



ACT Government

2002-2003 BUDGET

BUDGET 2002-03 A RESPONSIBLE, SOUND BUDGET IN SURPLUS

ACT Treasurer Ted Quinlan said the 2002-03 Budget was an honest, responsible and financially sound budget that delivered on key election promises reflecting the principles on which the government was elected.

Mr Quinlan said the budget returned a modest general government sector surplus of \$5.7 million and across the four-year and forward estimate period it delivered an aggregate surplus of \$21.2 million.

“One of my major goals in this budget was to achieve a budget surplus over the four year forward estimate period, which I have done,” Mr Quinlan said.

“This Budget also contains no new borrowings.”

“Overall this is a very responsible budget that recognises the importance of maintaining and delivering a surplus over a business cycle.

“It has not been an easy budget, but it goes some way to fixing the past and progressing the future. A number of hard decisions were necessary in this budget to fund the expenditure priorities and pressures that can no longer be ignored.

“As a result of these priorities and pressures a number of revenue and savings measures were necessary to meet the community’s expectations. We had to take a hard look at the relevance of continuing programs with a view to seeing whether other programs were more appropriate. We have managed this and still delivered a surplus, but not at the expense of important new initiatives in health and education and maintaining service delivery.

“In formulating the Budget, the Government examined the current tax base, the general share and capacity of various sectors to contribute to government revenue, as well as the forecast economic indicators affecting future revenue collections.

“The revenue measures in this budget will assist the Government maintain the revenue capacity that funds essential services and new spending initiatives, while sustaining a competitive tax system.

“The ACT economy is in sound shape, and this budget is keeping it that way. The economy is expected to continue to grow at sustainable levels despite the influence of expected interest rate rises. Private consumption and private investment will support the economy going forward. Business confidence is optimistic and moderate employment increases are expected.

Media Release



Released: 25 June 2002

Inquiries: Narelle Luchetti 6205 0145 or 0418 448 660

“This budget provides for adequate provision of long term liabilities, such as superannuation, and maintains service levels with regard to growth and monetary inflation.

“The capital works budget is modest by previous extravagant standards. At \$91.2 million this is a financially responsible capital works budget.

“This budget is financially responsible and along with the maintenance of low levels of debt, it guarantees the maintenance of a low level of debt and the retention of the highest international credit rating for the ACT.

“The ACT was at the crossroads with this budget. The Government had a choice of continuing down the ‘can-do at all costs’ path or we could take a more responsible long-view approach to managing the Territory’s finances.

“We are being responsible, we are keeping our promises and delivering a budget that looks after the long-term future of Canberra.”

Statement ends 25 June 2002