



# New South Wales Budget 2022-23

**The 2022-23 NSW Budget was delivered on 21 June 2022 by the Treasurer, Hon Matt Kean MP.**

*The 2022-23 Budget Papers (as released by the New South Wales Treasury) can be accessed [here](#).*

*If you have any questions relating to how the budget impacts you and your business, please contact us at [memberservices@neca.asn.au](mailto:memberservices@neca.asn.au).*

*NECA welcomes suggestions and feedback as it continues to advocate on issues that affect and shape the electrotechnology sector in New South Wales.*

## Overview

NECA welcomes the announcements made in the 2022-23 New South Wales budget, and the government's investment in opportunities for women, infrastructure, health, education and training, innovation, renewable projects and the state's regional economy.

The budget reflects the government's ongoing commitment to sustainable economic growth, support for households and businesses and the state's transition to renewable energy.

NECA commends the NSW Government's consideration of pressures affecting the building and construction sector and investing \$112.7bn in infrastructure projects over the next four years.

To further boost employment opportunities, the government is also investing \$2.8bn in skills and training, including \$2bn investment in TAFE. \$640.3m is allocated for training and further education.

NECA has been advocating for, and supports, the announcement of \$1.2 billion to establish a Transmission Acceleration Facility to carry energy from renewable energy zones to businesses and homes to fast-track the Electricity Infrastructure Roadmap.

NECA is particularly supportive of the government's investment of \$16.5bn over 10 years towards increasing women's workforce participation, supporting women in small business and entrepreneurship, and raising awareness of women's health and safety.

## 2022-23 Budget Summary

Budget highlights include the following investments:

- \$3.8bn giving children and young people the best start to life
- \$7.2bn boosting household budgets 2022-23
- \$112.7bn infrastructure program
- \$3.3bn sustainability and clean economy
- \$1.2bn package to support opportunities for women
- \$2.8bn housing access and affordability
- \$2.6bn future economy
- \$1.6bn strong regions

## Education, Skills and Training

\$2.8bn in recurrent funding for skills and training, including

- \$2bn recurrent investment in TAFE
- A further \$318.9m capital investment for TAFE NSW to fund upgrades to buildings, facilities and digital infrastructure
- \$82.7m over four years to fund fee-free apprenticeships
- \$25.1m for the statewide expansion of Careers NSW
- \$20m to boost female participation in male dominated industries, such as construction
- \$108.5m in recurrent expense funding over four years for two new Institutes of Applied Technology at Kingswood and Meadowbank
- \$32.7m in capital funding over two years for TAFE Kingscliff (in northern NSW) to significantly expand course offerings in critical local industries such as healthcare and electrotechnology
- A similar \$29.6m upgrade for TAFE Coffs Harbour
- \$5.8bn over ten years to establish a year of universal preschool education

- \$280m over four years to grow the state's workforce of early childhood educators to help enable this
- \$1.3bn over four years to make preschool more affordable, including \$2,000 per child to access preschool services in long day care from 2023

## Infrastructure

\$76.7bn for transport and infrastructure, including:

- \$12.4bn over four years for Sydney Metro West
- \$8.4bn over four years for Sydney Metro Western Sydney Airport
- \$4.1bn over four years for the Western Harbour Tunnel Upgrade and Beaches Link Planning
- \$1.4bn over four years for the Coffs Harbour Bypass
- \$1.4bn over four years for the Pacific Motorway (M1) to Raymond Terrace
- \$835.6m over four years for the Regional Rail Fleet
- \$342.4m over four years for the Transport Access Program
- \$216.4m over four years to further refine the pre-concept design options for the Circular Quay Precinct Renewal.

\$11.9bn for health infrastructure to plan and deliver new and upgraded hospitals, including:

- \$1.3bn for Bankstown Hospital
- \$615.5m for the NSW Ambulance Infrastructure Program
- \$263.8m for the Grafton Base Hospital Redevelopment.

\$9.2bn for education and skills infrastructure, including:

- \$1.4bn over the four years to deliver 23 new and upgraded school projects, and funding for the minor works program.

