

YOUR INVITATION

The ACT Treasurer, Katy Gallagher MLA, invites interested community and business groups, organisations and individual Canberrans to share their views and suggestions for appropriate priorities and directions for the Territory as the Government prepares the 2009-10 Budget.

Budget Consultation is being expanded this year, with the launch of a Budget Consultation Website on 22 December 2008.

All ideas and comments are most welcome, and are encouraged to be submitted directly through the Budget Consultation Website www.treasury.act.gov.au/budgetconsultation

The website also features valuable background information and links to important documentation to assist the community in providing quick and easy input into the Budget development process. The Treasurer encourages you to take a look at this site.

The closing date for feedback is **10 February 2009**.

This year the Territory's Budget will be developed against a background of the continuing impacts of the global and national economic slowdown and ongoing turmoil of the financial markets. These impacts are yet to be fully realised. While we remain committed to our election promises, and to solutions to stabilise the economy and protect our long term budget position. We need, however, to be responsible about the level of new expenditure we can make.

In framing your advice to the Government it is important to bear in mind that while the forward estimates have been significantly impacted, the ACT's fiscal and economic fundamentals are sound – we have a strong balance sheet, low unemployment levels, and falling interest rates will boost consumer sentiment. We have committed to unprecedented infrastructure investment for much needed services, and construction activity in the Territory remains high.

The Government aims to use the views and suggestions of the ACT community to:

- guide and inform its decision making;
- draw on the knowledge and experience of both users and providers of government services; and
- promote awareness of the real choices facing Canberrans and thus stimulate participation in local democracy.

Submissions can be forwarded to the Government via a central Budget Consultation email site: budgetconsultation@act.gov.au, however, the use of the website is highly encouraged.

ACT Budget Consultation
Department of Treasury
GPO Box 158
CANBERRA ACT 2601

For further enquiries call Treasury on: 6207 0310

Thank you in anticipation for your informative and insightful input into the 2009-10 Budget Development Process.

THE BUDGET

The Annual Budget

The Annual Budget is the primary policy document for the Government. The Budget sets out the fiscal and economic outlook for the ACT, outlines the Government's key priorities and plans for the coming year in relation to service delivery and infrastructure provision, and details how these will be achieved within available resources.

The Budget Development Process involves the formulation of the next Territory Budget. This involves the Government making decisions concerning the Outputs (goods and services) and Outcomes (strategic priorities) to be delivered in order to achieve policy objectives for the overall benefit of the Community.

The process consists of the responsible, efficient and effective allocation of available financial resources. This resource allocation process matches resources to the goods and services that will contribute to the Government's desired outcomes. This matching process is to be consistent with the strategic priorities and objectives formulated during the Budget planning phase.

The Stanhope Labor Government has made a commitment to increase transparency, openness and accountability in the decision making processes for the ACT. Budget consultation is an important avenue for the ACT community to communicate and convey ideas, identify priorities and make recommendations for the Government to consider in the development of the Budget.

THE BUDGET CONTEXT

State of the Budget

The 2008-09 Budget Mid Year Review identifies that while the Net Operating Balance for the Territory remains in surplus in 2008-09, it moves from surplus into deficit in 2009-10 and the forward years.

The budget has been considerably impacted from the impacts associated with the global financial crisis, deterioration in consumer sentiment at the national level, and the changes in the monetary policy.

- The reduction is almost entirely revenue driven.
- The reduction is almost entirely parameter driven, caused by external factors that are unprecedented.

This position has largely arisen from the external impacts of the global financial crisis. These are mostly parameter based impacts, which are unprecedented and beyond the Government's control.

The weaker Budget outlook for the Territory largely reflects:

- cuts in interest rates by the Reserve Bank of Australia, which have impacted on interest earnings on cash and investment balances;
- declines in financial markets, impacting on investment returns, including Superannuation investments;
- a reduction in the size of the national GST pool, due to a decrease in consumer spending including investment in dwellings at the national level; and
- a further softening in the housing market impacting on conveyance revenue

With the exception of achieving a Net Operating Balance surplus in the forward years, all other financial policy objectives continue to be met. The overall financial position remains strong with negative net debt and strong cash surpluses.

The 2008-09 Budget included a capital investment program of around \$1.4 billion over the forward years. This was to be largely funded from past surpluses and cash holdings.

- The capital investment program therefore remains unaffected by the tightening of the credit markets.
- The budget retains vital capacity at this time to advance projects targeted at specific sub sectors of the industry to stabilise economic activity and employment levels.

The Mid Year Review is prepared on a 'no policy change' basis. Policy response to emerging deficits in the forward years will be considered in the 2009-10 Budget.

Against this backdrop, the Government welcomes suggestions that are mindful of the constrained parameters.

The Government hopes to encourage debate on the spending and service priorities of the 2009-10 Budget through this consultation process.

The Fiscal Strategy

Our fiscal strategy has been to target reasonable surpluses, manage our assets and liabilities, and to ensure the sustainability of high quality services. The Fiscal Strategy as published in the 2008-09 Budget is as follows:

- to achieve a General Government Sector Net Operating Surplus;
- to maintain operating cash surpluses;
- to maintain a AAA credit rating;
- to manage debt prudently and maintain net financial liabilities within the range of all AAA rated jurisdictions;
- to fully fund the Territory's unfunded superannuation liability by 2030;
- to maintain quality services and infrastructure;
- to make targeted investments to achieve strategic objectives of economic growth, reducing future costs and addressing chronic disadvantage; and
- to maintain taxation revenues at sustainable levels.

