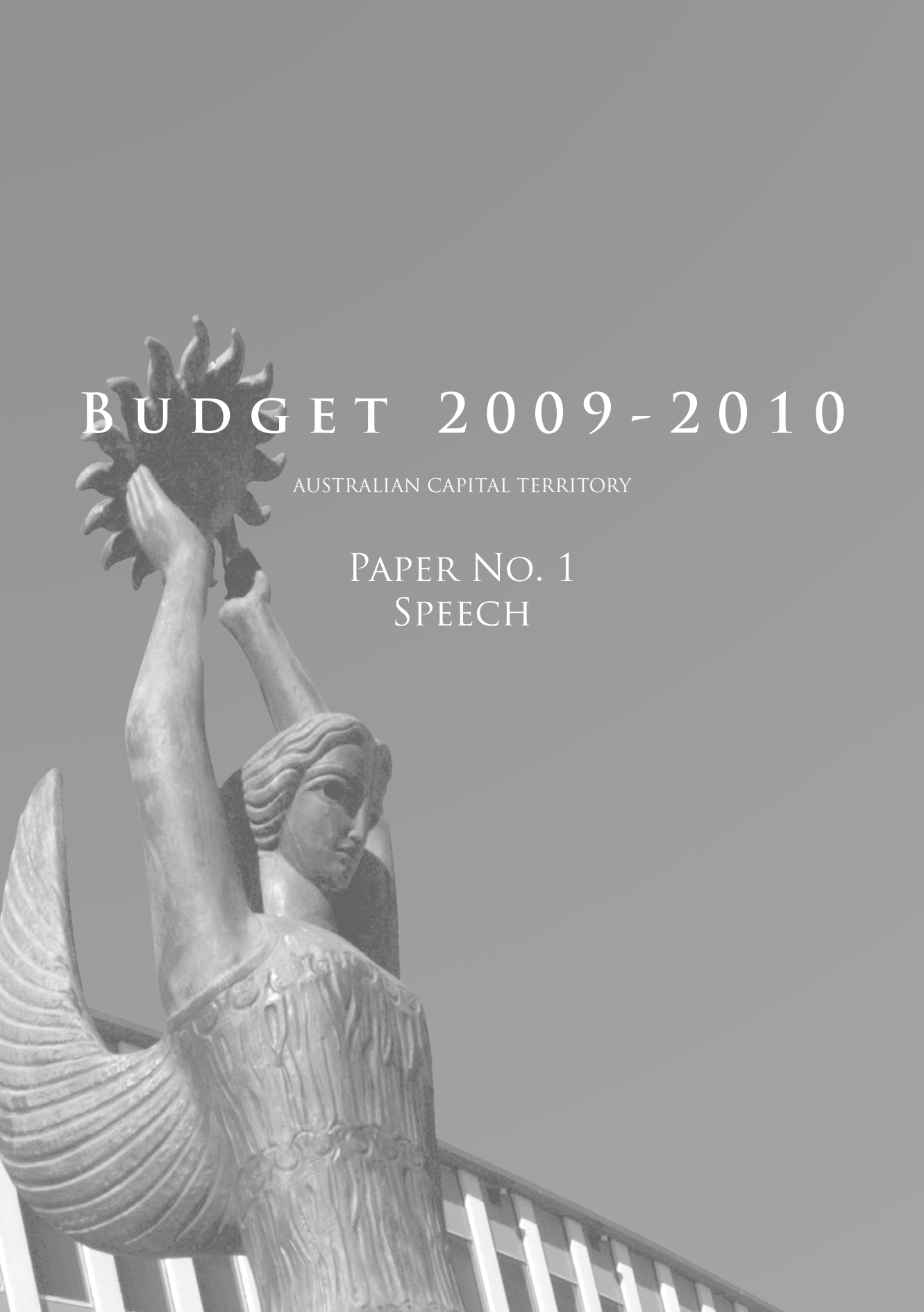




BUDGET 2009-2010

AUSTRALIAN CAPITAL TERRITORY

PAPER NO. 1
SPEECH



Guide to the Budget Papers

Structure and content of the 2009-2010 Budget Papers

The 2009-2010 Budget is presented in five papers.

PAPER NO.1: SPEECH

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

PAPER NO.2: INVESTING IN OUR COMMUNITY

A summary of the overall budgetary position together with information on the Government's expenditure priorities in key service delivery areas.

