the Government total returns of \$144.2 million.

Madam Speaker, Treasury estimates that the Tasmanian economy will grow by 2½ per cent in 2015-16, up from an estimated growth of 1¾ per cent for 2014-15.

State Final Demand is expected to strengthen from 2¼ per cent this year, to 2½ per cent in 2015-16.

Treasury is also forecasting that over the two years of 2014-15 and 2015-16 employment will increase by a total of 3¼ per cent.

As a result, our own-source taxation revenue is forecast to increase in 2015-16 by \$43.9 million on the 2014-15 Budget, an increase of 4.5 per cent. This shows that the State is benefitting from a growing economy.

## Jobs Package

Madam Speaker,

The State is heading in the right direction, unemployment is trending down, and over the past year, there has been a significant number of major capital investments commence in the State. Some of these include Parliament Square, the Myer redevelopment, the Royal Hobart Hospital, as well as the Penny Royal and the Silos development in Launceston and substantial new investments by Woolworths in Launceston, Port Sorell and New Norfolk.

But there's still a lot more to do.

That is why the centrepiece of this Budget is a \$315 million package of capital investment and new programs to support the creation of around 8 000 new jobs.

The package is aimed squarely at improving the economy and underpinning jobs growth. It will provide special attention to the North and North West of the State, where the economic recovery has not been as rapid as in the South.

### *Rail upgrade*

This Budget invests \$120 million over four years in rail infrastructure to improve the efficiency of our freight network. Access has also been guaranteed to another \$60 million from the Federal Government on a dollar-for-dollar basis when we need it, which ensures the full \$240 million committed to the rail network will remain available.

Our initial contribution of \$60 million for rail infrastructure is supported by the redirection of the \$33 million formerly allocated for International Shipping, which was made redundant by the Federal Government's welcome decision to extend the Tasmanian Freight Equalisation Scheme to international exports leaving via a mainland port.

### *Northern Cities Fund*

The \$60 million Northern Cities Major Development Initiative will, over time, transform Launceston, Devonport and Burnie and in so doing, turbo-charge the northern economy.

We have provided additional funding of \$450 000 to the Coordinator-General's office to enable preliminary work to begin immediately on the Devonport Living City project, the Launceston University of Tasmania Campus Relocation Project, and enhancing the University of Tasmania's presence in Burnie.

This initiative will unlock hundreds of millions of dollars worth of investment, create thousands of jobs and make sure the North and North West of the State get their fair share of the economic momentum that has been building in Tasmania.

## *Irrigation*

The Government will also invest \$30 million in irrigation, boosting the total funding for the second tranche of projects to over \$115 million, an investment targeted specifically at improving our competitiveness and creating new jobs in rural and regional Tasmania.

## *North West manufacturing*

Earlier this year the Government responded rapidly to Caterpillar's decision to relocate 280 jobs from Burnie to Thailand by setting up a Transition Taskforce chaired by the Deputy Premier and hosting a Manufacturing Summit led by the Minister for State Growth.

This Budget sets aside \$3 million to fund the recommendations of the Taskforce, which is due to report by 30 June 2015.

## *Business and Jobs Attraction Fund*

Madam Speaker,

The Budget provides \$8 million over two years for a new Business and Job Attraction Scheme.

The Scheme will be used to proactively attract and grow businesses that provide new or enhanced export and/or import replacement opportunities.

We have already demonstrated that we can succeed in this area by securing the QANTAS call centre's consolidation, and the recent announcement that UXC, one of Australia's biggest IT companies, will set up a new facility in Tasmania.

Our message to the rest of this country and to the world is that we are open for business, we have opportunities here for you in this State and we want you to bring your business, your employees and your families to the best place in the country to live, work and invest.

## *Extension of the First Home Builders' Grant*

Madam Speaker,

This Government recognises the importance of Tasmania's building and construction industry with over \$2 billion of building and construction work done in Tasmania in 2013-14 and which employs around 17 500 Tasmanians.

There is no doubt that the First Home Builder Boost was a fantastic success. While it was simply not tenable for the \$30 000 Boost to continue indefinitely, we believe it is important that we continue to encourage Tasmanians to build their first home while providing a sensible transition path for the building industry.