The Government will continue to adhere to its fiscal strategy to target surpluses and ensure the sustainability of high quality priority services.

The underlying budget structure is sound owing to the Government's prudent financial management in the past.

The strategy of the past has served us well. We have provided for targeted investment to respond to emerging needs, maintained quality of services in high priority areas, and undertaken strategic investments to increase the productive capacity of the economy.

Many of the key indicators of the Budget's strengths remain:

- A surplus in 2008-09;
- Our Balance Sheet was strong;
- Our Net Financial Liabilities are low;
- Our Net Worth is strong; and
- We have a AAA credit rating.

Our economy remains robust, unemployment levels are the lowest in the country, activity in our construction industry continues to be high, and the effects of lower interest rates and the Commonwealth stimulus package are expected to filter through to consumer confidence and household consumption.

UPDATES SINCE THE 2008-09 BUDGET

Pre-Election Budget Update

The 2008-09 Pre-Election Budget Update was released on 18 September 2008. The update provided advice on known and agreed variations and adjustments to the estimated outcome and forward estimates at that time.

Appropriation Act 2008-2009 (No. 2)

The Appropriation Act 2008-2009 (No. 2) was passed by the Assembly on 11 December 2008. The Act provided additional funding of \$36 million: the impact on the net operating balance was \$16.2 million in 2008-09.

2008-09 Budget Mid Year Review

The 2008-09 Budget Mid Year Review, released on 23 December 2008, provides updated information to allow for the assessment of the Government's financial performance against its financial policy objectives and strategies, as set out in the Territory Budget for the financial year (i.e., the 2008-09 Budget Papers).

The Mid Year Review:

- provides an update to the forecast results;
- updates financial and economic parameters, and incorporates the consequent changes to the estimated outcome and the forward years' forecasts;
- identifies the impact of any policy initiatives introduced since the passage of the 2008-09 Budget (or latest review), including the Appropriation Act 2008-2009 (No.2);
- identifies events that have emerged since the passage of the Budget, and incorporates their impact where they are certain and quantifiable; and
- presents a view of the Territory's financial position and risks to that position.

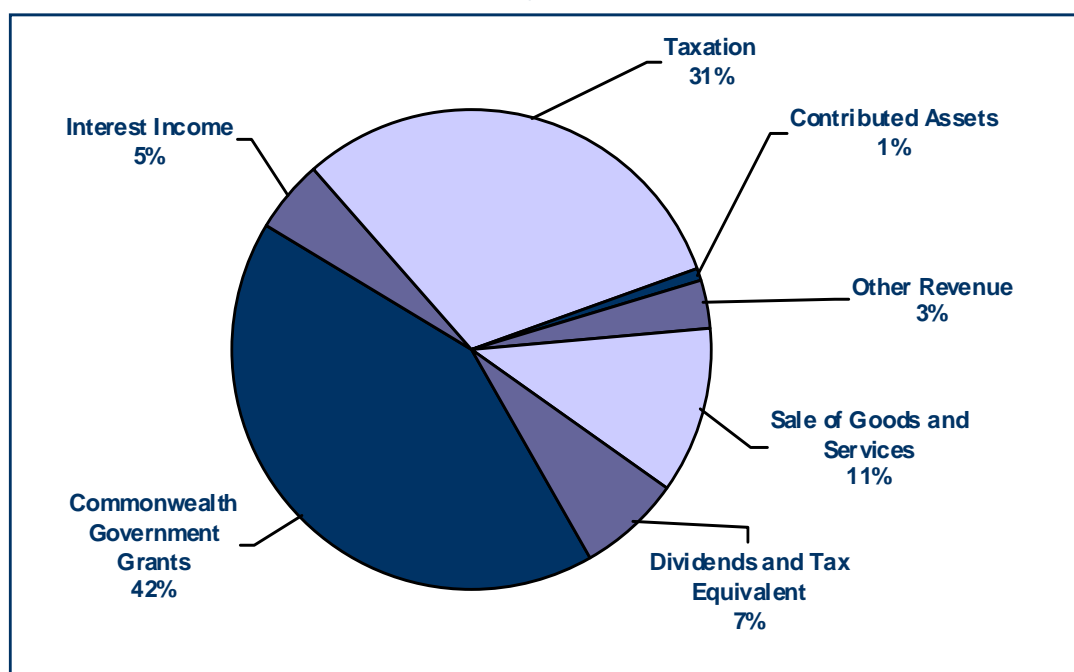
All documents can be found on the Treasury Website at: www.treasury.act.gov.au

The 2008-09 Budget Mid Year Review compliments this Budget Consultation document, and should be read and analysed in conjunction with each other.

Revenue – Where the money comes from?

Total revenue for the ACT is estimated to be \$3.307 billion in 2008-09. A significant component of the ACT's revenue base is received from the Commonwealth Government.