PAPER NO.3: BUDGET OVERVIEW

Summarises the 2009-2010 Budget and forward estimates for the general government sector, the public trading enterprise sector and the total Territory Government. Details of the projected 2009-2010 Budget results are provided, as well as background information on the development of the 2009-2010 Budget, including economic conditions and federal financial relations.

The Appropriation Bill 2009-2010 is appended.

PAPER NO.4: BUDGET ESTIMATES

Information on each department and Territory authority and corporation is provided. This includes output classes (where relevant), descriptions of functions, roles and responsibilities, together with major strategic priorities. Full accrual financial statements and notes are provided for the general government sector as well as details of the Territory's public trading enterprises.

PAPER NO.5: INFRASTRUCTURE STATEMENT

Provides an overview of the Territory's Infrastructure Investment Program - *Investing in our Community*. Also provides details of the 2009-10 Capital Initiatives Program, including descriptions of individual initiatives and information on the Territory's Asset Base.

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ACT Budget presented on 5 May 2009

by the Treasurer

Ms Katy Gallagher MLA

Investing in the Community

Mr Speaker, today the ACT Labor Government delivers a budget for the times we are in.

This is a prudent and carefully targeted budget to meet the challenges of the times.

This is a Budget that invests in our community.

Mr Speaker, at last year's election we made commitments to the people of Canberra.

Commitments to build a better city and a stronger community. Since the election, we have been listening, investing and delivering.

We continue this investment in our community and in our infrastructure through the 2009-10 Budget.

We are supporting jobs. We are planning for the future. We are meeting the challenges that these demanding financial times are placing on us, and we are doing so in a measured and deliberate manner.

We are tightening our belt, as so many in our community are doing.

And we are delivering on our commitments to the Canberra community.

Mr Speaker, the 2009-10 Budget has been formulated in an unprecedented economic environment.

Over the past six months those global financial events that found their origins in the boardrooms of the US and took effect on trading floors across the world, have impacted severely and deeply on the global economy.

We are witnessing the most synchronised and the sharpest slowdown in the world economy since the great depression of the 1930s.

Estimates of growth in the world economy have been successively revised downwards. The global economy is now forecast to contract by 1.3 per cent in 2009.

The Australian economy is now almost certain to be in recession.



Governments around the world have undertaken unprecedented actions to improve liquidity in the credit markets, and to stimulate their respective economies.

While Australia is better placed to withstand the effects of a global recession, due in large part to the actions of the Rudd Government, an uncertain global economic outlook inevitably leads to an uncertain national economic outlook.

The pace and the scale of deterioration in the world and the national economic outlooks are bound to cause concerns for consumers and businesses.

Mr Speaker, in the ACT our economy traditionally performs better than the economies of other jurisdictions during times of national recession, due to our major strength of being a stable public sector town.

And during the unfolding of the global financial crisis, the Territory's economy has shown remarkable resilience.

However, the ACT economy can not remain isolated from the effects of the freeze on credit markets or turmoil on equity markets.

Overall, the ACT's economic growth has been moderating. This is to be expected given we are coming from a peak of extraordinarily strong growth of more than 10 per cent in 2006-07.

Mr Speaker, the ACT economy is forecast to grow by 2 per cent in 2009-10.

In 2008-09, State Final Demand is forecast to grow by three quarters of a per cent. This is as a result of a sharper than expected softening in the housing market in the earlier part of the financial year, and relatively flat consumer spending in the environment of increasing interest rates that existed last year.

While the engine room of our economy – the labour market – remains strong there are emerging signs of some softening. Although we have remained close to full employment throughout the unfolding of the global crisis, our forecasts suggest that unemployment in the ACT will reach 3.5% by the middle of next year, still below the national rate.

Mr Speaker, the impact on our budget has been more severe.

Since our last Budget, our revenue base has dropped by around \$230 million in 2009-10, and annually across the forward years.

This is due to contraction of the national GST pool, loss of income on financial assets, interest earnings on general cash and investments, and the subdued activity in the housing market.

These factors alone contribute to a revenue loss of around \$1.1 billion since the last Budget, and around two years growth off our revenue base.

The loss of superannuation investment assets is around \$350 million against a forecast growth of \$200 million. Our superannuation liability is now only 47 per cent funded compared to 65 per cent coverage at June 2008.

Mr Speaker, these are unprecedented contractions in our operating budget capacity and our financial assets over a very short period of not much more than six months.

An immediate adjustment to reduce expenditure to respond to this contraction is simply not possible without severely impacting on the services we provide to the community.

