



# ACT Government

## 2003-2004 BUDGET

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### A BALANCED BUDGET

ACT Treasurer Ted Quinlan said the 2003-04 Budget is a sound budget in a challenging year for the ACT.

“This is a responsible budget,” said the Treasurer.

“It is a budget that responds to unforeseen pressures but, most importantly, maintains the high quality of government services that the Canberra community deserves.

“We are successfully balancing external financial pressures with our unwavering commitment to building our city and building community.

“I’m delighted that this budget remains balanced over the economic cycle, with an aggregate operating surplus result of \$66 million.

“We’re expecting a surplus of \$60.6 million for 2002-03, while we are forecasting a modest deficit of \$7.7 million in 2003-04. This is an improvement of \$13.3 million from the estimated deficit last budget. Our total expenses for 2003-04 are forecast at \$2,368 million set against total revenue of \$2,360 million.

“The budget will protect the Territory’s AAA credit rating and keep cash reserves at prudent levels. This budget has no new general government borrowings and no major asset sales, and it also maintains the long term strategy of 90 percent funding for superannuation liabilities by 2040.”

The ACT economy should outperform the national economy in 2002-03, reflecting in part the ACT’s relatively small exposure to the direct effects of the drought and sluggish world growth. Looking forward, the ACT will continue to record solid growth as public consumption increases and private consumption remains strong with continuing low interest rates.

The Treasurer said that a trio of pressures – January’s bushfires, the unexpected reduction in Commonwealth Grants Funding and low returns from superannuation investments - presented challenges for the budget.

“While we are funding a range of initiatives to help restore the physical and social fabric of the Territory, we have not let the task of bushfire recovery distract us from addressing key social, economic and sustainable planning goals,” he said.

“This budget delivers on the Government’s commitments and priorities. Health, education, housing, disability services, and addressing disadvantage all receive significant budget support.



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Media Release

“Our new capital works program receives an overall budget injection of \$104.7 million, a 15 percent increase on 2002-03. This will fund major projects and infrastructure upgrades, and stimulate Canberra business activity in a wide range of sectors.

“In this budget, we are building Canberra’s economy, with a range of business and tourism initiatives complementary to our Economic White Paper, which will form the strategic blueprint for Canberra’s economic future.

“We have also assessed the capacity of various sectors to contribute to government revenue, and, as a result, this budget sees a small number of revenue measures that allow us to deliver on key areas of community need.

“Fundamentally, this is an accountable budget that squarely faces up to some sobering economic challenges while also funding important community services. By balancing the financial pressures with social principle, we have laid the foundation to build our city and build our community.”

**Statement ends.**