2008-09 Estimated Government Revenue \$3.307 billion



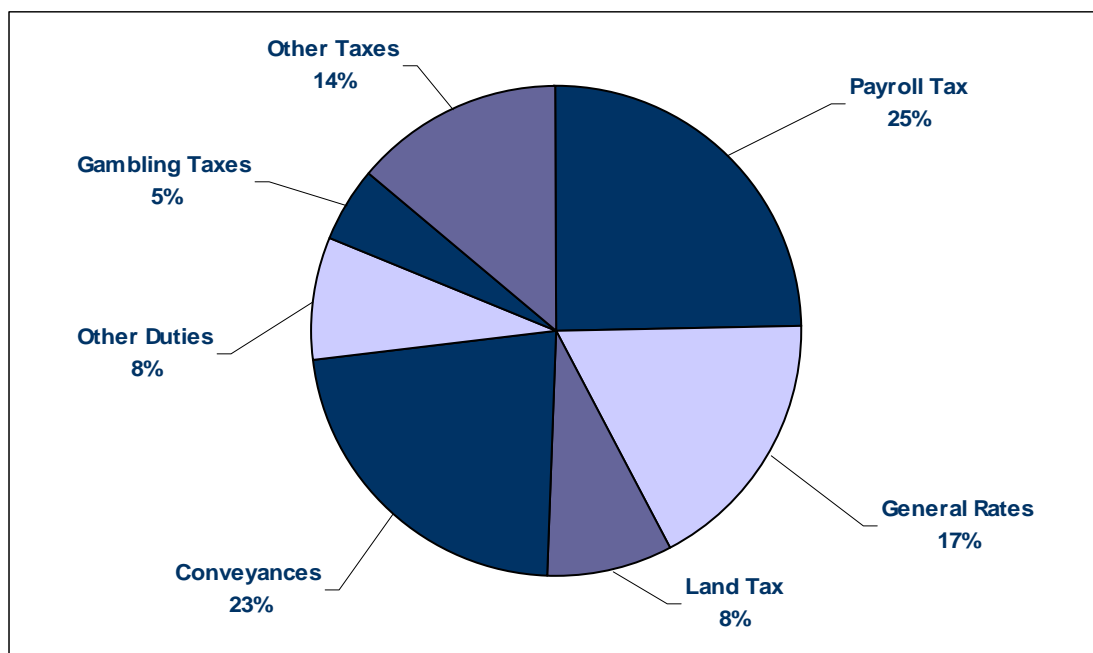
The figure above highlights the relative magnitude of components of general government revenue. It shows that 42 per cent of total general government revenue in 2008-09 will be derived from Commonwealth Government funding, with the remainder from the ACT Government's own taxation revenue, sales of goods and services, dividend and interest income.

Total Revenue	2008-09	%	2008-09	%	2008-09	%
	Budget \$'000		PEBU \$'000		MYR \$'000	
Taxation Revenue	1,048,752	32%	1,064,643	31%	1,013,351	31%
Commonwealth Government Grants	1,393,894	42%	1,468,614	43%	1,387,555	42%
Contributed Assets	46,608	1%	46,608	1%	46,608	1%
Sale of Goods and Services	359,693	11%	387,416	11%	374,405	11%
Interest Income	164,671	5%	178,732	5%	175,336	5%
Dividends and Tax Equivalent	161,124	5%	155,040	4%	215,427	7%
Other Revenue	143,402	4%	153,593	4%	94,277	3%
	3,318,144	100%	3,454,646	100%	3,306,959	100%

Taxation Revenue

Revised taxation revenue in the Mid Year Review is expected to be \$1,013.4 million in 2008-09.

2008-09 Estimated Taxation Revenue \$1.013 billion



Payroll Tax

Payroll tax represents 25 per cent of taxation revenue. It is levied at a rate of 6.85 per cent on wages and other taxable payments made by the employer, where the wages Australia-wide exceeds \$1.5 million per annum. The 2008-09 Budget reflected a 20 per cent increase from the previous threshold of \$1.250 million per annum.

General Rates

General rates represents 17 per cent of taxation revenue. General rates are levied on property owners to provide funding for a wide range of municipal and other essential services to the ACT community.

Land Tax

Land tax represents 8 per cent of taxation revenue and applies to all commercial properties and residential properties that are rented, or owned by a corporation or trustee.

Gambling Taxes

Gambling taxes consist of ACTTAB Licence Fees, Gaming Tax, Casino Tax, and Interstate Lotteries. They represent 5 per cent of taxation revenue.

Conveyance Revenue

Duty on conveyances represents 23 per cent of taxation revenue. Duty is levied on the agreement for sale or transfer of land, a Crown lease or a land use entitlement located in the ACT. The current rates payable took effect from 30 June 2002 and range from \$2 to \$6.75 per \$100, or part thereof. They are generally applied to the transfer value of the property. A concessional rate is applied for qualifying persons under the ACT Home Buyer Concession Scheme.

Other Duties

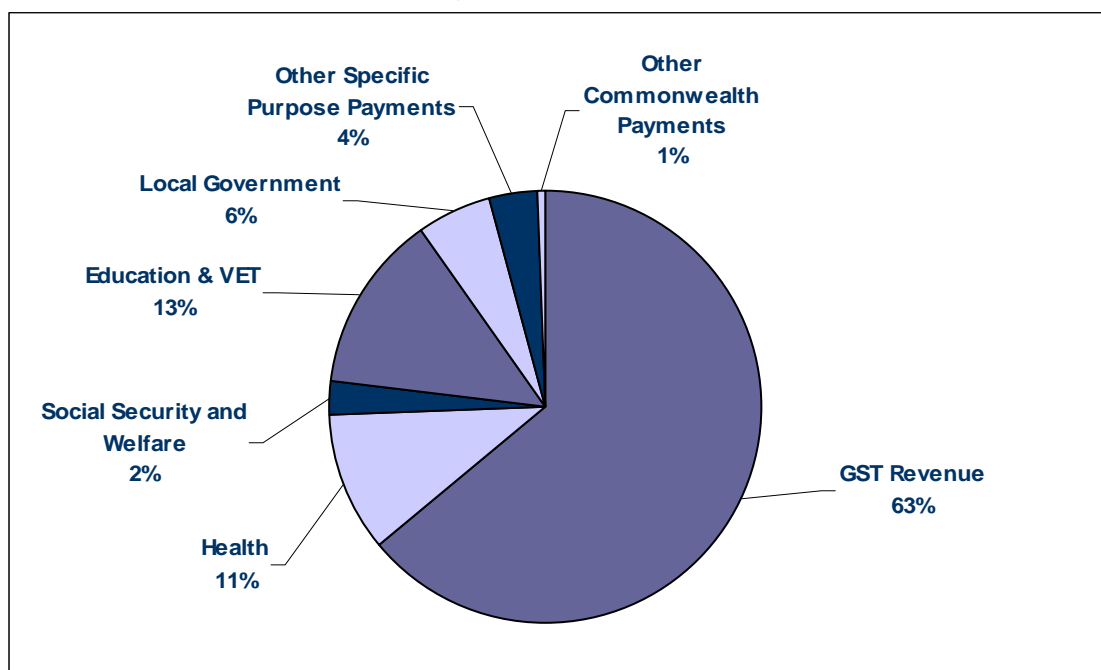
Other duties consist of duty on general insurance, leases, life insurance, motor vehicle registrations and transfers, and shares and marketable securities. This represents 8 per cent of taxation revenue.