The First Home Builders grant is currently set at \$20 000 and is due to reduce to \$10 000 on the 1 July 2015.

At \$20 000, in relative terms, this is the most attractive first home building package in any state and our message to young people both here and abroad is that there is no better time than right now to build your first home in Tasmania.

Accordingly, I confirm today that the grant will remain in place at the current level of \$20 000 until the end of the calendar year, after which it will continue at \$10 000.

This will see hundreds of additional homes built in Tasmania and more jobs in building and construction, more jobs for contractors, more jobs in retail and more homes for Tasmanian families.

### *Tourism and hospitality*

Madam Speaker,

Our tourism and hospitality sector is currently the jewel in our State's economic crown, and we want to keep it there.

Visitor numbers are at record highs. Occupancy rates are up from Dover to Devonport and Strahan to St Helens.

This year, visitor turnover topped \$1.8 billion.

Hospitality and tourism are expanding at an impressive pace and they are directly responsible for creating hundreds of new jobs over the past year.

The innovation, tenacity and passion of our tourism and hospitality sectors have put Tasmania firmly on the map.

It is no surprise that Tasmania won an unprecedented ten awards at the recent Australian Tourism Awards and has been recognised by Lonely Planet as one of the world's must see destinations.

But we must do more if we are going to reach our target of 1.5 million visitors to Tasmania per year by 2020, which the industry says will create an extra 8 000 jobs.

Hosting a visit by the Chinese President last year was a huge coup. The exposure it generated for Tasmania in one of the world's fastest growing economies was literally priceless.

We need to strike while the iron is hot and capitalise on the gains we are already making.

That is why the Government is investing an additional \$7.9 million over the Budget and Forward Estimates into growing the visitor economy.

This money will be used for additional marketing and also to address some of the supply issues facing the sector.

As part of this funding, \$920 000 is allocated to our Regional Tourism Organisations, to ensure that Tasmania's regions share in the tourism boom, and there is also an investment of \$400 000 in the business events sector to boost events visitation.

### *Supporting jobs in regional Tasmania*

Madam Speaker,

This Government is absolutely committed to supporting job creation in regional Tasmania.

To that end, the Government will establish a new Regional Events Start-up Program, providing more than \$600 000 to support events growth in regional Tasmania.

The Budget also commits up to \$750 000 to partner in bringing the Masters Games to Tasmania, which will be a huge boon for the tourism and hospitality industries as well as the North West and broader Tasmanian economy.

We are also looking forward to the first of a number of projects commencing as a result of our expression of interest process for developments in our national parks and World Heritage Areas.

This will be a game-changer for Tasmania. It will help us live up to our potential as a world-renowned visitor destination and there is no doubt that these developments will create hundreds of jobs for Tasmanians. The Government will launch a second Expression of Interest round in the new financial year.

To further support regional Tasmania, this Budget provides an additional \$5 million in funding through the Regional Revival Fund, which will be targeted specifically at rural and regional areas of Tasmania and used to help upgrade valuable economic and social infrastructure and generate much needed work in our rural and regional areas.

This funding is in addition to previously announced projects that are still being progressed.

The Department of State Growth will work with local businesses and local councils to identify projects where support may be offered through a contribution towards total project cost. The funding is available to meet capital costs associated with new developments and there must be a clear demonstration of benefit for regional communities and relevant industries.

Madam Speaker,

Regional centres often depend on key infrastructure for their economic prosperity.

Recognising the importance of the St Helens Barway to the fishing and tourism sector on the East Coast, and for the community more widely, this Budget makes available \$1.2 million over two years to fund Stage 1 of the project. Similarly, \$500 000 has been allocated to Stage 1 of the Prosser River Entrance Stabilisation Project.

## Mining, Forestry and Agriculture

Madam Speaker,

Our resource and agriculture sectors are the backbone of the State.

The 2015-16 Budget provides more than \$24 million over the Forward Estimates to facilitate exploration and mining development while fostering and encouraging responsible land management in Tasmania.

