



ACT
Government

Australian
Capital Territory
BUDGET
2017-18

For a better Canberra



Budget Paper 2: Budget in Brief



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STRUCTURE AND CONTENT OF THE 2017-18 BUDGET PAPERS

The 2017-18 Budget is presented in three papers and a series of agency Budget Statements.

Budget Paper 1: Budget Speech

The Treasurer's speech to the Legislative Assembly highlights the Government's Budget strategies and key features of the Budget.

Budget Paper 2: Budget in Brief

Budget Paper 2 presents a summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

Budget Paper 3: Budget Outlook

Budget Paper 3 summarises the 2017-18 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government.

Details of the projected 2017-18 Budget results are provided, as well as background information on the development of the 2017-18 Budget, including economic conditions and federal financial relations. It also provides an overview of the Territory's infrastructure investment program and details of the 2017-18 expense, infrastructure and capital, and revenue initiatives. Full accrual financial statements and notes are provided for all sectors.

Budget Statements

The Budget Statements contain information on each directorate and agency, including descriptions of functions and roles and responsibilities, together with major strategic priorities.

ISSN 1327-581X

© Australian Capital Territory, Canberra June 2017

Publication No 17/0494

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Produced for the Chief Minister, Treasury and Economic Development Directorate by Publishing Services.

Enquiries about this publication should be directed to the Chief Minister, Treasury and Economic Development Directorate.

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MESSAGE FROM THE CHIEF MINISTER

2017-18 ACT BUDGET – DELIVERING A BETTER CANBERRA

My Government went to the last election with a positive plan for vibrant renewal right across our city and suburbs.

This Budget starts delivering it.

Canberra has made huge strides in the past two decades, from the growth of Gungahlin and the maturing of Tuggeranong to the creation and renewal of New Acton, Kingston Foreshore and Braddon. Economically, we've grown from a one company town to a confident and diversified city.

But there is plenty more we can do to make the city we love even better. That starts with renewing our schools, hospitals, infrastructure, our neighbourhoods and public spaces.

We are going to keep building on Canberra's potential.

We are renovating Canberra's schools by delivering classroom and facilities upgrades across the Territory, expanding four Gungahlin schools and getting planning underway for a new school in the Molonglo Valley.

We are renewing our city's health services, through delivering more Walk in Centres, getting planning underway for the significant new SPIRE Centre at the Canberra Hospital and expanding the Centenary Hospital for Women and Children.



At the same time as the City Renewal Authority delivers a better CBD, we are investing right across the Territory to revitalise our town centres and clean up our suburbs. This includes delivering the next stage of the West Basin boardwalk, expanding the Belconnen Arts Centre precinct, and investing more to clean up graffiti, cut litter and keep our ovals green.

And we are overhauling our transport system to keep Canberra moving by expanding the light rail network. With new investment to design the route for Stage 2 to Woden, we are better linking that town centre with our city's heart.

We can do all this because we have maintained a focus on keeping the Budget strong and sustainable. We have cut the deficit by a further \$46 million this year, and remain on track to get back to balance in 2018-19.

Our economy has also strengthened, with growth well above the national average and over 3,200 jobs created in the past 12 months. Creating and maintaining good jobs for Canberrans will continue to be a focus for my Government in the years ahead.

With this Budget, we are laying down an ambitious agenda for Canberra over the next four years. By delivering the renewal we promised, my Government is working every day to ensure this city keeps getting better for all Canberrans.

WHAT'S IN THIS BUDGET FOR ...

FAMILIES

Canberra families will benefit from even more investment in better schools, good local healthcare and more support through tough times.

- > Refurbished classrooms across ACT schools. We will invest \$85 million to upgrade and extend classrooms and school facilities to create better spaces for our kids to learn.
- > Safer walking and cycling around schools. We will introduce school crossing supervisors and make safety improvements to crossings at 20 schools across Canberra.
- > More Walk in Centres. We will deliver and start planning for new Walk in Centres, including in Gungahlin, the Weston Creek region and the inner north.
- > An expanded Centenary Hospital for Women and Children. We will improve and expand maternity and paediatric services including upgrading the High Dependency Unit.
- > Family Safety Hub pilot. We will pilot a new Hub to link up existing family violence services and ensure those experiencing family violence receive seamless, integrated and holistic support.
- > Supporting mental health for vulnerable Canberrans. We will deliver more targeted mental health support for new mums, children and teenagers through community partners like headspace and PANDSI.





OLDER CANBERRANS

This Budget delivers more initiatives to help older Canberrans with the cost of living and stay connected to our community.

- > Free off-peak bus travel for seniors and concession card holders. We will continue the trial of free off-peak travel for seniors and concession card holders to make it more affordable to get around.
- > Investing in community transport. We will trial a flexible bus service for the inner north, and continue the work of the Community Transport Coordination Centre.
- > More bulk billing GPs. We will support new and expanded bulk billing services on Canberra's southside through grants to medical practices.
- > Better acute aged care facilities. We will refurbish and upgrade the acute aged care and oncology wards at the Canberra Hospital to deliver better care for patients.
- > Upskilling for older workers. We will support older workers to up-skill or retrain so that they can take advantage of new work opportunities.



LOCAL BUSINESSES

Strong local businesses help broaden our economic base and create more good, local jobs. This budget will continue making it easier for local firms to do business and attract more visitors to our city to boost our local tourism, hospitality and retail industries.