Other Taxes

Other taxes consist of Motor Vehicle Registration Fees, Ambulance Levy, Change of Use Charge, Utilities (Network Facilities) Tax, Fire and Emergency Services Levy, the City Centre Marketing and Improvements Levy, and the Energy Industry Levy. This represents 14 per cent of taxation revenue.

Commonwealth Grants Revenue

2008-09 Estimated Grants Revenue \$1.388 billion



The ACT, like all other jurisdictions, receives a significant proportion of its revenue from the Commonwealth, as both general revenue assistance and specific purpose grants. The ACT may choose how it utilises general revenue assistance grants (ie. GST Revenues), however, specific purpose grants must be expended in a manner consistent with policy parameters determined by the Commonwealth.

Total revenue from grants is expected to be \$1,387.6 million in 2008-09, increasing in the outyears. The largest portion of these grants is GST revenue, which is estimated to be \$884.2 million or 63 per cent of all Commonwealth Grants revenue in 2009-10. Other significant grants from the Commonwealth relate to health and education.

The newly agreed federal financing arrangements between the States and Commonwealth under the auspices of the Council of Australian Governments (COAG), while reflecting an overall increase in the quantum of Commonwealth funding, will see a move towards funding Specific Purpose Payments (SPPs) over the next five years, this realignment of Commonwealth funding will also impact on the ACT's GST revenue.

Contributed Assets Revenue

Gains associated with contributed assets makes up the outstanding 1 per cent of total revenue.

Sales of Goods and Services

Revenue from the sales of goods and services will contribute an estimated \$374.4 million in 2008-09. This category consists mainly of revenue items that were previously identified as fees and user charges. The largest contributors to the sales of goods and services revenue are: service receipts; cross border health receipts; fees for regulatory services; the water abstraction charge and non-inpatient fees.

Sales of goods and services represents 11 per cent of total revenue.

Interest Income

Interest income represents 5 per cent of total revenue. Interest is received from various sources, including banks (for the returns from the Territory Banking Account for general government investments), and on advances and loans (largely from ACTEW Corporation).

Dividends and Tax Equivalentts

Dividend and Tax Equivalent revenue is received from the Public Trading Enterprises of the Government, namely ACTEW, ACTTAB, CIT Solutions and the Land Development Agency.

Total revenue from dividends and tax equivalent represents 7 per cent total revenue, and is estimated to return \$215.4 million to Territory in 2008-09.