This funding will be spent on initiatives such as improving our geoscience information, including the continued development of the TIGER data management system and a comprehensive three dimensional geological model of the State.

In this Budget, an additional \$500 000 has been provided to support the relocation of Mineral Resources Tasmania to Burnie, which will help support our crucial and valuable mining sector to thrive in the post-mining boom era.

Along with mining, forestry is one of regional Tasmania's most important industries. During the past 12 months we have re-set the sector on a path to growth by ripping up the Tasmanian Forests Agreement.

The next important step to restoring and rebuilding our forest industry is to put Forestry Tasmania on a path to sustainability.

To help achieve this goal, this Budget sets aside \$250 000 to support the Forestry Tasmania reform process.

The 2015-16 Budget confirms our commitment to provide no further funding for Forestry Tasmania's commercial operations. As we have said previously, the Government will continue to fund Forestry Tasmania's firefighting obligations in the Budget, with Forestry Tasmania to receive, in total, \$4 million this coming Budget year.

Another \$4 million is provided for other non-commercial activities, including maintaining roads to access tourism sites.

As promised, there is no ongoing operational subsidy for Forestry Tasmania.

The Budget also continues funding to deliver a range of initiatives started last year including \$500 000 over two years to progress the review of the Regional Forest Agreement, \$1 million over four years to grow the private agri-forestry sector and \$1.2 million over two years for the Ministerial Advisory Council on Forests.

Agribusiness has been identified by Deloitte as one of the 'Fabulous Five' sectors that will drive the nation's prosperity, and Tasmania is ideally poised to ride the wave.

In this Budget we provide \$30 million to match the \$60 million provided by the Federal Government which along with private investment will deliver a total investment of more than \$115 million to progress the tranche 2 irrigation schemes, which will transform our rural economic landscape.

The Budget provides \$4.6 million to continue the Government's Cultivating Prosperity in Agriculture Policy, including the Water for Profit program, agriculture research and development and funds to enhance on-farm productivity.

This Budget also acts to protect and grow agricultural jobs by providing an extra \$4 million for new biosecurity measures. This includes funding for three new additional quarantine detector dogs and upgrading and developing laboratory equipment and information systems as well as improving the State's post border biosecurity hygiene infrastructure.

## International engagement

Madam Speaker, this Government has runs on the board when it comes to international economic engagement.

Last year we hosted the President of the People's Republic of China, Xi Jinping and Madam Peng Liyuan.

To coincide with this historic event, we staged Tasinvest 2014 showcasing more than \$2 billion of investment opportunities in our State to potential investors from across the world.

We signed 10 separate agreements with China to strengthen our economic and cultural relations with one of the fastest growing economies in the world, and now our largest trading partner.

In March this year, the Premier led a trade and investment mission to China, to build on the diplomatic and business ties generated by last year's visit.

The Government is also committed to improving our engagement with key trading partners such as Japan, South Korea, Taiwan and emerging markets such as India, Indonesia, Singapore and Malaysia.

In this Budget, additional funding of \$2.8 million over the Budget and Forward Estimates period will be provided to the Office of the Coordinator-General, to help deliver the Government's growth agenda in international engagement activities, investment attraction and facilitation.

## A focus on jobs in North and North Western Tasmania

Madam Speaker,

As I have already explained the Government's number one priority is jobs and while the overall economic recovery has been positive with the \$657 million Royal Hobart Hospital in particular underpinning the significant construction activity that is occurring in the South, it is clear that the North and North West of Tasmania have not bounced back as quickly.

These regions will benefit from measures I have announced such as the Northern Cities Major Infrastructure initiative, the investment in rail and irrigation and specific initiatives like the \$3 million to assist the manufacturing industry on the North West Coast as well as benefitting from the remainder of the Government's job creating initiatives.

In addition to the funding I have already described, the Budget also provides new investment of \$34.5 million to support the construction sector on the North West Coast.

It will be spent on High School upgrades at Smithton, Latrobe and Parklands High in Burnie as well further investment in the North West School of Special Education, a new LINC in Burnie and the North West Youth Accommodation and Training Facility. This is in addition to the existing \$6 million of committed school projects in the North West - a total package of \$40.5 million.