- > Encouraging outdoor dining. We will give businesses with outdoor seating one month free on ACT Government permit fees.
- > A more vibrant nightlife. We will cut licence fees to encourage more small and medium venues to open.
- > Helping Canberra businesses to diversify, grow and innovate. We will invest in more outreach, trade and investment facilitation to take local businesses to the world.
- > A new Major Events Fund. We will attract more major events and shows to the Territory to boost domestic tourism.
- > Revitalising local town centres. We will upgrade and improve the Gungahlin, Tuggeranong and Kambah centres to help attract more local custom.

ALL OF US

This Budget will deliver better local services and events to make Canberra even more lively and liveable as our city continues to grow.

- > New and better events. We will continue to grow Canberra's events calendar and support popular events like Enlighten, SpringOUT and the Canberra Writers Festival.
- > A more creative capital. We will boost support for music and the arts, including Kulture Break, the ANU School of Music, the Art, Not Apart festival and local artists.

- > Better footpaths and cycleways. We will deliver better footpaths, more pedestrian refuges and improved cycleways across Canberra for more active living.
- > Cleaning up our suburbs. We will improve the appearance of our city and suburbs through more maintenance, weeding and graffiti prevention.
- > Improving major venues. We will make more improvements to major venues including Exhibition Park, GIO Stadium, Manuka Oval, Stromlo Forest Park and the National Arboretum.



BETTER CARE

when you
need it





BETTER CARE WHEN YOU NEED IT

Whether it's for a routine check-up, a sudden broken bone, a much-anticipated birth or a chronic illness, the ACT Government is committed to delivering better care when you need it.

That's why we went to the last election with a 10-Year Health Plan to renew our local hospitals and health facilities so they can deliver care in ways that are easy for everyone to access.

The 2017-18 Budget kicks off that plan with new investment across community, primary and specialist care. Our \$443 million new investment through this Budget builds on the \$1.6 billion the ACT Government already invests in healthcare and wellbeing for Canberrans each year.

Better health facilities

Canberrans already have access to great hospitals and health services, but this Budget invests even more to expand and improve our local health facilities.

We are starting work on a new Walk in Centre in Gungahlin and planning for centres in the Weston Creek region and the inner north. We are also upgrading acute aged care and oncology facilities at the Canberra Hospital to deliver better patient care and comfort.

With this Budget we are looking ahead by starting planning and scoping work for the major Surgical Procedures, Interventional Radiology and Emergency (SPIRE) Centre at the Canberra Hospital and for expanding the Centenary Hospital for Women and Children. We will also start work to better understand the current and future service and health infrastructure needs in Canberra's north. These initiatives will ensure Canberra's hospitals keep getting better as our community grows.



Better care in the community

This Budget boosts access to good local healthcare by encouraging more GPs to bulk bill in Canberra's southside.

We will also deliver two new mobile dental clinics to service vulnerable communities and schools, and employ more graduate nurses for frontline health care.

We are proactively protecting young people's health by introducing health checks for all Year 7 students. These checks will help identify students at risk of developing mental health issues and chronic disease, so that they can receive targeted preventative treatment. We are also continuing to protect expectant mums by delivering free whooping cough vaccinations during pregnancy.

Better mental health

With this Budget, the ACT Government is investing to promote better mental health for Canberrans.

We are increasing targeted mental health services across the generations, with more support for pregnant women and new mothers, children and adolescents and older Canberrans. We will also invest more in suicide prevention through the Black Dog Institute and the Way Back program, as well as adding new beds at the Dhulwa Mental Health Unit.

We will create a dedicated Office for Mental Health to improve the coordination of services for people struggling with their mental health, and work towards closing gaps in the ACT mental health system.


OUR INVESTMENT IN HEALTHCARE


3,094 
nurses
employed at the
Canberra Hospital

992 
doctors
employed at the
Canberra Hospital

118,381 
hospital
admissions

144,202
presentations to
emergency 

\$401 
million on health
upgrades in the last
three years

\$136,000
for 'Hospital
in the Home' 
expansion



BETTER SCHOOLS

for our kids



BETTER SCHOOLS FOR OUR KIDS

A great education depends on two things: excellent teachers who can bring learning to life, and well-equipped classrooms where this learning can happen.

With this Budget, the ACT Government is investing in both to deliver better schools for our kids. Our \$210 million new investment in local schools comes on top of the \$1.2 billion we deliver for our schools each year.

Better school facilities

We are investing in the renewal of Canberra's school facilities, with \$85 million for new learning spaces, toilets and change rooms, garden and horticultural facilities, heating and cooling upgrades and energy efficiency improvements.

We will also continue the delivery of a better Belconnen High School, with refurbished technology areas, upgraded outdoor learning and teaching environments and roof replacement.

It's a fundamental principle of our Government that all Canberra kids can have a place at a good local public school. That's why this Budget will expand the capacity of Harrison School, Gold Creek School, Neville Bonner Primary School and Palmerston District Primary School and increase the capacity of the new primary school in North Gungahlin, creating room for another 844 students.

We will also carry out scoping and early planning for new schools in the Molonglo Valley and East Gungahlin, to ensure good local schools grow alongside these new communities.





