

NEWS from NSW

OCTOBER 2017

AN ECONOMIC UPDATE FROM THE PARLIAMENTARY SECRETARY TO THE PREMIER AND TREASURER



NSW has reinforced its status as the nation's economic powerhouse by generating more than half of the growth in Australia's domestic economic activity over the past financial year. ABS figures show NSW, with less than one-third of the national population, contributed more than 53 per cent of the nation's average annual growth in domestic final demand in 2016-17. This reflects the sound management and strength of NSW's economy.

Jonathan O'Dea

GST REVIEW WELCOME

The NSW Government has welcomed the Federal Treasurer's announcement of a review into the distribution of GST revenue among the states.

We want a system which rewards rather than penalises governments that get the fundamentals right, exercises budget discipline and pursues productive reforms to stimulate their economies. The Commonwealth Grants Commission's 2017 report shows NSW would receive \$2.4 billion more this financial year if GST was distributed on a per-capita basis.



FIRST HOMEBUYERS ASSISTANCE

24,000 first homebuyers a year are expected to benefit from the NSW Government's stamp duty concessions. The recent budget measures include removal of all stamp duty for first homebuyers on existing and new homes up to \$650,000 and discounts for homes up to \$800,000. With the new measures and existing grants, new homebuyers could save up to \$34,360, delivering on the Government's priority of making housing more affordable.

TOP OF THE STATES

NSW has retained top position in CommSec's quarterly State of the States report, including as the best-performing economy in the nation.



NSW outstripped the rest of the country in dwelling starts and retail trade, and ranked near the top on the other six indicators, including economic growth, unemployment and housing finance.

Tourism also continues to boom, with a record four million-plus overseas visitors spending \$10.1 billion in the year ending 30 June.





DELIVERING FOR NSW

NSW is forging ahead on delivering the infrastructure and services the community needs and deserves. Over the next four years a record \$72.7 billion is committed for infrastructure, including \$7.7 billion for world-class hospitals and health facilities and \$4.2 billion for new and improved schools. The Berejiklian Government is also maintaining record levels of transport and road investment, totalling \$41.4 billion over the four year period, helping commuters to enjoy more family time.

NSW is the only state with strong surpluses, negative debt, growing net worth, a triple-A rating, low unemployment and record investment in services and infrastructure, providing a promising environment for communities across NSW to flourish.

TRIPLE-A CREDIT RATING CONFIRMED



Ratings agency, Standard & Poor's, last month affirmed NSW triple-A credit rating, citing the state's exceptional liquidity, very strong economy and low debt burden. Treasurer Dominic Perrottet said maintaining the highest possible rating assists the government to continue its transformative infrastructure agenda and build the NSW of the future.

BUSINESS AND INNOVATION BOOST

The NSW Government will contribute an additional \$6 million to the now \$18 million program to drive innovation through facilitating partnerships between NSW's 11 universities, CSIRO and industry.

The *Boosting Business Innovation Program* is supporting activities throughout the state, including a defence innovation hub at Williamtown through the University of Newcastle, an Agritech Hub at Wagga Wagga through Charles Sturt University, SMART Region Incubators at Armidale and Tamworth through the University of New England and the Deep Green Biotech Hub at the University of Technology, Sydney. More than 80 projects have benefited from the program.



CAPITAL EXPENDITURE HIGHEST IN NATION

Capital expenditure in NSW is the highest in the nation for the first time since 2005. Capital expenditure reached \$6.9 billion in the June quarter in real terms – increasing by 0.4 per cent annually, while in the rest of Australia it declined 13 percent.

FULL TIME JOBS GROWTH

The number of full-time jobs in NSW has grown more than twice as fast as the rest of Australia since the last election. ABS data shows that over the last 12 months NSW has added over 117,000 full-time jobs – an increase of almost 4.5 per cent – as NSW maintained the lowest unemployment rate among the states for 27 consecutive months. The unemployment rate in Western Sydney has dropped to a nine year low and youth unemployment in NSW continues to be the lowest among the states.

Authorised and printed by Jonathan O'Dea MP
using parliamentary entitlements.