The Government carefully considered all the options available to us. The easy option would have been to remove our provision for growth in health services, to remove our wages provision or to make massive spending cuts to get us out of deficit.

But this approach would be counterproductive at a time when jobs and confidence in our community need to be supported and services need to be maintained.

There are no quick fixes to such a large reduction in our revenue base.

The Government has decided that it is not the time for rash decisions nor is it time for drastic cuts. This results in temporary General Government Sector net operating deficits across the forward estimates period.

Mr Speaker, although the global financial crisis presents us with challenges it does not mean that we are unable to progress the commitments we made to the Canberra community just 7 months ago.

This Budget makes further investments in services to meet the growing needs of the community. New spending initiatives include a modest average annual spend of \$49.0 million

New services and programs will be delivered in health and education, in supporting Canberrans to live more sustainably, in enhancing community safety and our city's amenity and in supporting those most vulnerable in our community.

All the things a responsible, compassionate and disciplined Government should do.

Our new programs are measured and targeted. Our recurrent spending is largely offset by our savings program.

This is a budget that puts our community first. This is a budget that preserves services to the community. This is a budget that delivers on our commitments.

Mr Speaker, the Government is committed to restoring a balanced budget. We will outline a seven year recovery strategy. We remain committed to our Fiscal Strategy and prudent financial management. Our budget recovery and the requisite adjustment task will take time. The return to surplus will occur beyond the forward estimates.



A sharp adjustment now in the form of a drastic expenditure reduction or tax increase would be irresponsible economic management. This is not the time to pull back on our expenditure. Instead, this is the time to ensure jobs are supported.

The Government will take a measured and longer-term approach to addressing the deficit.

This is not deferring the problem. This is meeting the challenge in a steady and realistic approach, appropriate for the times.

And in doing this, we will ensure that our core services are maintained, community wellbeing is not compromised and that we are taking a prudent approach to risk mitigation and protection.

This is what the Canberra community expects of their Government. This is what we are committed to delivering.

Mr Speaker, our Budget Plan is a strategy to restore a balanced budget by 2015-16.

The strategy is honest and upfront.

The 7 year Plan determines the magnitude of the task, taking into account the current uncertainty, and the eventual recovery.

It has the robustness to be relevant in the face of changes in economic and fiscal circumstances. It incorporates flexibility for adjustments should circumstances change.

Mr Speaker, the Plan sets a goal and a clear path towards that goal.

The Budget provides an unambiguous and transparent indication of the Government's progress towards that goal.

The savings task over the forward estimates is \$51 million in 2010-11, increasing to \$102 million in 2011-12, and \$153 million in 2012-13. Some of this has been achieved and incorporated in the Budget by way of an internal savings strategy for agencies starting in 2010-11, as well as wage constraint. But further savings will be required.

We are increasing some fees, charges and levies (such as parking fees and penalty payments for traffic infringements and court imposed fines) in order to support key policy outcomes and to keep pace with increases in costs.

The remainder of the savings task will be identified in future Budgets after extensive conversation and consultations with members of the Assembly, our employees, the business community, the community sector, and interested community members throughout the 2009-10 financial year.

These are challenging times and we are all in this together.

Mr Speaker, with this Budget I can announce that an Expenditure Review and Evaluation Committee, to be chaired by the Under Treasurer and the Chief Executive of the Chief Minister's Department, will be established. It will report to the Budget Committee of Cabinet with options on savings, efficiencies and resource allocation priorities.

Agencies will also provide implementation plans on their internal savings strategy well before the commencement of the 2010-11 Budget.

The Budget Committee of Cabinet will meet every two months to consider agencies' budget positions, emerging costs, savings and efficiency plans.

Mr Speaker, through this Budget we are investing in our community:

- investing in our city's future;
- investing in supporting jobs and building up the productive capacity of the economy; and
- investing in our community's needs.

I turn now to the particulars of the key new initiatives outlined in this Budget.



Building the future – Infrastructure

Mr Speaker, last year the Government delivered a budget that included the billion-dollar infrastructure program – an investment in physical nature of our city unmatched in our history.

This was a cohesive package. One that aimed at increasing the productive capacity of the economy, reducing future costs, and supporting the growth of the city and its economy.

We provided for investments in the health system for the next decade. Investments in transport. Investments in the environment. This was an investment in *Building the Future*.

Mr Speaker, this Government remains focused on future building. Our previous commitments to infrastructure continue to be rolled out across this Budget. We continue to invest in the productive capacity of our economy.