Supporting our students and teachers

This Budget will deliver 25 scholarships a year to help Canberra's teachers gain post-graduate qualifications in science, technology, engineering or maths (STEM), as well as those who want to gain qualifications in another language. STEM learning is increasingly important in preparing our kids for the jobs of the future, so we will ensure ACT schools have more skilled teachers who can confidently and engagingly deliver these subjects.

At the same time, our funding of 66 school assistants across Canberra is taking the pressure off our teachers, freeing them up

to spend more time on lesson planning and directly addressing the individual learning needs of our students.

Students can't learn effectively if they are struggling with their mental health or bullying. We will ensure that Canberra schools are Safe Schools by continuing to fund this important program.

We will also hire the first five out of 20 school psychologists to be recruited over the next four years to better support student wellbeing and provide early intervention mental health services for young Canberrans.

BACKING OUR LOCAL SCHOOLS


87 
public schools
across Canberra

\$210 
million
more for
our schools

3,649 
teachers
employed

46,557 
students
across our schools

\$1.2 billion
spent on schools 

\$70 million
infrastructure
upgrades
(over last 4 years) 



Building a **BETTER CITY**



BUILDING A BETTER CITY

Canberra is a great place to live, work and raise a family. This Budget will make it even better by delivering the infrastructure to keep our city moving and investing in our public spaces and places.

Better transport and infrastructure

The construction of Canberra's light rail network is the most significant transport project this city has ever embarked upon. With construction on Stage 1 from Gungahlin to the city now well on track for completion in late 2018, we are driving ahead with Stage 2 to Woden. This Budget delivers funding to carry out detailed scoping and route planning on the city to Woden corridor, as well as making provision for the first stages of procurement.

Our roads package will upgrade, build and plan for eight important roads, including duplicating Gundaroo Drive through to the Barton Highway and signalling the intersection at Gundaroo Drive and Mirrabai Drive. We will also construct a new four-way signalised intersection at Federal Highway and Old Well Station Road, and deliver a new access road into the Canberra Brickworks Precinct in Yarralumla to take pressure off other local roads.

The Budget will extend Canberra's 3,500 kilometres of footpaths and cycleways by starting work on the Belconnen bikeway to link the University of Canberra, Radford College, CIT Bruce and GIO Stadium with the Belconnen town centre. We are also investing over \$4 million in upgrading footpaths and cycleways in high traffic areas, and delivering more secure bike parking options in Braddon.



Better public spaces and places

The establishment of the City Renewal Authority will help drive the revitalisation of central Canberra, from Dickson through to the lake at West Basin. One of the Authority's first jobs will be to build Stage 2 of the West Basin Boardwalk, with \$37.8 million delivered in this Budget to add another 500 metres of boardwalk and works on Point Park.

We will also expand the Belconnen Arts Centre, with \$15 million for new performance and workshop spaces and a dance studio. This investment comes alongside upgrade works at the Canberra Museum and Gallery and five other community arts centres across Canberra including the Strathnairn Gallery and Tuggeranong Arts Centre.

The Budget also funds early planning on future locations for indoor sports facilities and provides \$5.4 million to maintain quality sportgrounds for local clubs and kids sport.

The establishment of the City Renewal Authority and the Suburban Land Agency will see Canberra continue to grow within a strong governance framework for the sale and development of land.

The City Renewal Authority will focus on encouraging and promoting a vibrant city through the delivery of design-led, people-focussed urban renewal, and encouraging and promoting social and environmental sustainability.

The Suburban Land Agency will deliver land releases, affordable housing, better suburbs and focus on urban renewal projects in town centres and suburbs.

The new agencies have clearly defined and separate roles and are subject to strong governance controls. They will both draw in national and global expertise and partner with builders, neighbours, businesses and the wider community to deliver the Government's priorities in the city and the suburbs to build Canberra's future.

