

STATE BUDGET

2022-23

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TREASURER

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FRONTLINE SERVICES EXEMPT FROM BUDGET SAVINGS

Frontline government services will be exempt from government savings, but some State Government departments will be required to deliver modest efficiencies to help the government deliver on its priorities in the 2022-23 State Budget.

The government will seek savings from some government departments, in keeping with Labor's pre-election commitment.

Importantly, agencies delivering frontline services are exempt, including:

- Health
- Education
- Police
- Child Protection
- TAFE
- Courts
- Emergency Services

In total, \$714 million in budget savings will be delivered over the forward estimates.

2022-23	2023-24	2024-25	2025-26
\$165m	\$174m	\$183m	\$192m

The State Government is also saving \$662 million by not proceeding with the former Marshall Liberal Government's proposed Basketball Stadium.

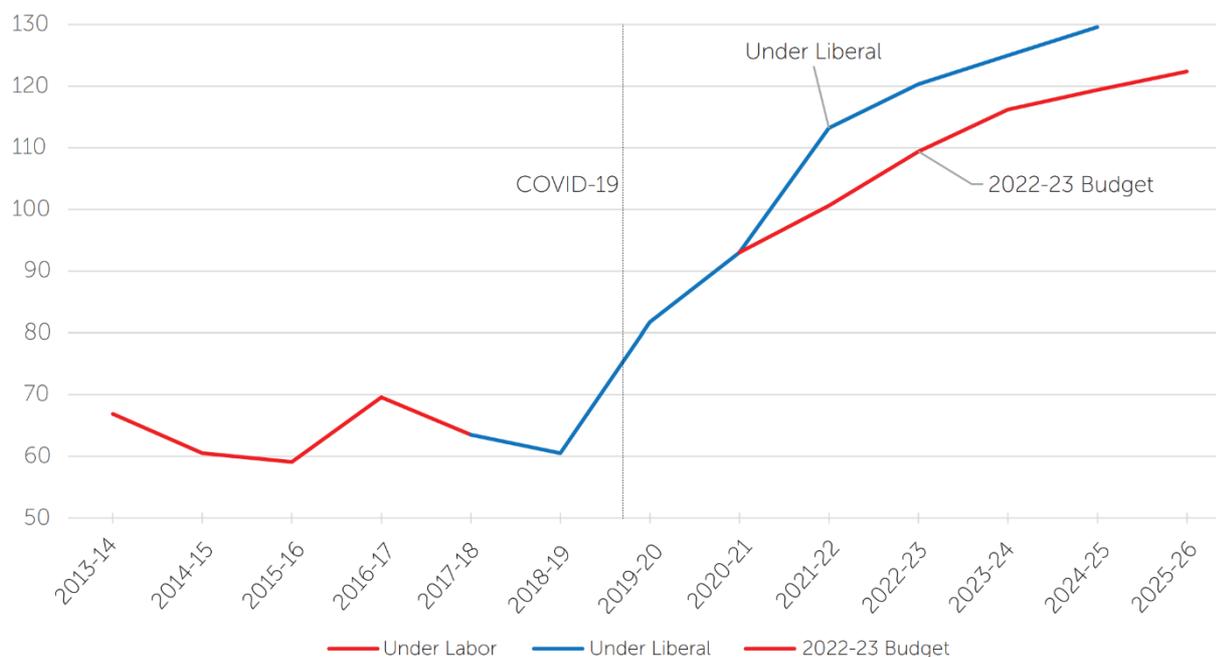
The State Government is also taking steps to adjust the state's debt trajectory.

Under the former Marshall Liberal Government, net debt increased from \$12.95 billion to a forecast \$33.6 billion in its last budget. In the Liberal Government's 2021-22 Budget, the non-financial public sector net debt-to-revenue ratio was set to hit 129.6 per cent by 2024-25.

In the new government's first budget, debt is forecast to reach \$33.8 billion in 2025-26 (a further year on from the previous government's estimate) and the net debt-to-revenue ratio will now peak at a lower level of 122.4 per cent.

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Quotes attributable to Stephen Mullighan

Budgets are all about priorities and it is the Malinauskas Labor Government's priority to invest in our state's future – in health, jobs, education, training and skills and other key priority areas.

The government is also committed to no new taxes while maintaining balanced budgets.

Therefore, to deliver on our priorities, we are seeking modest efficiencies from government departments, while exempting frontline services.

The government is also committed to changing the state's debt trajectory. Under the former Marshall Liberal Government debt doubled before COVID and then doubled again after COVID.

This is unsustainable.

Therefore, I am pleased we have managed to make some inroads in changing the state's debt trajectory. But there is more work still to do.

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