We will continue to build our future schools and our future health system.

In the 2009-10 Budget, the Government will not only progress its *Building the Future* program of investments, but the program will be enhanced.

A further \$274 million in capital is being allocated for new projects.

The ACT Government investments are also supplemented by the funding from the Commonwealth Government under its *Nation Building and Jobs Plan* as part of its Economic Security Strategy. Investments in the Territory's schools and public housing under this plan total \$334.5 million.

In total, the Budget is committing \$762 million of cash expenditure in 2009-10. The total budget capacity being allocated to capital investments for the next four years is \$2.029 billion.

A million dollars of capital expenditure supports an average of around three jobs in the construction and associated industries. The total capital allocation would support more than 2,000 jobs in the economy.

These are unprecedented commitments to the Territory's infrastructure. They will increase the Territory's asset base by more than 20 per cent, and boost the productive capacity of the economy in the longer term.

This is an ambitious four year program. It is a program that takes a long-term focus in providing confidence and stability for industry to support jobs in the short term. It is measured and targeted to increase the productive capacity of our economy for the longer term.

A very large part of our capital investment over the coming years will be funded from our past surpluses.

However, we find ourselves now looking at the need to borrow to deliver this comprehensive and future-building program. This should not come as a surprise given the \$1.1 billion that has been taken off our budget and forward estimates due to effects of the global financial crisis.

And for Governments such as our own, with a strong balance sheet, it is widely recognised that it is appropriate to incur some debt, provided that debt is used to finance high quality assets in areas of community need.

These assets provide benefits to the community over a long period of time. This level of debt is prudent and sustainable.

Mr Speaker, over the recent years, we have been improving on the delivery of our capital works. The value of works completed has been increasing to a new high every year.

The Government is taking further steps to ensure that projects become available to the market on time.

With this Budget I can announce that the Budget Committee of Cabinet will receive a report from each department every second month on the progress of the Capital Works Program. As Treasurer I will also meet monthly with each department to oversee capital works progress.



Health

Mr Speaker, Health remains a key focus of attention and resources in this Budget.

The budget funds health services to meet continuing growth in demand and continues our prudent approach, adopted in 2006 to budgeting for growth in health expenditure across the forward estimates.

We have allocated \$272 million over four years (\$119 million recurrent and \$153 million capital) taking our total estimated annual recurrent expenditure on health services to \$980.3 million in 2009-10.

Our investment in health services delivers on our election commitments in critical care and acute care services in our public hospitals, as well as elective surgery, the health needs of older Canberrans, emergency transport for critically ill patients and a walk-in centre at The Canberra Hospital to improve access to care.

We will establish a 16-bed Surgical Assessment and Planning Unit at the Canberra Hospital at a cost of \$25.4 million to provide quicker transfer of surgical patients from the emergency department to specialist surgical care.

An additional \$2 million in each of the next four years is provided to meet growth in demand for surgery. This initiative builds on the \$49 million already put into surgery over the past six years which has resulted in record levels of access to surgery and a significant reduction in the number of people waiting too long for treatment.

We have allocated \$10.522 million over four years to provide an additional two intensive care beds at the Canberra Hospital.

Medical retrieval services will be boosted by \$5.4 million over four years and \$10.5 million is allocated to establish a walk-in centre at the Canberra Hospital.

A new public diagnostic mammography service will also be established at the Canberra Hospital with \$3.5 million over four years.

Mr Speaker, we are experiencing an increased demand for cancer services so we have allocated \$4.2 million over the next four years for the Capital Region Cancer Service to meet this growth in demand and to fulfil a key election commitment.

Mental health services in the ACT will receive \$19 million over the next four years to help meet the demand for services, and support the mental health workforce. \$8.4 million has been allocated in the ACT's 2009-10 Budget to meet the growth in demand for mental health services in our community.

The provision of \$9.7 million over four years will enable the establishment of a Mental Health Assessment Unit (MHAU) to provide quicker transfer to a specialised service for mental health patients who present at an emergency department.

The Budget has also allocated \$600,000 over the next two financial years for mental health training for police, emergency services workers and teachers.

In addition \$275,000 over the next two financial years expands the ACT Forensic Mental Health Court Liaison Team.

The Budget has allocated approximately \$11 million over the next three years to address issues such as childhood obesity, tobacco use in Aboriginal and Torres Strait Islander people, adolescent health and healthy workplaces.

Our health system simply couldn't function without the doctors, nurses, therapists, psychologists and the many others who, through their hard work and dedication, provide world-class care to the people of Canberra.