INVESTING IN OUR CITY & SUBURBS

\$54 million on roads 

 **6,961km** of road lanes maintained

Light rail stage 1 on schedule for completion August 2018

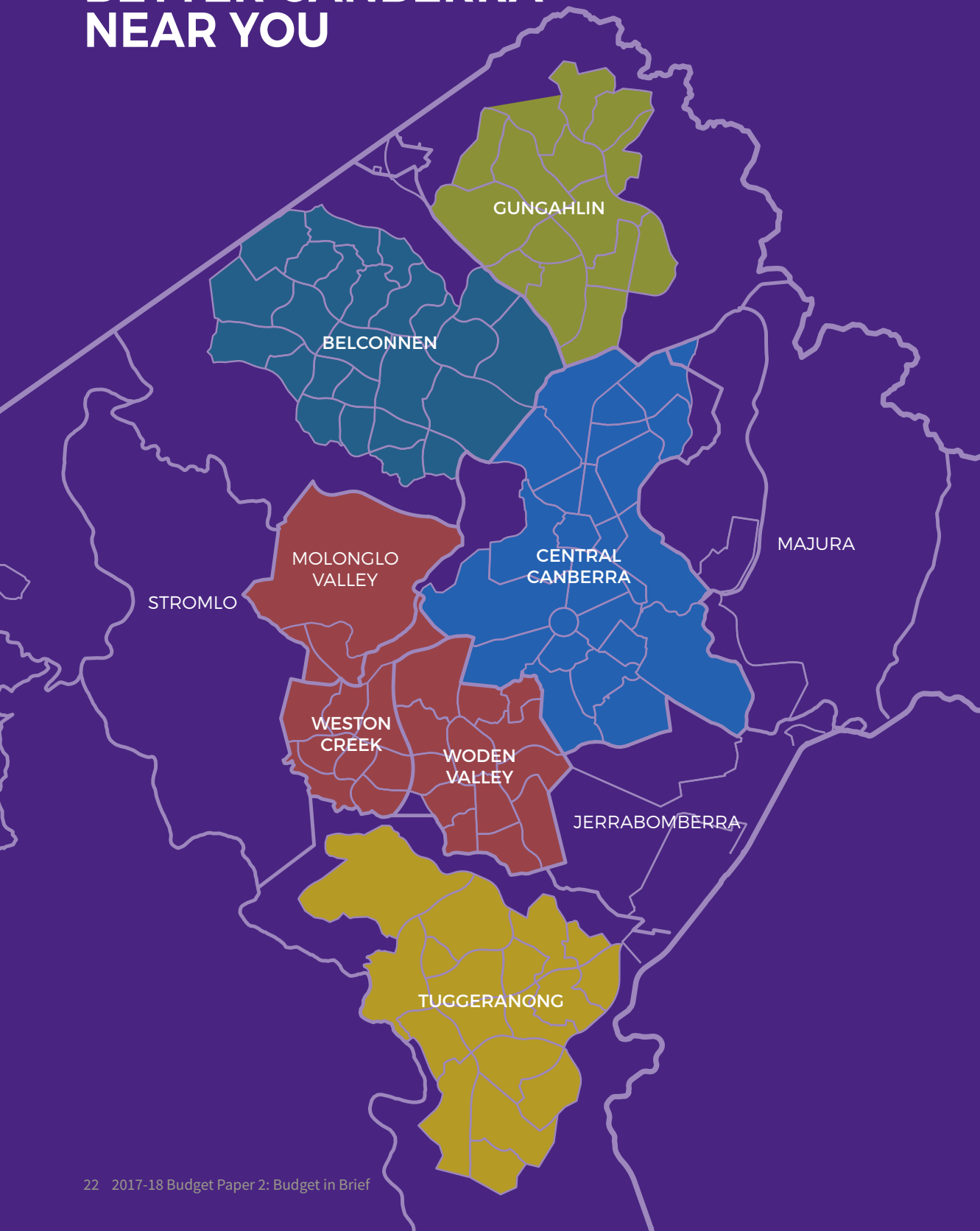


2,490km of footpaths maintained 

1,017km of cycle paths maintained 

765,585 trees in the urban forest 

DELIVERING A BETTER CANBERRA NEAR YOU



Belconnen

- > Expanding Belconnen Arts Centre (\$15 million)
- > Belconnen High School (\$5.9 million)
- > Active Travel – Belconnen bikeway (\$4.8 million)
- > Planning for healthcare in Canberra’s north (\$3.3 million)
- > More local parks (Giralang) (\$0.1 million)

Central Canberra

- > More frontline firefighters – Second crew at Ainslie Station (\$0.6 million)
- > Improving Manuka Oval broadcast and media facilities (\$11.6 million)
- > Canberra Brickworks – Access road and Dudley Street upgrade (Yarralumla) (\$8 million)
- > New health centre for Aboriginal and Torres Strait Islander Canberrans (\$12.1 million)
- > City Renewal Authority – Initial works package (\$21 million)
- > City Renewal Authority – City to the Lake (\$37.8 million)

Gungahlin

- > Gundaroo Drive duplication – Stage 2 (\$32.8 million)
- > Federal Highway and Old Well Station Road Intersection upgrade (\$1.2 million)
- > Expanding schools in Gungahlin (\$26.0 million)
- > Supporting endangered woodlands (\$0.2 million)
- > More Walk in Centres (\$12.5 million)

Tuggeranong

- > Support for bulk billing GPs (\$1.1 million)
- > Revitalising local town centres (\$8 million)
- > Monaro Highway upgrade early planning (\$2 million)
- > Improving our capacity to fight bushfires (\$3.2 million)

Woden, Weston Creek and Molonglo

- > Light Rail Stage 2 – City to Woden – Design and procurement (\$53.5 million)
- > New school facilities in Molonglo – Early planning (\$0.5 million)
- > Revitalising Woden Library (\$3.1 million)
- > Molonglo East-West arterial road – Early planning (\$0.3 million)
- > More Walk in Centres (\$12.5 million)

All of Canberra

- > Surgical Procedures, Interventional Radiology and Emergency Centre (SPIRE) – Major expansion of services at Canberra Hospital (\$236 million)
- > Expanding Centenary Hospital – More services for women and children (\$68.1 million)
- > More support for teachers (\$16.1 million)
- > Cleaning up our suburbs (\$1.9 million)
- > Fixing local roads (\$4.5 million)
- > More nurses for Canberra (\$36 million)

BETTER SUPPORT

when it
matters





BETTER SUPPORT WHEN IT MATTERS

Canberra is a community that ensures those facing social, health and economic challenges do not fall behind. This Budget continues our strong investment in services and support for vulnerable Canberrans, including children and young people, those experiencing homelessness and those affected by family violence.