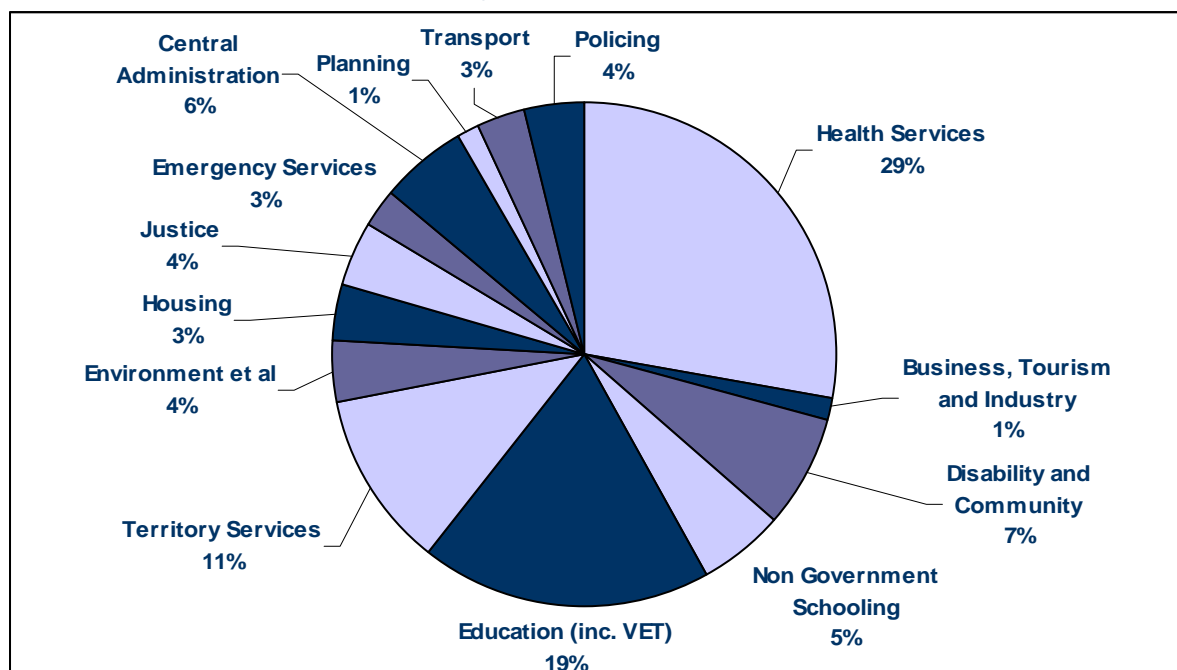
Other Revenue

The ACT received revenues of other various sources, including fines, contributions for the use of Government Assets and service contributions from the Public Trading Enterprise and external sectors. In 2008-09, other revenues are expected to be \$94.3 million, representing 3 per cent of total revenue.

Expenditure – What your money delivers

Health and Education account for the largest portion of general government expenses.

2008-09 Estimated Taxation Revenue \$3.341 billion



Health and Community Care Sector

The health and community care sector represents 29 per cent of Government expenditure or an estimated \$896.4 million in 2008-09. This sector delivers a wide range of services to the ACT community through The Canberra Hospital, Calvary Public Hospital, Community Health, Mental Health and Population Health, and the non-government sector.

These services include hospital treatment for around 78,300 inpatients and 270,000 outpatients; immunisations for 92 per cent of one year old children; over 230,000 occasions of service for persons with a mental health condition; approximately 46,700 occasions of service for people suffering from cancer; and breast cancer screening for 12,000 women.

Education Sector

Government Schooling (inc Vocational Education and Training)

The Government schools sector represents 19 per cent of Government expenditure and provides education places for 56,370 students in 84 Government schools. This includes 1,760 places in mainstream and special schools for students with special needs. In addition, the Government provides 1,800,000 annual student curriculum hours through vocational education training providers.

Non-Government Schooling

Non-Government schooling represents 5 per cent of Government expenditure. It is provided with around \$171.6 million in Commonwealth and Territory grants. The Government is responsible for registration, secondary course accreditation and certification of the sector.

Territory and Municipal Services

Territory and municipal services represents 11 per cent of Government expenditure and provides a range of state and municipal services to the community. The Department also provides core management services to Government via the Shared Service Centre and Canberra Connect. Fee for service operations through the Enterprise Services Network including: ACTION; Australian Capital Tourism; the Yarralumla Nursery; Capital Linen; Territory Venue and Events; and Exhibition Park in Canberra.

Services provided by the Department include: household waste services and recycling; maintenance of the City's transport infrastructure including roads, highways, bridges, cycling infrastructure and community paths; public library services with 180,000 registered members; land management functions; Canberra Connect; public transport services; sport and recreation services; tourism; and Territory venues for the provision of major events.

Disability and Community Services Sector

The disability and community services sector represents 7 per cent of Government expenditure and is responsible for a wide range of broader programs and policies which deliver essential services to individual, families and the whole ACT Community.

Activities include: disability services through government and non-government service providers to meet the accommodation support; social housing; children and young people; family support services, therapy services, carers; women; ageing; multicultural affairs; volunteering; community services and facilities; Aboriginal and Torres Straight Islander people; homelessness; and concessions.

Services provided include 38,100 hours of home-based care and 8,900 bed nights of centre-based respite care, 53,000 hours of multidisciplinary therapy services and provides 155,000 days of out-of-home care annually under care and protection services.

Justice and Safety

The justice and safety sector represents 4 per cent of government expenditure and is responsible for a wide range of activities in the areas of justice, safety, the law, commercial practices, and government elections. Services provided include: the provision of support and services to the courts and tribunals; crime prevention programs; legal advice and representation to Government; legislative drafting; public prosecutions; protection of rights; correctional services; and regulatory services.

Emergency Services

Emergency services represents 3 per cent of government expenditure and manages emergencies to provide for effective and cohesive emergency response and management; provides a range of emergency services to minimise the impact of fire, road accidents, other emergencies and natural disasters, conducts compliance investigations and education and awareness. Services provided include community awareness; education activities; hazard reduction; emergency management; and incidents attendance through the Ambulance Service, Bushfire Service, Emergency Services and Fire Brigade.

Policing

The policing sector represents 4 per cent of government expenditure and provides policing services to the people of the ACT. There are more police personnel employed in the ACT who are responsible for the provision of patrol responses, investigating crimes in the Territory, providing traffic policing services and responding to major public events and emergencies. The policing sector also implements comprehensive crime prevention strategies and public education campaigns.

Environment, Sustainability and Climate Change

This sector represents 4 per cent of government expenditure. The newly established Department of Environment, Climate Change, Energy and Water is responsible for leading and coordinating the development of innovative responses to climate change for the Territory. The Department will also undertake essential policy and planning across the key areas of climate change, renewable energy, water security and environmental sustainability.

Housing

Housing represents 3 per cent of Government expenditure including Commonwealth funding and is responsible for the provision of public housing in the Territory. Housing funded a capital works program from property sales of around \$68 million in 2008-09. The organisation allocates, manages and maintains more than 11,800 public and community housing properties. It also coordinates comprehensive support services and community participation programs for its tenants.