More than \$20 million of initiatives have been funded, aimed at strengthening the health workforce, expanding the roles of allied health professionals, establishing new health professional support roles and supporting and growing the Territory's GP workforce.

As part of the 2008 election campaign ACT Labor also committed \$12 million over four years to support and grow our GP workforce. This Budget honours those commitments. We will establish an "in hours" aged care GP locum service, fund scholarships for medical students, reimburse GPs for the cost of taking on medical students and kick off our GP infrastructure fund.

More than \$4.2 million over four years has been provided to meet the growing demand for health services by older Canberrans, the first stage of fulfilling our election commitment.

Mr Speaker we have kept our \$150 million commitment to continue to fund our health system rebuild in time for the rise in demand for health services which will peak between 2016-2018.

The Budget provides an unprecedented level of investment in technology - an e-health package of \$90 million for a suite of initiatives will put us at the forefront of e-health technology in Australia. Giving all Canberrans an opportunity for an electronic health record, improving technology in our hospitals to ensure safety and quality of care and linking up the health system with cutting edge technology with a focus on improving efficiency across the board.

And \$51.3 million is allocated for the forward design and construction of an Enhanced Community Health Centre at Belconnen which will allow us to transfer appropriate services out of the hospitals and support the expansion of community based health services.



Education

Mr Speaker, the ACT Labor Government is committed to ensuring Canberra students have the best start in life, with access to an engaging and high quality education. Investing in educational programs for students, teacher development and literacy and numeracy outcomes are priorities for the Government.

In recognition of our key election commitment to lowering class sizes, this Budget invests \$22.7 million over four years to employ 70 additional staff members in ACT schools, to reduce class sizes and improve educational outcomes. Capital funding of \$6 million has also been provided to accommodate the additional class rooms.

Literacy and numeracy skills are a vital element of a student's education and development. This Budget provides \$6.4 million over four years for specialist literacy and numeracy teachers to assist students at risk of not achieving national benchmarks. This is in addition to the \$1.9 million over four years flowing into the ACT from the Commonwealth for further literacy and numeracy programs.

The ACT is also receiving \$1.7 million in funding from the Commonwealth to improve teacher quality through initiatives that target attracting, training, developing and retaining teaching staff, the development of a new classroom teacher salary structure and, in the longer term, an ACT Teacher Quality Institute.

In addition, this Budget provides \$3.1 million over four years for eight additional support staff for students with English as a Second Language.

To boost the numbers of Indigenous teachers and education professionals, funding of \$691,000 over four years is provided for ten scholarships and three university scholarships to study teaching.

This Budget also invests \$984,000 over four years for the provision of programs for gifted and talented students. This funding will provide additional training for teachers and support for parents.

Primary schools in the ACT will benefit from access to ICT in this Budget. Funding of \$5 million over three years is being provided to replace old computers, and install new technologies including smart-boards, in our public schools, with non-Government schools receiving over \$2.5 million in 2009-10 to purchase and install ICT equipment.

In addition, 5,837 computers will be funded through the Commonwealth's Digital Education Revolution Partnership through which the ACT received \$39.5 million over five years.

We are also continuing the improvement of school facilities with a capital investment in education of over \$206 million.

A new high school, accommodating 800 students, will be built in Harrison, with an investment of \$44 million. The Gungahlin College will benefit from \$5.4 million additional funding in 2010-11 for community library and CIT facilities at the College. Canberra College will receive a new \$7.6 million performing arts centre, with specialist space for music, dance, drama and performance.

This significant capital investment will also benefit the environment, with \$2 million for water tanks at schools and another \$2 million for the installation of solar panels.



Young people in training

Mr Speaker, support is also being provided for a range of initiatives in this Budget to help build the productive capacity of the ACT workforce, with a particular focus on young people.

The Government recognises that young people could become long-term casualties of the financial downturn, and is working to assist every young person to access an education or training place.

Significant funding has been provided in this Budget for initiatives to increase young people's engagement with education, training and employment pathways.

Through the COAG Productivity Places Program, the ACT will deliver up to an additional 10,000 training places over four years for existing workers and job seekers, with an emphasis on young people and the number of School Based Apprenticeships is being increased.

Funding of \$1.4 million over four years is being provided to expand the CIT's scholarship program to assist around 1,000 students per annum with materials and fees in courses in areas of skills shortage.