Better support for vulnerable families and young people

The ACT Government is already delivering the biggest upgrade to Canberra's public housing since self-government. Our \$608 million public housing renewal program has delivered new developments in both new and existing suburbs across the ACT. This

Budget will continue that work by renewing and redeveloping 72 more properties. We will also deliver \$1 million to strengthen and expand homelessness services delivered through our community partners.

Together with practitioners and service users, we will design a Family Safety Hub to link up services for those experiencing family violence and ensure they get the wrap-around support they need.

As Australia responds to the scourge of family violence, the ACT is seeing increased demand for child protection services. That's why we will invest \$10.1 million to strengthen frontline teams within the Child and Youth Protection Service, and \$33.7 million to support children and young people who cannot live in their family homes.

Better support for diverse communities

To further our aim of making Canberra the most inclusive city in Australia, we are delivering more resources to the Office of LGBTIQ Affairs and A Gender Agenda.



These organisations will work to increase the visibility of Canberra’s LGBTIQ communities and tackle the specific barriers they face when accessing services.

We will boost new Aboriginal and Torres Strait Islander controlled organisations through seed funding grants, recognising the important role they play in delivering targeted and culturally-informed services to Canberra’s first nations people. We will also establish a job brokerage service to help refugees find jobs, and expand access to English language programs to help new Canberrans improve their language skills.

Better support for people with disability and their carers

The ACT Government has launched an Office for Disability to continue important policy and advocacy work on behalf of Canberrans with disability. The 2017-18 Budget will deliver more resources to this Office to better support the ACT’s transition to the National Disability Insurance Scheme.

We will provide \$200,000 in grants to fund training, increase awareness and provide

infrastructure modifications for community organisations, helping to boost social inclusion in service delivery and community activities for people with disability.

Recognising the valuable contribution carers make to our community, we will also support the development and implementation of an ACT Carers’ Strategy.

Better emergency services

Keeping Canberrans safe in an emergency will always be a priority for this Government. This Budget will invest in police and emergency services to better protect our community.


We will enhance public safety by making TASERS available to more frontline police, and deliver six more police for additional patrols in nightlife precincts to reduce alcohol-fuelled violence.

We will also recruit 16 fire fighters, help improve response times by upgrading the Ainslie fire station to house a second crew, and invest in better mental health support for paramedics and fire fighters.