## Women

Increase women's workforce participation

- \$1.7bn towards introducing universal pre-kindergarten
- \$1.3bn fee relief for preschool
- \$775m towards boosting accessibility and affordability of childcare
- \$32m in grants and wraparound support for women to return to work
- \$37.9m of targeted support in regional and rural locations

Improve the experience of women in the workforce

- \$20.2m towards achieving 15 per cent women in construction by 2030
- Safe workplaces \$9.7m SafeWork taskforce to reduce sexual harassment in the workplace
- Enhancements to public sector paid parental leave arrangements

Support women in small business and entrepreneurship

- \$11.5m to provide tailored support to help women build and grow their businesses
- \$12m towards the Carla Zampatti venture capital fund for start-ups led by women
- \$3.7m to monitor the proportion of female-led businesses in government procurement, and to promote equitable practices in business
- \$3.5m for women to build their financial literacy and business start-up skills.

Respect for women and women's financial security

- \$30m for lighting, CCTV and foot traffic upgrades, and an anti-street harassment campaign
- \$43.6m for wraparound support for DV victims

- \$18m for expanding AV links to allow evidence to be presented in court remotely
- \$8m for court-appointed questioners for cross-examination of DV complainants
- Shared equity scheme for low-income single parents and older singles

## Renewables

- More than \$2.5bn investment from the Climate Change Fund over 10 years in programs to reduce emissions and make New South Wales more resilient to climate change from 2022 to 2030.
- \$300m over 10 years to provide grants for new business activities to competitively produce low emissions materials, green chemicals, hydrogen, clean fuels and agricultural materials.
- \$93.7m over eight years for a whole-of-government response through the Climate Change Adaptation Strategy.
- \$1.2bn net (after recycling proceeds) to accelerate the delivery of the new transmission projects required for Renewable Energy Zones across regional New South Wales (the total gross investment, which is intended to be fully recouped, is \$3.1bn over 10 years).
- \$250m over five years for grants to businesses to competitively manufacture components for renewable energy infrastructure, electrolyzers, electrification of plant, and electric vehicles.
- \$84m over 10 years to accelerate the Electricity Infrastructure Roadmap to replace retiring power stations with new sources of clean, cheap and reliable generation.
- \$206.2m over 10 years to enhance the state's natural capital, rewarding farmers to reduce their carbon emissions and improve and protect biodiversity outcomes on their land, while increasing the productivity of our primary

industries.

- \$74m for zero-emission buses, and to develop a final business case and commence enabling works to transition to a low-emission bus fleet to allow quiet and environmentally friendly travel services for Sydney commuters.
- \$38.3m to further support the rollout of electric vehicle charging infrastructure to service the growing fleet of electric vehicles.
- \$19.8m over three years for water strategy initiatives to address floodplain management, First Nations access and a groundwater framework.
- New target of 50 per cent emission reductions below 2005 levels by 2030, achieved through the Net Zero Plan initiatives including the NSW Electric Vehicle Strategy and the Electricity Infrastructure Roadmap.
- \$128m for the Energy Buster program to help households cut energy bills by installing rooftop solar and energy efficient appliances.

## Cost of Living Relief

\$7.2bn during 2022-23 to boost family budgets, including:

- \$520m in new toll relief over two years, saving drivers up to \$750 per annum
- Back-to-school vouchers of \$150 per child from Term 1 2023 to assist with the cost of school supplies
- Incentives for eligible households save up to \$600 per year on power bills by installing rooftop solar and energy efficient appliances.

## Regional New South Wales

- \$1.3bn increased funding to the Regional

Growth Fund

- \$230m to support bush tourism
- \$390m to develop the Snowy Special Activation Precinct
- \$130m over five years to expand the critical minerals industry
- A previously-announced \$2.4bn package for regional health

## Economic Outlook

- The Budget forecasts above trend economic growth of 4¼ per cent for 2022-23 and a return to historically low unemployment of 3½ per cent in the June quarter in 2023.
- Gross State Product (GSP) growth is forecast to average 2½ per cent over the five years to 2025-26, aided in the near-term by strong momentum in the labour market and the resilient state of aggregate balance sheets.
- The NSW unemployment rate fell to a low level of 4 per cent in May 2022.

It is expected to remain at or below the level consistent with full employment (broadly assumed to be an unemployment rate of 4 per cent) for the forecast period.

- Monetary policy remains supportive of growth, with the cash rate remaining very low (0.85 per cent in June), though further rate increases are expected.
- The state's AAA credit rating is maintained in this year's budget, which is forecast to return to surplus in 2024-25, with the projected surplus forecast to reach \$1.4bn in 2025-26.