



ACT Government

2004-2005 BUDGET

MEDIA RELEASE

BUDGET AGAIN DEMONSTRATES STANHOPE GOVERNMENT'S FINANCIAL RESPONSIBILITY

The 2004-05 ACT Budget delivers strongly against the Government's financial strategy. The Budget continues to provide a balance between financial responsibility and meeting the social needs of Canberrans both now and into the future, ACT Treasurer Ted Quinlan said today.

"This Budget delivers a \$7.9 million surplus. It is the third successive surplus delivered by the Government since election. This has been achieved without the need for new taxes, new borrowings for the general government or major asset sales.

"At the same time we continue to deliver, as have past Labor budgets, on key social outcomes in health, education, safety and housing. We'll keep putting our emphasis right where it should be; on people and community.

"The Budget delivers an aggregate general government surplus of \$229.5m in the years 2002-03 to 2005-06. This timeframe was part of the original strategy outlined in Labor's first Budget. It also delivers an aggregate general government surplus of \$42.5m over the Budget and Forward Estimates.

The projected result for 2005-06 is a deficit of \$25.9m, mainly driven by changes in the timing and method of delivery of land sales.

Mr Quinlan said a centrepiece of the Budget was a housing affordability package announced last week. He said this initiative stood beside the \$33 million for housing announced late last year.

There are also changes to the residential rates, with the maximum pensioner concession threshold increasing from \$250 to \$305.

The rate free threshold applying to all rateable properties will also be increased from the historical \$19,000 to \$21,500 in recognition of the underlying increase in property values. The fixed charge element of the bill will increase by ten dollars to \$330. This will reduce the volatility associated with fluctuating property values.

Major initiatives also relate to services for children and their families, and child protection in particular. There is also significant investment in tourism, information technology in schools, the protection of our environment including sustainable transport".



This all makes good sense. This is about looking into our future and thinking about how we can make some clever decisions to invest now for our long term benefit. It is about our people, our economy and our environment. These principles are clearly identified in the Canberra Plan and its three sub plans, the Social Plan, the Economic White Paper and the Spatial Plan.

The strength of our budget is important for us to protect and promote our values both now and into the future.

Today's budget demonstrates our continued commitment to responsible financial management into the next four years. This budget, and the supplementary appropriation for 2003-04, makes significant investment in public sector wage increases. It also contains efficiency programs across most agencies. This allows resources to be freed up and put into additional service delivery.

"The 2004-05 Budget provides an ambitious new capital works program of \$330 million. We remain dedicated to providing new public infrastructure for Canberrans in line with the growth in the city and changing population. We also remain committed to ensuring that our existing asset base is well maintained.

"While delivering on our promise to improve Canberra's social infrastructure we have ensured that the ACT retains its triple A credit rating through sound economic management."

"When you look at the Stanhope Government's budget track record – including the past two years – it's clear that our budget funding delivers on the policy objectives we were elected upon in 2001.

"This budget is about finishing past work and most importantly - moving Canberra strongly into the next four years. I am proud of this third budget – it's a strong sustainable balance between social, environmental and economic needs. This Budget will maintain our triple A credit rating" Mr Quinlan said.

Statement Ends.