Central Administration

The central administration sector represents 6 per cent of Government expenditure and delivers a wide range of services through the Chief Minister's Department, Department of Treasury, ACT Legislative Assembly Secretariat, ACT Executive and the Auditor General. These payments include items such as Goods and Services Tax administration costs paid to the ATO, recurrent grants paid to external parties including First Home Owners Grants (FHOG), payments to non-government organisations, and transfer payments to Government agencies which include water and sewerage subsidies paid to ACTEW Corporation.

This sector also provides services across Government including leadership at a whole of government level for key Government strategies, whole of government focus on policy and strategic advice to Government, promoting the economic development of Canberra and promoting accountability and transparency in the delivery of services to the community. In addition it provides procedural, policy and administrative advice and services to the Assembly, and a range of financial and performance audits of whole of Government activities, agencies, and outputs.

Planning

The planning sector represents 1 per cent of Government expenditure. ACTPLA is responsible for the Territory Plan and other planning and regulatory activities including development applications, leases and licences, regulating the building industry and regulating land use.

Services provided include preparing Land Concept Plans, variations to the Territory Plan, processing Development Applications and building approvals, undertaking building, electrical and hydraulic audits, investigations and assessments, and providing development, easing and compliance services.

Public Transport

The public transport sector represents 3 per cent of Government expenditure and is responsible for the provision of public transport services. Services include public bus transport passenger boardings of around 17 million per annum.

THE CANBERRA PLAN

The Canberra Plan: *Towards Our Second Century* builds on the original Canberra Plan and prepares for the city's future. While some elements of the original Canberra Plan remain unchanged, the renewed vision looks at new challenges that have emerged since 2004, like climate change, water security, housing affordability, and skill shortages.

While the ACT Government is committed to tackling these challenges, we recognise that an equally strong focus needs to be kept on health, education and municipal services, and on giving every Canberran the opportunity to reach his or her potential.

The Canberra Plan: *Towards Our Second Century* puts people at the heart of the Government's planning and priorities for the coming cycle of growth and change.

The Canberra Plan: *Towards Our Second Century* identifies areas of priority action as we approach our second century.

Quality Health Care

... to ensure all Canberrans have timely access to primary and acute health care and that priority is given to early intervention and prevention.

A Fair and Safe Community

...to ensure that all Canberrans benefit from living in a community that is safe, inclusive and respectful, that all can participate in community life and that the vulnerable are supported.

Excellent Education, Quality Teaching and Skills Development

... to ensure that all Canberrans benefit from a quality education, that lifelong learning opportunities are available to all, and that our skilled workforce is adaptable to the needs of the economy.

A Strong, Dynamic Economy

... to ensure that a strong, resilient and diverse economy meets the needs of the community, to maintain economic growth and to promote the ACT as an economic region.

A Vibrant City and Great Neighbourhoods

... to ensure that Canberra offers the best in sustainable city living, that facilities are of a high quality and meet community needs and that all Canberrans can participate in the city's cultural and social life.

A Sustainable Future

... to ensure that Canberra is a fully sustainable city in which developments are environmentally sensitive, to protect natural assets and to respond to climate change.

High-Quality Services

... to ensure that services are of high quality, are efficient and meet the needs of the community, to maintain the city and its assets and to ensure that the community can participate in decisions that affect it.

Additional information on the Canberra Plan can be found at: www.canberraplan.act.gov.au

GOVERNMENT ACHIEVEMENTS

This is the Labor Government's third term, and during the past seven years our notable achievements include:

Education

The Government has committed to providing high quality education for all students in the Territory, no matter what their background or where they live. Education is one of the most important foundations to building a better city and a stronger community. Quality education is an investment in the future prosperity of the community.

The Government has:

- Invested more than \$350 million in building new, and upgrading public schools.
- Invested more than \$200 million in improving teacher quality.
- Raised teachers' pay by between 39 per cent and 60 per cent since being elected.
- Lowered class sizes for children in K-3.
- Invested \$15 million to establish four new early childhood schools.
- Invested over \$8 million to provide for Canberra's four year olds with 12 hours of free preschool per week.
- Invested \$20 million in a program to make our schools carbon neutral by 2017.
- Invested \$14.6 million to ensure a dedicated pastoral care co-ordinator is in every high school to assist student welfare.
- Committed an additional \$3.3 million to a suite of strategies designed to improve literacy and numeracy of Indigenous students.
- Increased funding to non-government schools by over 35 per cent since being elected.

Health

The Government understands that every member of the community relies on our public health system. Significant investments have been made in health in order to build up a strong, well resourced and responsive public health system.

The Government has invested record levels of funding into the health system since coming into Government, with the annual health budget now estimated to exceed \$940 million from 2009-10 – an increase of 84 per cent over actual expenditure of \$510 million in 2002-03.

This investment has employed an additional 193 doctors, 295 nurses and 154 allied health professionals to work across the public health system.

The Government has:

- Increased funding to public hospitals to record levels to meet growing demands.
- Delivered an additional 172 fully staffed hospital beds since 2001.
- Delivered year on year record elective surgery with another 9,600 elective surgery procedures this year.
- Increased the number of nurses in The Canberra Hospital emergency department by 14 per cent over 2 years to 100 FTE positions.
- Built a new \$30 million radiation oncology centre at The Canberra Hospital.
- Allocated \$300 million to commence the rebuild of the health system.
- Funding the \$12.1 million ANU Medical School at The Canberra Hospital.
- Invested over \$8 million in community health and early intervention programs, including dental health, childhood obesity, youth health services and response improvements for vulnerable families.
- Ensured immunisation rates continue to exceed the 90 per cent national benchmark.
- Introduced the *Go for 2&5* fruit and vegetable campaign to reinforce healthy eating.