Capital funding of \$9.9 million over four years is being provided for a new purpose built facility for electrotechnology training at Fyshwick Trade Skills Centre. CIT's Information Communication Technology infrastructure is being enhanced through \$4.5 million funding provided over two years to fund online education material. CIT will also receive \$5 million over four years to purchase equipment to keep them within industry standards.

The Government is also committed to helping employers and apprentices during the economic down turn. ACT apprentices at risk of losing their job, are being supported through a new service to help them stay in work and continue their studies.

Sustainability

Mr Speaker, this Government is committed to building a greener Canberra and to helping our community and local businesses make more sustainable choices every day.

Through our election policies we confirmed our focus on environmental sustainability, water, energy and climate change.

Late last year we established the Department of the Environment, Climate Change, Energy and Water and this Budget provides \$35 million to support a range of programs and initiatives.

Mr Speaker, in this Budget we have put \$19.1 million over four years towards the *Switch Your Thinking* initiative which will provide a virtual one stop shop for householders and businesses in the ACT for advice, support and programs to make sustainable choices.

Two new wetland ponds at Dickson and Lyneham will be funded with an investment of \$13.9 million over two years. The ponds will reduce demand on potable water for sports grounds and ovals, and improve the quality of Sullivans Creek.

This Budget provides \$3.3 million over four years for the Mugga Lane Recycling transfer station which will reduce the amount of waste going to landfill and increase the amount of material that is recycled. This Budget will also fund new waste initiatives addressing plastic bags and commercial and industrial waste.

\$2.5 million will be provided for a water plant that will reuse effluent water for irrigation of Exhibition Park grounds, reducing our reliance on potable water.

Mr Speaker, one of the things that makes Canberra such a wonderful place to live is the amazing natural environment in and around our city.

This Budget provides funding to protect the unique and rare flora and fauna of the Territory with \$950,000 over three years for conservation programs at Mulligan's Flat, Goorooyarroo and Tidbinbilla Nature Reserves. \$830,000 over four years will go towards the Lower Cotter Restoration Project to support the efforts of Canberrans and Greening Australia in replanting in this iconic area.

The Canberra International Arboretum and Gardens is being supported by \$8.1 million over four years in this Budget, for additional planting of rare, endangered and symbolic trees and ongoing maintenance.

Mr Speaker, if we are to create a sustainable future and address climate change we need all of the community to join the journey. In this Budget \$1.3 million is provided over four years for Community Partnerships for Sustainability and the Environment.



Community Safety and Protection

Mr Speaker, this Budget puts the safety of the Canberra community front and centre.

Community safety will be enhanced in the areas of Civic, Manuka and Kingston through the provision of \$1.6 million over four years for monitoring CCTV systems in place in these precincts.

The capacity of the Office of the Director of Public Prosecutions is being strengthened in this Budget through \$3.5 million over four years and an additional \$2.6 million over four years is being provided to the ACT Government Solicitors Office, to ensure it is able to provide timely advice on procurement and infrastructure investment issues.

\$4 million will be provided over two years for the design of a modern Supreme Court facility to replace the current building. Funding of \$125,000 is provided to look at streamlining courts administration to enhance our responsive judicial system in the ACT.

Emergency services are enhanced in this Budget, with \$6.3 million to be provided over two years for the establishment of a purpose built training centre for emergency services, an upgrade to the aero-medical base located at Hume, and the relocation of the National Aerial Fire Fighting Helicopters.

In addition to this funding, works will be undertaken at the ESA Jerrabomberra and Rivers sheds. Funding of \$2.3 million this year will ensure that emergency vehicles are housed in secure space, and appropriate areas are provided for office and training space.

To improve our emergency response services, this Budget provides \$2.8 million to replace the Mobile Data System, improving the stability and reliability of the Computer Aided Despatch (CAD) system and improving the ESA's Wide Area Network infrastructure.

Community Fire Units will be provided with \$289,000 over two years in this Budget to further train and equip residents in the outer urban areas to undertake defensive fire fighting activities to support the ESA at fires in their local areas. Additional funding of \$351,000 over four years will be provided to support the fire units' operations.

And Neighbourhood Watch will continue its important role within the community through the provision of \$84,000 over four years in this Budget.

Children

Mr Speaker, no government can ignore those most vulnerable and children in need of care and protection are perhaps the most vulnerable in any community. In light of continuing increases in demand \$11 million has been provided in additional funding to support the growing number children in need of a safe home through out-of-home care. This is an area where this government has consistently responded when increased resourcing is required.

