



Appropriation Bill 2015
Appropriation (Parliament) Bill 2015
Appropriation (Budget Variations) Bill 2015

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Extract from NSW Legislative Council Hansard and Papers Thursday 25 June 2015.

Second Reading

The Hon. DUNCAN GAY (Minister for Roads, Maritime and Freight, and Vice-President of the Executive Council [12.34 p.m.]: I move:

That these bills be now read a second time.

It is amazing what a competent, unified and hardworking Government can achieve in less than four years. It is amazing what can be achieved when the Government puts the people of the State first. When the Coalition first came to government in 2011, Labor had left us forecast deficits totalling \$4.4 billion, as well as crumbling infrastructure, out-dated services, and a severely diminished domestic and international reputation. I am pleased to say that the Government has completely turned this around. After only four years, the budget is firmly back in the black.

As announced by the Treasurer on Tuesday, in 2015-16 and in each year of the forward estimates, we are forecasting surpluses. In 2015-16 we are forecasting an underlying surplus of \$713 million, increasing every year to reach \$895 million in 2018-19. When our reforms to transport assets are included, the 2015-16 surplus is \$2.5 billion. But uniquely, alongside this strong operating result, we are investing in record infrastructure spending, the scale of which has not been seen for many decades. Every election commitment is being met. This Government is a government that says what it will do and then gets on with delivering it.

As detailed by the Treasurer, when we came to government expenses growth averaged 6.4 per cent, while revenue growth was 5.2 per cent. Again, we have turned this around. Today average expenses growth is in line with revenue growth across the forward estimates. Put simply, the State is living within its means. The Government is running its budget as it would expect families to run theirs. There is a similar story with debt. In March 2011 non-financial public sector net debt was forecast to be \$62.4 billion by 2014-15. This would have put the State's triple-A credit rating at risk. We did not let that happen. Today this debt figure is estimated to be \$38.2 billion or \$24 billion less than that forecast in 2011. When we came to government we inherited a bloated bureaucracy and an unsustainable budget, unable to provide the infrastructure and services that New South Wales desperately needed.

Our budget maintains the State's triple-A rating and delivers record spending in both services and infrastructure. It is no accident that this year in New South Wales there will be 1,680 kilometres of new bitumen—the equivalent of driving from Brisbane to Melbourne via the Newell Highway. That new bitumen is going into New South Wales under the infrastructure work the Government is doing as a result of good fiscal management by a series of outstanding Treasurers: the Hon. Mike Baird, the Hon. Andrew Constance and now the Hon. Gladys Berejiklian.

As pointed out by Treasurer Berejiklian, over Labor's last four budgets the former Government only funded an average of \$6.2 billion a year on infrastructure, regrettably with little to show for it. Contracts were torn up and project after project was announced and then cancelled. Who could forget how Labor wasted half a billion dollars of taxpayers' money on a proposed CBD Metro without a single metre of track being laid? The State will spend an average of \$10.3 billion a year on infrastructure over the forward estimates. As such, State infrastructure expenditure over the next four years, including operating service expenses, is a record \$68.6 billion.

After four years of fiscal repair and strong government, we are in complete control of the budget and have the strongest economy in Australia—and we are only just getting started. In March the people of New South Wales voted to take this State to the next level. They voted for a vision for new infrastructure and quality services. They supported the plan put forward by our Premier to spend \$20 billion on new infrastructure, including \$6 billion in our regional areas, funded through a long-term lease of 49 per cent of the electricity transmission and distribution networks. As I said at the time a plan B is not needed when plan A is great. With the recent passage of the enabling legislation through this Parliament that infrastructure is now assured through Rebuilding NSW.