INVESTING IN STRONGER COMMUNITIES

5,989
Canberrans
assisted under
the NDIS 

93,270
hours of early
learning delivery 

22% 
increase in
legal aid support
for family violence

44,471
ambulance
services
delivered 

578
families accessed
long day care
support services 

\$36.8
million on
Fire & Rescue
operations 





BETTER SERVICES

in your
community

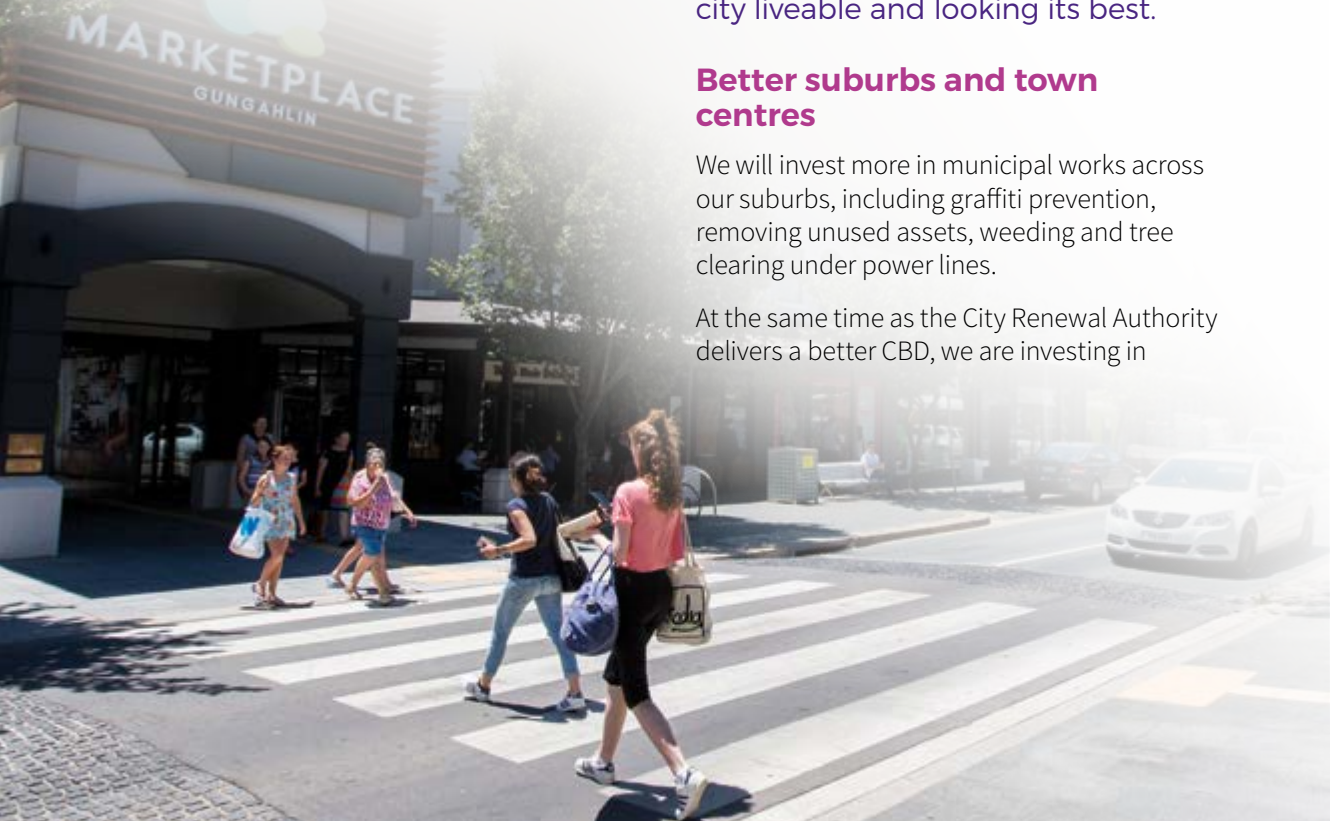
BETTER SERVICES IN YOUR COMMUNITY

Canberrans take pride in the unique design of our city, its well-kept suburbs and natural environment. With this Budget, the ACT Government is investing in local services because we know these basics are important for keeping our city liveable and looking its best.

Better suburbs and town centres

We will invest more in municipal works across our suburbs, including graffiti prevention, removing unused assets, weeding and tree clearing under power lines.

At the same time as the City Renewal Authority delivers a better CBD, we are investing in



INVESTING IN BETTER SUBURBS


500 
playgrounds
maintained

29,477
hectares
of grass
mowed 

35,508 
mattresses
diverted from
landfill

89 
shopping
precincts
maintained

7,000
green bins 
delivered

2.86 
million
library items
borrowed

local town centre upgrades, with \$8 million for landscaping, infrastructure and traffic improvements to the Tuggeranong, Kambah and Gungahlin centres.

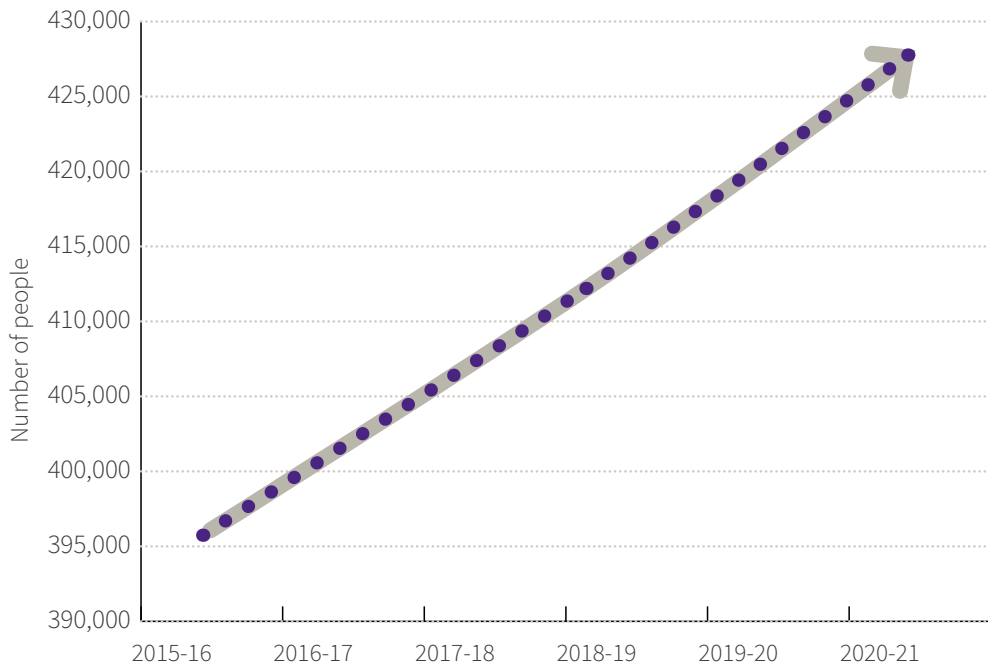
For the first time, the ACT will have a container deposit scheme to reduce litter and encourage more Canberrans to do their bit on recycling. We are also designing a kerbside bulky waste collection service for all Canberra households which aims to cut illegal dumping and stop furniture and whitegoods being left in front yards or verges. And we are continuing the roll out of green bins to more suburbs following the current pilot program in Weston Creek and Kambah. So far over 7,000 households have chosen to get a green bin, and we will continue to work towards rolling out these bins to all suburbs by 2020.

Better public transport

Canberrans have welcomed the launch of the free City Loop and airport bus routes, so we will continue these services into the future. We will also establish two new Rapid routes linking Woden to the city via Manuka and Barton, and Belconnen to Gungahlin. To encourage Canberrans to try out the new services, we will also provide two months' free travel on these new routes in 2017.

This Budget continues the delivery of free off-peak bus travel for pensioners and concession card holders, allowing them to travel for free between 9am and 4:30pm, and after 6pm on weekdays, and all day Saturday, Sunday and on public holidays. We will also trial the delivery of a flexible bus service for the inner north, making it easier for Canberrans with a mobility impairment to get around.

OUR GROWING CITY







More and **BETTER** **JOBS**



MORE & BETTER JOBS

One of this Government's proudest achievements is that we have got unemployment down and kept it there. Between self-government and our coming to office in 2001, the Territory's unemployment rate averaged 6.4 per cent. Since then it has been significantly lower, averaging just 3.7 per cent. The 2017-18 Budget continues to invest in growing and diversifying Canberra's economy to create more and better jobs.