In the North the Budget also invests a new \$25.7 million in High School upgrades at Prospect, Kings Meadows and Riverside with additional investment into the Northern School of Special Education. In addition, the Budget provides new funding of \$3 million to complete the Allied Health Clinic at the Launceston General Hospital and \$1.7 million for a new Northern Suburbs Community Center. That is a total new infrastructure spend in these areas of over \$30 million, and a total of \$38 million taking into account existing school projects, that will both support jobs in the immediate term, and improve service delivery in the long-run.

## Job-Creating Infrastructure

Madam Speaker,

This Budget and Forward Estimates contains a massive \$1.8 billion in job-creating infrastructure funding, \$200 million more than last year's Budget.

Importantly, this investment will touch all corners of the State.

It includes a total of \$68 million to begin reinvigorating Tasmanian High Schools, the most significant spend ever on upgrading high schools in this State.

The majority of the new projects can begin this year ensuring that in the short-term this investment will create jobs in the building and construction sector.

In the long-term, it will provide the facilities that will give young Tasmanians the best shot at getting the jobs of the future.

Over this Budget and Forward Estimates, we are investing \$728 million in road and bridge improvements, which will not only make our road network more efficient, it will also make it much safer.

We will also invest \$8 million in parks infrastructure to help maintain and open up our parks for Tasmanians and visitors from interstate and around the world to enjoy.

And of course, the overall infrastructure spend also includes \$496 million on the Royal Hobart Hospital redevelopment, the single biggest health infrastructure investment in Tasmania's history.

This project is now not only back on track, but enhanced with the addition of important facilities such as a helipad.

Furthermore to ensure that investment and development in this State is fairer, faster, simpler and cheaper we committed to introducing by the end of this term a new Statewide Planning scheme that will unleash a new round of jobs and investment in the State.

We want this key initiative completed as soon as possible so that the handbrake on our economy of having 29 individual planning schemes is removed. Accordingly, this Budget provides \$1.7 million to accelerate work on the new single statewide planning scheme and ensure that it is completed well before the end of this term.

Madam Speaker,

The very clear message from this Government to those Tasmanians in the construction industry who left the State because of a lack of work is that Tasmania is now back in business.

We are building roads, dams, hospitals, schools and better cities.

So, if you wear a 'high-vis' vest and are currently working interstate or overseas hear this message - there is work for you in Tasmania, and we want you back.

## Better Results in Health

Madam Speaker,

The Hodgman Liberal Government is committed to working with Tasmanian communities, patients and medical professionals to fix our broken health system.

We are fixing our broken health system so that all Tasmanians, regardless of where they live, can have access to better health services.

On 1 July this year, we will launch a single, statewide health service, which moves away from the existing fractured and broken model.

By creating a single system, we will deliver better and safer outcomes for patients by reducing wasteful duplication and freeing up funding for services when Tasmanians need them.

Under the One Health System, hospitals will specialise in the procedures they are best equipped to provide to get the best outcomes for patients.

That is what our White Paper process has been all about - putting better results for patients first, second and third.

Over the past few months the Minister for Health has been consulting widely with the Tasmanian community about the exposure draft of the White Paper, and the final paper will be released soon.

Madam Speaker,

This Budget gets the balance right.

It provides the funding needed to turn our aspirations for the health system into reality, providing a record \$6 billion over the Budget and Forward Estimates.

I can confirm today that the Government will invest an additional \$100 million into frontline health services.

That is an additional \$25 million a year, for the next four years.

This funding will support public hospital services, including elective and emergency surgery, as well as primary and community care.

This Budget also includes \$24 million for patient transport and care coordination, to support the implementation of the One Health System reforms.

We are also continuing to deliver on our election commitment to invest \$76 million into reducing elective surgery waiting times and this Budget delivers the next instalment of that commitment.

We have also continued the \$3 million for Hospital Alternative Programs, including restoring the successful Hospital in the Home program.