In addition, \$2.28 million in funding will be provided for Play Therapy Services for children with a disability, fulfilling a key election commitment. \$3.5 million over four years will provide 8 additional speech pathologists and services for young children with high priority needs; meeting another election commitment and addressing a key area of concern within the ACT community for parents of young children with speech disorders.

Childcare and community facilities will be upgraded and refurbished in this Budget with the provision of \$815,000 in 2009-10.

A third child and family centre will be built in West Belconnen through a joint Commonwealth and ACT initiative.



Housing, Homelessness and Community services

Mr Speaker, this Government has a proud history of providing services to the most vulnerable in our community and supporting those who need a helping hand. We have made strong investments in support for those experiencing homelessness, public housing, multicultural and Indigenous programs and community services.

This Budget enhances our work in providing services for those experiencing homelessness or who are at risk of homelessness.

Access points for homelessness and social housing services are being centralised within ACT Housing.

\$1.2 million over four years is being provided to assist people with mental health issues to access and maintain appropriate housing.

This Budget provides \$898,000 over four years for community outreach to rough sleepers through the *Street to Home* initiative which will target rough sleepers and provide outreach and support services to people with the aim of assisting them into safe secure and appropriate long-term accommodation. An additional \$948,000 over four years is provided to enhance the *Building Housing Partnerships* initiative to assist homeless and disadvantaged people and families with living skills and employment.

\$292,000 will be provided over four years to provide assistance to people exiting crisis accommodation. Domestic violence victims will benefit from a \$100,000 initiative that will support them to remain housed in their home.

We will continue our productive working relationship with the Commonwealth through the *A Place to Call Home* and the *Social Housing National Partnership Agreements* with over \$7 million in capital funding delivering 40 properties that will provide long-term accommodation for homeless families in the ACT. In addition, up to 300 social housing units will be constructed, and repairs and maintenance will be undertaken on 240 dwellings under the Commonwealth's *Nation Building and Jobs Plan*.

Mr Speaker, the Government is committed to engaging with the ACT community, and this Budget provides \$968,000 in funding for the *Reaching Out to the Community* initiative which supports a broader community conversation on issues that affect Canberra's future.

Our regional community facilities will continue to be progressed with \$4.2 million allocated to develop the sites in Cook, Village Creek and Holt.

A suite of initiatives has also been funded to assist people experiencing disadvantage including the ACT Companion Card, the Expanded Flexible Support fund for Carers, and \$3 million over four years to assist people with disabilities living in hospital to move into the community for their ongoing care.

\$50,000 per annum will be provided to the Migrant and Refugee Settlement Service.

This Government has a proud history of supporting Indigenous Canberrans and this Budget delivers on some of our key election commitments including \$90,000 for Indigenous Traineeships and \$200,000 for a professional facilitator for an Indigenous Elected Body.

Older residents in the Tuggeranong area will benefit from \$1.5 million over two years for the refurbishment or construction of a seniors' facility in that area.



Improving Municipal Services

Mr Speaker, this Government is building a better city through our commitment to delivering quality municipal services and investing in improving our city's amenities. Through this Budget we are making additional investments in public transport, upgrading cycle paths and improving services throughout the ACT.

We will invest \$7.8 million in providing Canberrans with new cycle and foot paths, funding feasibility studies into two additional Park 'n' Ride facilities at Erindale and Mitchell and trialling two new cross-town transport services as well as new seats and signage at bus stops.

Providing quality municipal services is enhanced through our investment of more than \$10.3 million over the next four years for maintenance of our stormwater systems, streetlights and traffic lights.

In this Budget, \$83 million is included for the Gungahlin Drive duplication and \$8.5 million for a range of works at the Gungahlin College precinct. A further \$98 million has been provided over four years for a range of infrastructure works associated with land releases in Molonglo and Gungahlin.

Funding from the ACT and Commonwealth Governments of \$61 million will go towards the Airport Road upgrade, Lanyon Drive and Kings Highway.

We will be improving our community places through an investment of \$8.2 million over four years for additional paths, the replacement of paving, sheltered BBQ's, a performance stage at Tuggeranong Town Park, and the maintenance of pumps, refurbishment and replacement of aged infrastructure and gates installed to prevent vandalism.

The area around our iconic Civic buildings – the Sydney and Melbourne Buildings – will be improved through a \$12 million investment over four years. In addition we are providing funding for a Civic Revitalisation Master Plan, forward design for infrastructure improvements to the City West precinct and the development of a Master Plan for Dickson Town Centre.