Backing local businesses

This Budget will continue and expand the Government's high impact innovation programs, support key industry sector development and strengthen outreach, trade and investment facilitation.

The ACT's service exports have grown by more than 65 per cent since 2010-11 to reach \$1.7 billion a year. Our programs to connect Canberra companies with the world and bring more business to town will help maintain that strong growth in the years ahead.

Stronger tourism

With the arrival of our first international flights last September, there has never been a better time to promote Canberra as a tourist destination. The Government will help bring more visitors to our city by building more partnerships with domestic and international airlines, creating a Major Events Fund to attract more large events and shows, and promote Canberra and the region as a fantastic tourist destination.

More arts and sports

Part of making Canberra an attractive destination for visitors and new residents alike is having a vibrant cultural and sports calendar. That's why this Budget is investing in local arts organisations like Kulture Break and the ANU School of Music, as well as delivering grants to Aboriginal and Torres Strait Islander artists and more base funding than ever before for arts program grants.

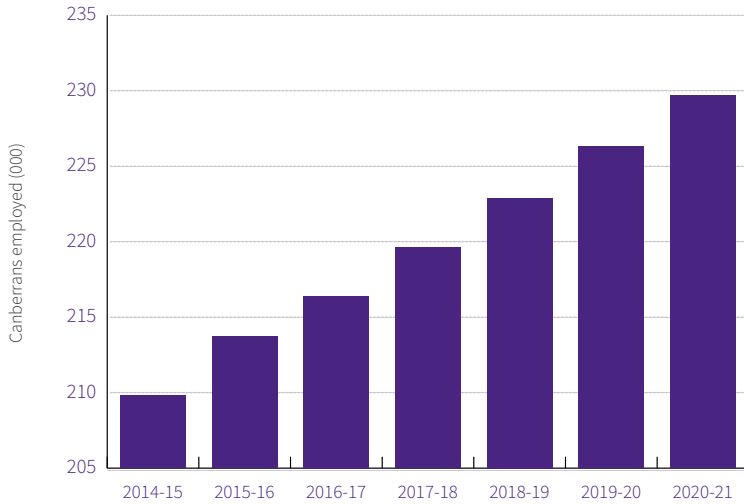
We will bring national sporting competitions to Canberra, with an increased focus on women's sport. This includes \$250,000 a year for the Canberra Capitals basketball team and increasing support for the Canberra United women's football team to \$125,000 a year. We will also install a permanent basketball court for use by the Capitals at the National Convention Centre.

The Budget will deliver funding to build permanent broadcast facilities at Manuka Oval, providing the standard required for international level cricket matches, and to support more AFL games as well. We will also deliver improvements to other major venues including GIO Stadium, Stromlo Forest Park and the Arboretum to ensure these are up to scratch for more major events.



Growing good, local jobs

The 2017-18 Budget is investing in Canberra's economy to create more and better jobs for the future. There were 3,200 jobs created this year and there are a further 3,000 jobs projected to be created each year to 2020-21.




KEEPING CANBERRANS WORKING

3,200
new jobs
created 

2.5
million
overnight
visitors to Canberra 

3,500+
jobs supported
by light rail 

504,519 
attendees at
Events ACT events

\$2
billion 
Canberra visitor
economy

78,777 
users of the free
City Loop bus



A photograph of a modern, multi-story building with a prominent glass facade and balconies. The building is illuminated from within, and the ground floor features a large glass-fronted cafe or restaurant with people sitting at tables. The sky is a deep blue, suggesting dusk or dawn. The building's architecture is characterized by clean lines and a mix of materials, including concrete and glass.

ECONOMIC OUTLOOK

The ACT economy is growing strongly. Businesses are hiring and the unemployment rate is low. Our service exports are expanding, creating a more diverse economic base from which to grow good local jobs.

Economic outlook

The ACT economy grew by a strong 3.4 per cent in 2015-16 and is expected to remain at a high 3¼ per cent growth in 2016-17 – well above the forecast national average of just 1¾ per cent growth. Strong growth in the ACT is also forecast to continue over the years to 2020-21.

We are seeing growth across most areas of the Territory economy, with high value added services, like university education for international students, expected to perform well. More traditional economic sectors – such as housing construction and retail trade – are also growing rapidly.

Stronger growth means more jobs being created. Over the last 12 months we added over 3,200 new jobs in Canberra, with strong employment growth forecast to continue over the next four years. Importantly, these jobs are being added in a diverse range of sectors including construction; intelligence; ICT; space and spatial technologies; cyber security; education and research; defence; tourism;

and retail. Strong projected jobs growth means our unemployment rate is also expected to remain low, around its current level of 3.6 per cent.

Canberra's population has also grown rapidly. Over the past 12 months almost 6,000 more people came to call Canberra home. By 2020-21, the ACT's population is expected to reach over 428,000, or an additional 30,000 people. That's about eight new suburbs' worth of people we need to plan for with housing, infrastructure and services so that we protect Canberra's liveability as we grow.

Risks

This positive growth outlook comes with a few storm clouds on the horizon. The increase in the Commonwealth Government's latest efficiency dividend will begin in 2017-18, cutting budgets across the Australian Public Service. In addition, the Federal Government's push to relocate Commonwealth agencies to other parts of regional Australia would see the loss of thousands of jobs and billions in local spending if this meant moving offices out of Canberra.