This Budget allocates additional funding of \$8.3 million for the maintenance, replacement or upgrade of hospital and health centre infrastructure across the State, including at the Launceston General Hospital, Flinders Island Hospital, Launceston Ambulance Station and at rural hospital locations.

Additional funding of \$2.4 million will provide increased resources for the Children and Adolescent Mental Health Services - a specialist service that provides treatment and support to young Tasmanians (under 18) with serious mental illness, and their families.

Madam Speaker,

New funding of \$14.5 million has also been allocated over the Budget and Forward Estimates period for the operating costs associated with the North West component of the Northern Integrated Cancer Service.

A total of \$4.8 million has been provided to help tackle the scourge of the drug known as Ice. This will ensure that resources are available to tackle this debilitating, highly addictive menace to our society and to ensure that those who are affected receive the assistance that they need.

I can confirm that the Government has also reached in-principle agreement with the Commonwealth for a new, two-year funding deal for the Mersey Hospital. During this period, we will continue our productive discussions with the Federal Government to secure the long-term future of this hospital.

And of course, as I have mentioned earlier, we have got the \$657 million Royal Hobart Hospital Redevelopment back on track and by this time next year, Tasmanians will see substantial progress on one of the most critical infrastructure projects ever undertaken in Tasmania. This Budget provides \$496 million over the Budget and Forward Estimates period for this centrepiece project.

## Better Results in Education

Madam Speaker,

The Hodgman Liberal Government is committed to better education results for young Tasmanians, and to creating a job-ready generation.

Last year's Budget commenced that process, with the employment of 25 specialist literacy and numeracy teachers.

We funded properly, for the first time, six schools to extend to years 11 and 12 - Scottsdale, Smithton, Huonville and Dover District High, and St Helens and St Marys District High Schools.

In those first six schools to extend, year 11 and 12 enrolments increased by 38 percent, demonstrating the early success of this policy in keeping our students in school longer, and improving results.

This Budget provides funding to support an additional six schools extending next year - Campbell Town District High, Queenstown's Mountain Heights District School, New Norfolk and Glenora District High schools (in partnership), Rosebery District High and Tasman District High School.

In addition, Cressy District High School will begin offering senior secondary courses in 2017 to allow time to further prepare supporting infrastructure at the School.

Madam Speaker,

Once again this Budget gets the balance right. In total, this year's Budget contains a record \$1.44 billion investment in education and training.

At the heart of this is the Government's absolute commitment to keeping our Gonski pledge, with a \$77.7 million investment in 2015-16, which is a \$21 million increase on the funding provided in 2014-15.

While all schools will benefit, this money will be specifically targeted at those schools with the greatest need.

The Government will introduce a new program, LIFT, which will strengthen educational partnerships with families of children from Kindergarten to year 2 in school communities with the greatest levels of student need.

This new program will equip parents with the skills to build their own learning and most importantly enhance their skills to support the learning of their child.

Madam Speaker,

As I indicated earlier, this Budget also provides a once in a lifetime investment into our high school infrastructure.

Sixty-eight million dollars will be invested over four years to upgrade facilities in high schools at Kings Meadows, Latrobe, Parklands, Prospect, Riverside, Smithton and Taroona. This also includes existing commitments to upgrade Brooks, Devonport, Montrose Bay, New Town and Wynyard High Schools.

While our primary schools were well served by the Federal Government's GFC stimulus package of several years ago, in the main our ageing high school facilities missed out.

This Budget addresses that, providing modern education facilities for our students, while at the same time providing an important stimulus to our economy through increased building and construction work.

Madam Speaker,

The Government had to make some difficult decisions to ensure we can deliver sustainable services into the future.

But as I said earlier, the heavy lifting has been done, there are no new savings measures, and there will be no more frontline savings.

And in the context of education, I say very clearly - that means no further teacher reductions.

And because we have taken those hard decisions and put the Budget back on track, we are now able to afford to make the additional investments in education I have just outlined.

## Improving Public Safety

Madam Speaker,

Improving public safety remains a key priority of the Government.

This Budget contains funding for the police force of \$886 million over the Budget and Forward Estimates period.