Justice and Community Safety

The Government has undertaken significant law reform across a wide range of policy areas, to ensure more equitable access to justice, removing discrimination, strengthening the ACT human rights framework, tort law reform and reform of numerous areas of criminal law.

The Government has also made significant investments to provide for a safe Canberra, with the provision of additional police and emergency services capacity.

The Government has:

- Introduced Australia's first Bill of Rights and established the Human Rights Commission.
- Constructed the new Alexander Maconochie Centre and Bimberi Youth Justice Centre, operating under human rights principles.
- Introduced the Refugee Transitional Housing Program.
- Enacted the *Civil Partnership Act*, providing legal recognition for same-sex couples.
- Introduced the Nightlink taxi scheme to improve public safety in Civic at night.
- Created Victim Support ACT to support victims of crime.
- Launched the Sexual Assault Reform Program, including the Sex Crime Register.
- Increased ACT Emergency Services Agency budget by 120 per cent to \$79 million.
- Overhauled the ACT Ambulance Service fleet, putting 10 new Ambulances on the road and recruiting an extra 10 Intensive Care Paramedics.
- Recruited 16 extra firefighters and invested in firefighter training.
- Provided \$50,000 for the recruitment of an additional 50 ACT Rural Fire Service volunteer firefighters and 80 SES volunteers.
- Invested over \$200 million in recovery programs for the environment and community.
- Established the ACT Rural Fire Service and ACT State Emergency Service as separate services within the Emergency Services Agency.
- Established 38 Community Fire Units across the Territory with more than 900 CFU members signed up.
- Provided an extra 122 police officers on the beat since 2001-02; with 878 sworn and unsworn personnel protecting Canberra.
- Provided extra policing resources, bringing an additional 16 patrol cars onto the streets.
- Introduced the *Property Crime Reduction Strategy* bringing offences to 10 year lows.
- Motor vehicle theft has reduced 26 per cent since 2003.
- Expanded the CCTV Networks to the City, Manuka and Kingston.
- Built the new Woden Police Station.

Business and the Economy

A strong economy is needed to maintain our standard of living, high levels of employment, business confidence, government services and the social cohesion of the community.

A strong economy also gives us the capacity to invest in services and facilities for the community. At this time of global economic turmoil strong and proven economic management at the local level is even more important to cushion our community from the worst effects of this broader problem.

The Government has:

- Worked to ensure the ACT economy has been one of the strongest performing in the country; in 2006-07 the 5 per cent real increase in Gross State Product per capita was almost double the national rate of 3.2 per cent.
- Delivered consecutive surpluses in each year of government.
- Maintained a budget cash position that is the envy of other States and Territories.
- Made unprecedented investments in the Territory's infrastructure, with annual capital works expenditure increasing from around \$100 million in 2001 to estimated expenditure of over \$500 million in 2008-09.
- Delivered more land for residential, commercial and industrial development. The 2008-09 Budget supports the release of around 3,300 dwelling sites a year, around an average of 110,000 square metres a year of commercial sites, and around 100,000 square metres a year of industrial sites.
- Maintained the highest level of services in the nation – at around 22 per cent above the national average, while our taxation levels remain middle-of-the-pack.
- Delivered a \$3.1 million early-stage innovation incubation program.
- Allocated \$1.1 million for the new CSIRO *Plant Phonemics Centre*, and \$2.5 million for the Australian National University's new *Climate Change Adaptation Centre of Excellence*.
- Supported the internationalisation of our business community with a range of services, including successful trade missions to India and China in 2007, mentoring support through the Exporters Network, and offshore representation services in the United States, China and India. The Territory's export sales are now close to \$1 billion annually.
- Launched an innovative service to the business community, *Canberra BusinessPoint*.
- Continued to successfully market the Territory as a place to live and work through the *Live in Canberra* campaign and the *Skilled and Business Migration Program*.
- Established the ACT Skills Commission to provide high-level strategic leadership on skills issues.
- Maintained strong support for the knowledge economy through a new five-year funding arrangement for National ICT Australia (NICTA), a national centre for excellence in science and innovation.
- Worked with CIT to develop accelerated apprenticeships.
- Delivered record levels in the volume of non-dwelling construction work in 2007.
- Revised procurement processes to facilitate access to ACT Government business and increase industry awareness of government procurement opportunities.

A Vibrant City and Great Neighbourhoods

The ACT Government will continue to support and facilitate the future of Canberra as a vibrant city, while also improving major infrastructure and neighbourhood renewal and regeneration. Road improvements, city maintenance, heritage asset management, public art and events across the city will all be emphasised, along with the maintenance of open space areas for sport and recreation activities and events.

The Government has:

- Overseen the transformation of Civic over the past few years into a modern and vibrant hub befitting the nation's capital.
- Commenced the *Planning and Development Act 2007*, the *Territory Plan* to improve development assessment procedures, including implementation of e-Development.
- Provided for the refurbishment of the National Convention Centre.
- Provided for the first stage of the Lyneham Sports Precinct redevelopment.
- Developed Stromlo Forest Park, a world-class multi-use facility for recreation and sport.
- Opened the new Civic Library.
- Opened the Kippax Library and refurbished the Belconnen Library.
- Initiated the Childers Street Project.
- Installed the ACT Memorial, a memorial that honours Canberrans who offered their services or lives to defend our nation.
- Provided for construction of the \$11.5 million Canberra Glassworks.
- Opened the Theo Notaras Multicultural Centre.
- Organised an ongoing program of community events—for Christmas, New Year, Australia Day and Canberra Day, 'Round Town and Groovin' in Garema events
- Consolidated regulations through the establishment of the Office of Regulatory Services.
- Constructed the Gungahlin Drive Extension.
- Provided more than \$243 million for the ACTION Bus Service.
- Invested significantly in the upgrade, renewal and repair of Canberra's Cycleways.
- Improve transport and concession services for senior Canberrans.