2017-18 BUDGET ECONOMIC FORECASTS (Percentage change)

	Actual 2015-16	Estimate 2016-17	Forecasts 2017-18
ACT			
Gross State Product	3.4	3¼ (+1)	2¾ (+¼)
State Final Demand	2.9	5 (+2)	3¼ (+¼)
Employment	1.8	1¼	1½
Wage Price Index	1.9	1¾ (-¼)	2
Consumer Price Index	0.8	2½ (+½)	2 (+¼)
Population	1.3	1½	1½
Australia			
Gross Domestic Product	2.6 (-0.1)	1¾ (-¼)	2¾

FISCAL PLAN & BUDGET OUTLOOK

The ACT Government has used the Territory's balance sheet to support local jobs and the economy through tough economic times in recent years.

This budget strategy has worked. Our economy has kept growing and unemployment has remained low despite the global financial crisis and significant Commonwealth job cuts. At the same time this Government has continued to deliver high quality services, invest in the renewal and growth of the city and fix the Mr Fluffy loose-fill asbestos problem for good.

With the economy strengthening, we are continuing our steady path back to budget balance. We have shrunk the deficit from \$497 million in 2014 to just \$73.9 million in 2016-17, and remain on track to return to balance in 2018-19 – just like we outlined before the 2016 election.

The Government's fiscal strategy was clearly endorsed by the Canberra community at that election. Canberrans recognise the value of investing to renew our city, including our hospitals, schools, infrastructure and suburbs. They know that a balanced budget is not an end in itself, but a means to strengthen our capacity to respond to future shocks and protect economic growth.

The ACT remains only one of three states or territories to hold a AAA credit rating from Standard & Poor's, which is further endorsement of our clear fiscal plan for the Territory.

Net debt remains at prudent levels that are consistent with other AAA rated jurisdictions while facilitating the investments we are making in renewing Canberra's hospitals, schools and transport assets.






BUDGET FORECASTS (\$ million)

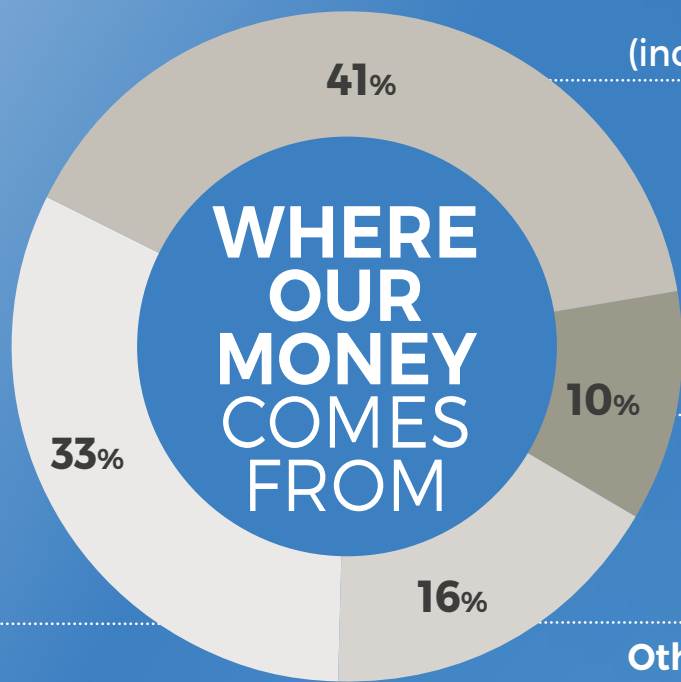
	2017-18 Budget	2018-19 Estimate	2019-20 Estimate	2020-21 Estimate
Headline Net Operating Balance	-83.4	9.8	27.9	63.3
Net Debt	2,001.1	2,746.9	2,866.1	2,826.9



WHERE OUR MONEY GOES

2017-18

Better care when you need it 	\$1.6 billion
Health	\$1.6 b
Better schools for our kids 	\$1.2 billion
Education	\$1.2 b
Building a better city 	\$ 340 million
Planning and Regulation	\$174 m
Environment, Sustainability and Land Management	\$166 m
Better support when it matters 	\$1.1 billion
Justice and safety	\$541 m
Disability, community services and housing	\$514 m
Better services in our community 	\$ 731 million
City services	\$356m
Public transport	\$198 m
Delivering government services	\$177 m
More and better jobs 	\$ 314 million
Events, tourism and investment	\$148 m
Economic and financial stewardship	\$166 m

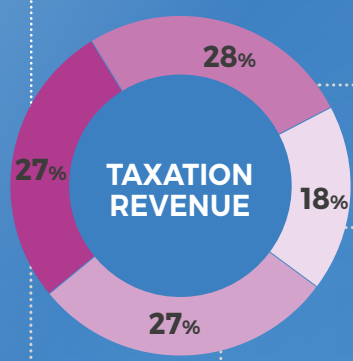


Commonwealth grants (including gst)

Sales of goods & services

Taxation revenue

Other revenue



Other
\$495 million

General Duties
\$299 million

Payroll Tax
\$470 million

General Rates
\$487 million



FOR EACH CANBERRA HOUSEHOLD, on average the Government spends...