Tasmania Police will continue to rebuild Police numbers to an expected 1 174 police officers by the end of June 2016. We're on track to increase police officer numbers to 1 228 by 2018. Some 19 recruits graduated in December 2014 and 17 recruits graduated in March 2015. A further 20 recruits will graduate before the end of the year. And a new course is scheduled to begin in August.

The police remain on their 18 month wage freeze and their decision to put more police on the beat instead of a pay rise should be commended. The Government is grateful for the responsible way in which they have conducted themselves, they are an exemplar to the public service.

The Budget also contains \$5 million for a new police vessel, and \$15 million for a new Emergency Services Computer Aided Dispatch System and \$2 million for upgrading police housing.

## Vulnerable Tasmanians

Madam Speaker,

The Liberal Government is committed to supporting Tasmanians who are vulnerable and need support.

This year, the State Government will provide around \$300 million worth of concessions to Tasmanians.

This includes around \$41 million for Metro concessions, \$37 million for electricity rebates, \$30 million for Rural and Special Needs School buses and non-metropolitan general access services, \$14 million for water and sewerage concessions, and around \$16.5 million for local government rates concessions.

This Budget also continues filling the \$9 million funding gap left by the Federal Government last year, and ensures all those eligible to receive concessions will continue to receive them.

In partnership with Aurora Energy Pty Ltd (Aurora), a further \$2 million will be made available over the next two years to implement energy affordability programs targeting vulnerable households. It is expected that through this program Aurora will be able to increase its Your Energy Support (YES) program reach from 1 300 customers to approximately 2 500 customers.

The Budget also provides new funding of \$520 000 for the Community Participation and Appeals Program to support significant community events and charitable appeals.

Madam Speaker,

Making sure that all of the Government's various departments and agencies work cohesively together to get the best possible outcomes for vulnerable Tasmanians is very important.

New funding of \$1.2 million is provided over two years to progress our joined up human services initiative. This will fund the establishment of a dedicated project team that will further the implementation, and then evaluate, five priority initiatives under the Building a Joined Up Human Services Support System project.

The Budget also provides \$93.5 million, which includes a new \$7.6 million to fund the Equal Remuneration Order for community sector workers, and \$7 million to continue implementation of our election commitment of additional funding for community sector organisations.

New funding of \$6 million is allocated over two years to build a supported accommodation facility in Devonport with specialist support services for youth.

This facility will deliver around 25 accommodation units for low income young people in the Devonport area, who are homeless, or at risk of homelessness.

Madam Speaker,

Family violence is a terrible social ill on our society which this Government is determined to address.

Across Government, this Budget allocates \$16 million to the Departments of Health and Human Services, Police and Emergency Management; Justice; Education; and Premier and Cabinet on initiatives that are directly aimed at dealing with family violence.

Further, annual funding in excess of \$24 million across the Departments of Health and Human Services and Education is made available for services that are related to family violence, such as social worker support in schools, the sexual assault service and family support services.

The Premier has already announced that work has commenced on developing a comprehensive action plan to address family violence, to be released in August. In the meantime, this Budget allocates an additional \$720 000 to support victims of family violence and assist with the delivery of preventative and support programs.

It also allocates \$88 000 to support Tasmania's membership of the Our Watch Foundation, which has been established to drive nationwide change in the culture, behaviour and attitudes that lead to violence against women and children.

However, I want to make it very clear that these additional funds are only a down-payment, and that it is the Government's clear intention that additional support will be provided later in the year to implement the recommendations of the Family Violence Action Plan when that work has been completed.

## Conclusion

Madam Speaker,

It is early days, and there is still a long way to go. This Government knows that there are no silver bullets, but there's no doubt our state is now confident and heading in the right direction.

This Budget is all about building on that momentum.

It is about supporting the creation of more jobs.

It is about building the infrastructure of the future while investing in our people today.

If the message in the Federal Budget was to 'have a go', the message in this Budget is to 'have that go here in Tasmania'.

This Budget will deliver better results in health, education and public safety.

With continued implementation of our plan for Tasmania and with continued Budget discipline this Government will deliver a brighter future, for all Tasmanians.

I commend the Bill to the House.