The provision of library services is an important service for the Canberra community. In this Budget \$7.1 million over four years is being provided to enhance the ACT Library and Information Service collections and to provide a library shopfront and collection in inner-south Canberra which will deliver easily accessible services to residents.

Mr Speaker, the Government is making further investments in protecting our precious heritage assets and developing the arts community.

This Budget supports new programs and improvements at the Strathnairn and Manuka Arts Centres and \$3.7 million will be invested in a major package of conservation and upgrade works at Lanyon, Calthorpe's House and Mugga Mugga, plus additional work at Hobday's Cottage and English Gardens at Weston Park and the Albert Hall.

We will also fulfil our election commitment with \$150,000 going towards the installation of a series of interpretive signs in Canberra's heritage precincts, including Forrest, Barton, Griffith, and Acton.

Tourism, Sport and Recreation

Mr Speaker, the Budget delivers sensible and targeted investments in the Territory's sports and tourism sectors aimed at protecting local jobs, keeping the economy strong, and delivering the facilities and services that make Canberra the most active community in Australia.

The Budget delivers new and enhanced infrastructure for community and elite sport including funding for stage two of the Lyneham Sports Precinct, the Gungahlin enclosed oval and a basketball centre of excellence.

The Tourism sector will be supported through a four year \$5.3 million marketing and event package delivering on Labor's commitment to establish a new autumn event from 2010.

This Budget also provides \$14 million over four years for the Centenary of Canberra Program, which will provide for the appointment of a Creative Director to guide the development and delivery of an official program for the celebration.



Supporting jobs and the economy

Mr Speaker, this is a Budget for the times.

As such we have ensured that at the heart of our efforts are measures to support local jobs and our local economy.

At this time many businesses are feeling the effects of this uncertain economic climate.

That is why we have allocated funding of \$3.5 million over four years to support businesses accessing overseas export markets.

We are also codifying the Change of Use Charge in response to industry's concerns around the uncertainty in charge determinations, and the delays in development approvals from the complexities that result.

Pending codification, this Government will reduce the Change of Use Charge rate from 75 per cent to 50 per cent for a period of one year. This initiative is a short term measure to support investment.

A temporary moratorium on fees for delay in commercial developments will also be implemented for eligible developers, in recognition of current economic difficulties.

Mr Speaker, this Budget also provides incentives to owners of commercial properties to retrofit premises in order to achieve a reduction in energy use and emissions.

The capacity of ACT Planning and Land Authority to provide professional and timely services to ACT business and the building and construction industry is also being enhanced with additional funding of \$9.7 million over four years being provided.

Conclusion

Mr Speaker, the Government has considered all requests for additional expenditure through this Budget process. In this Budget you will find modest additional expenditure where key election commitments have been delivered upon, commitments contained in the Parliamentary Agreement with the ACT Greens progressed and additional expenditure to meet agency pressures in key areas of government service delivery such as child protection have been funded.

Mr Speaker, these are difficult times. These are also uncertain times. It is inevitable this will flow on to the Australian economy as well.

These are times when we all must work together to support our community and to engage in a conversation about how we work towards recovery. This is as true for the Government as it is for the Opposition and cross-bench, for industry and the community sector, for workers, business owners, unions and academics.

We all have a stake in the Territory's future. We must all work together at this time.

The Territory's economy is sound, and has the strength to withstand the shock progressing through the world economic system.

It will be supported by our prudent and targeted response.

We have seen more than \$1 billion wiped out of our revenues since the last budget. We have seen more than \$500 million wiped out of our financial assets.

Mr Speaker, our community can have confidence, as our financial position demonstrated through our balance sheet is sound. It provides us with capacity to withstand the financial shock. It provides us with capacity to preserve, and in fact meet the growing need for services. It provides us with capacity to invest at a time of need to support the economy and jobs.

It provides us with the time to embark on our adjustment task.

The Government is committed to returning to a balanced Budget– this is one of our financial policy objectives.

The Government has a proven track record of making the hard decisions when they're in the best interest of the community. But these are not the times to cut expenditures or raise taxes.

The times call for a measured approach.



The Budget puts our community first and delivers the services it needs. It invests in infrastructure. It provides stability and confidence. It supports jobs.

It meets the challenges of today while investing for tomorrow.

We are investing in our community.

This is a Budget for the times.

Mr Speaker, I commend the Appropriation Bill and 2009-10 Budget to the Assembly and to the community of the ACT.