

What does this mean for Health?

- ▶ Reduced State revenue
- ▶ Increased capital expenditure
- ▶ Maintaining tight control of expenses
- ▶ Introduction across government agencies of a "Treasury Cap"
 - ▶ **NSW Health \$252m**
- ▶ The Treasury Cap will increase over the next three years
 - ▶ **Review of the whole purchasing and funding model in NSW for next year**

Document tendered by <i>Mr Secord MLC</i>
Received by <i>M. Thompson</i>
Date: <i>30 / 10 / 19</i>
Resolved to publish <input checked="" type="checkbox"/> Yes / No

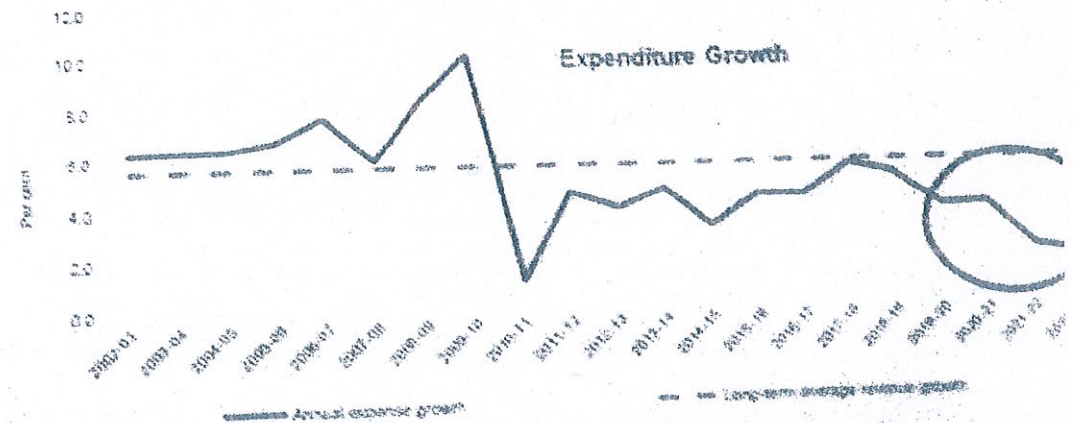
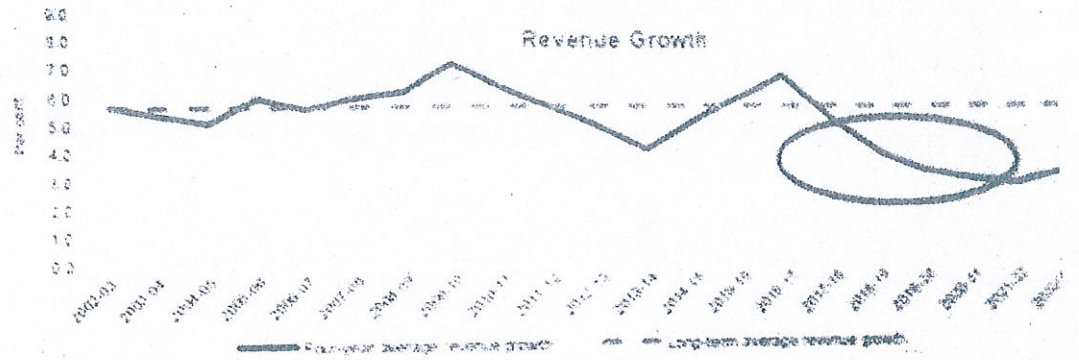
Funding Envelope



NSW State Budget 2019-2020 (cont'd)

Revenue and Expenditure trends:

- ▶ Revenue growth is in decline (see top right)
- ▶ Slight increase in expected revenue from FY22-23
- ▶ This has led to constraints on expenditure levels (see below right)
- ▶ Note the expenditure growth levels for FY20-21 to 22-23 falling to below 2%



NSW State Budget 2019-2020

- ▶ NSW State Budget for 2019-2020 was delivered on 18th June 2019
- ▶ First budget for the newly re-elected State Government as it enters a four year term
- ▶ The budget reflects significant fiscal challenges affecting the NSW economy:
 - ▶ Revised revenue forecasts due to moderating housing market
 - ▶ Reductions in GST receipts forecast by C'wlth Govt
 - ▶ Drought conditions impacting state and increasing expenditure in regional communities
- ▶ Significant implications from the budget for Health and other government agencies – constrained recurrent funding is a reality across whole of government

The **NSW BUDGET** 2019-2020

My Budget

Budget
in detail

Your Regions

Budget Papers

News centre

Home

SHARE

2019-20 Budget Papers

Overviews



DOWNLOAD
BUDGET OVERVIEW

DOWNLOAD
NSW BUDGET & WORK PROGRAM

DOWNLOAD
NSW BUDGET

Source:

<https://www.budget.nsw.gov.au/nsw-budget-2019-20-budget-papers>

Savings allocation

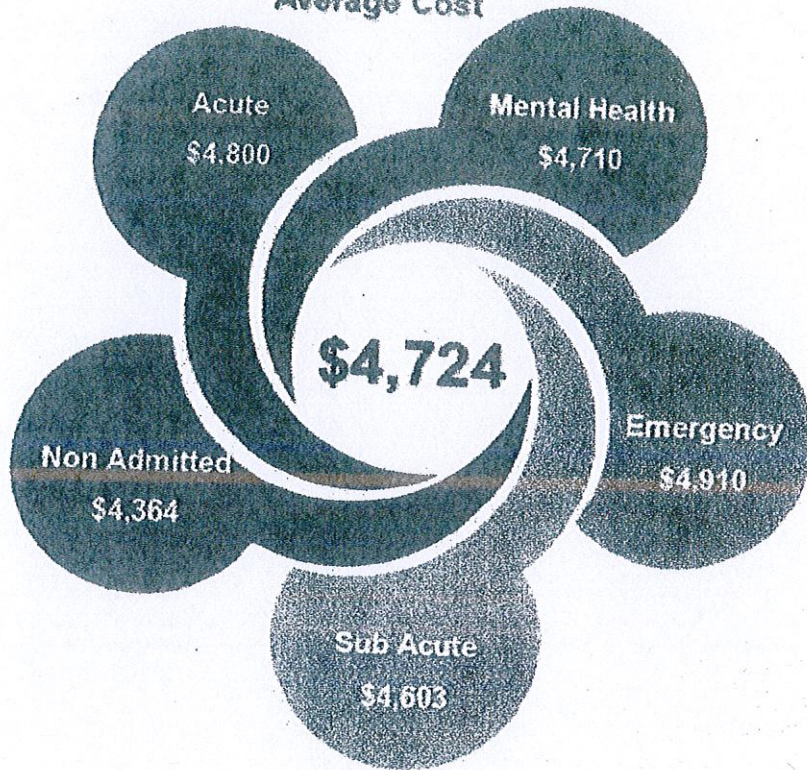
- ▶ In order to deliver on election commitments, NSW Health will collectively be required to achieve cost savings of \$252 million in FY2019-20

	Total Savings	%
Districts / SHN	\$150 million	0.8%
Ambulance, Pathology, HealthShare and other HAC	\$67 million	2.0%
Pillars and MoH	\$35 million	10.0%
TOTAL	\$252 million	

NSW State Price (cont'd)

2017/18

Average Cost



Escalation of 2.1% for 2 years



2019/20

State Price

\$4,925

NSW Health Budget 2019-2020 (cont'd)