Environment, Climate Change, Energy and Water

The Government has implemented a comprehensive climate change strategy. *Weathering the Change* outlines 43 actions to reduce greenhouse gas emissions, which assist Canberra to minimise its carbon footprint and preserve our natural environment. The Government's target is to reduce emissions by 60 per cent by 2050.

To assist in meeting its target the Government has:

- Increased funding for the Environment by 50 per cent.
- Invested over \$242 million in climate change initiatives, including the International Arboretum and Gardens.
- Cut stamp-duty on fuel-efficient motor vehicles.
- Introduced the nation's most generous feed-in tariff.
- Released several government strategies including:
 - *Weathering the Change* – Climate Change Strategy
 - *People, Place, Prosperity* – Sustainability Strategy
 - *Think Water Act Water* – A Strategy to Reduce Water Use
- Introduced the Greenhouse Gas Abatement Scheme, the first in the country.
- Created the stunning new 30 hectare Sanctuary @ Tidbinbilla, along with an adventure playground.
- Enacted legislation to protect significant trees.
- Committed \$20 million to retrofit Government housing with energy efficient appliances.
- Provided substantial funding to the One-Million Trees Initiative.
- Provided funding to assist schools in becoming carbon-neutral.
- Doubled the shrub and tree allocation for new home owners.
- Added efficient natural-gas buses to the ACTION fleet.

Disability Services

There are approximately 45,000 people living with a disability in the ACT.

Since coming into Government, we have completely reformed disability services, from the under-resourced and neglected sector it was as identified in the Gallop Report. The Government has invested an additional 69 per cent in funding for disability services. This has changed the way these services work, with the implementation of new and innovative care models.

The Government has:

- Increased funding for disability services by 69 per cent since 2001.
- Provided an additional \$15.75 million in 2007-08, and successfully lobbied the Commonwealth Government to match the commitment.
- Increased funding to therapy services by 106 per cent.
- Increased investment in individual support need for people with a disability.
- Provided \$768,000 per annum for respite services for older adults.
- Provided additional investments for young people with a disability for transition support and living out of aged care accommodation.
- Established the first equipment loan service for children and young people with a disability.
- Developed a specialist accommodation service for people with an acquired brain injury.

Children and Young People

The Government has sought to create a community that encourages and supports children and young people to reach their full potential – not just now but into the future.

Significant reforms have been made including the overhaul of the child protection system, the creation of the first Office for Children and Young People, the complete rewrite of the laws relating to children and young people and the increase in resources for the system that seeks to protect our most vulnerable members.

The Government has:

- Increased funding to the Office of Children, Youth and Family Support by 86 per cent, to Child Protection by 167 per cent and to Youth Justice by 96 per cent.
- Invested \$110 million into support and protection services since 2001.
- Built two Child and Family Centres operating in Gungahlin and Tuggeranong.
- Invested \$43 million to construct Bimberi, the first human rights compliant youth detention centre.
- Supported foster carers by increasing the foster care payments.
- Reformed the laws relating to children and young people by passing a new *Children and Young Persons Act*.
- Invested \$4 million in building a single therapy service including the redevelopment of existing Therapy ACT sites.
- Provided over \$5 million annual funding to a range of non-government youth providers to provide services to young people between 12-25 years.
- Created a Commissioner for Children and Young People.
- Invested \$900,000 for the country's first mental health young person's step-up, step-down facility.
- Invested \$2 million over 4 years for the *Combating Childhood Obesity* program.
- Invested in a Youth Centre in Civic.
- Invested \$2.1 million over four years to develop the innovative IMPACT Program.
- Built a new \$1.65 million Weston Creek child care facility.

OTHER USEFUL INFORMATION AND LINKS

In developing your ideas, recommendations and priorities for consideration in the development of the 2009-10 Budget, you may choose to consider the following:

The Canberra Plan: *Towards our Second Century*

www.canberraplan.act.gov.au

Capital Development: *Towards our Second Century*

www.cmd.act.gov.au/_data/assets/pdf_file/0016/2941/Capital_Development.pdf

An Infrastructure Plan for the ACT

www.cmd.act.gov.au/_data/assets/pdf_file/0018/2943/infrastructure_plan.pdf

Integrated Transport Framework

www.tams.act.gov.au/move/integrated_transport_framework

ACT Land Release Strategy

www.cmd.act.gov.au

ACT Skills Future

http://www.cmd.act.gov.au/_data/assets/pdf_file/0013/2254/ACTskills_future.pdf

Investing in Canberra

www.business.act.gov.au

Territory Plan

www.actpla.act.gov.au

Weathering the Change: The ACT Climate Change Strategy 2007-2025

www.tams.act.gov.au/live/sustainability_programs_and_projects/climate/weathering_the_change

ACT's Affordable Housing Strategy and Action Plan

www.actaffordablehousing.com.au/

Smart Schools: Smart Students

Towards 2020: Renewing Our Schools

www.det.act.gov.au

Your Health—Our Priority: Ready for the Future

access health: healthcare for all in the ACT 2007-2010

www.health.act.gov.au

ACT Children's Plan 2004-2014

www.children.act.gov.au/pdf/childrenspla.pdf