



# Victorian Budget 2014 | 15

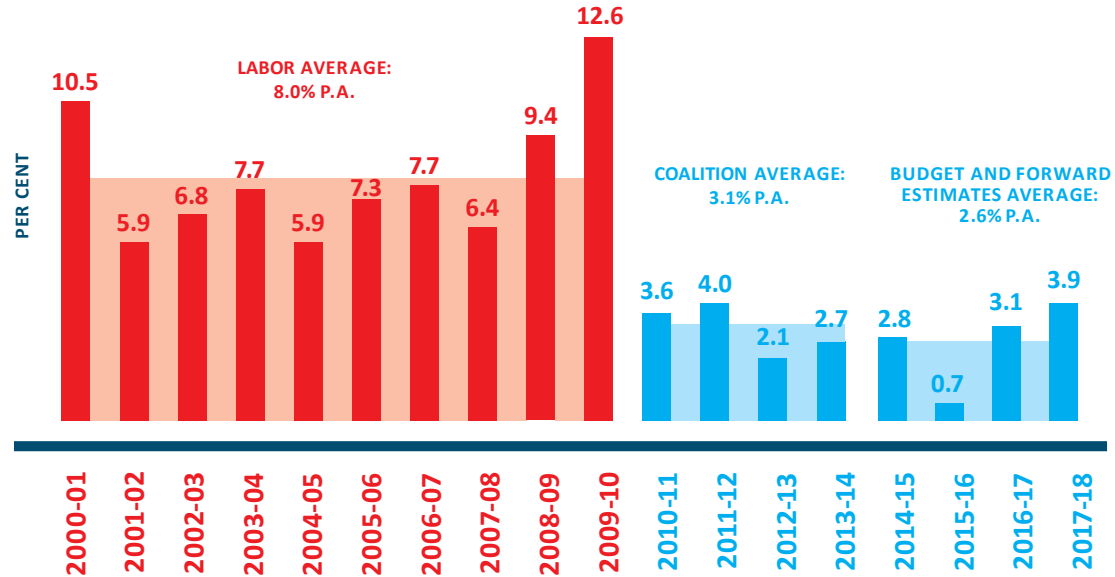
## Building a Better Victoria



The Hon. Michael O'Brien MP  
Treasurer of Victoria  
9 May 2014

# Bringing expenditure growth under control

## ANNUAL EXPENDITURE GROWTH



Source: Department of Treasury and Finance

# Responsible financial management

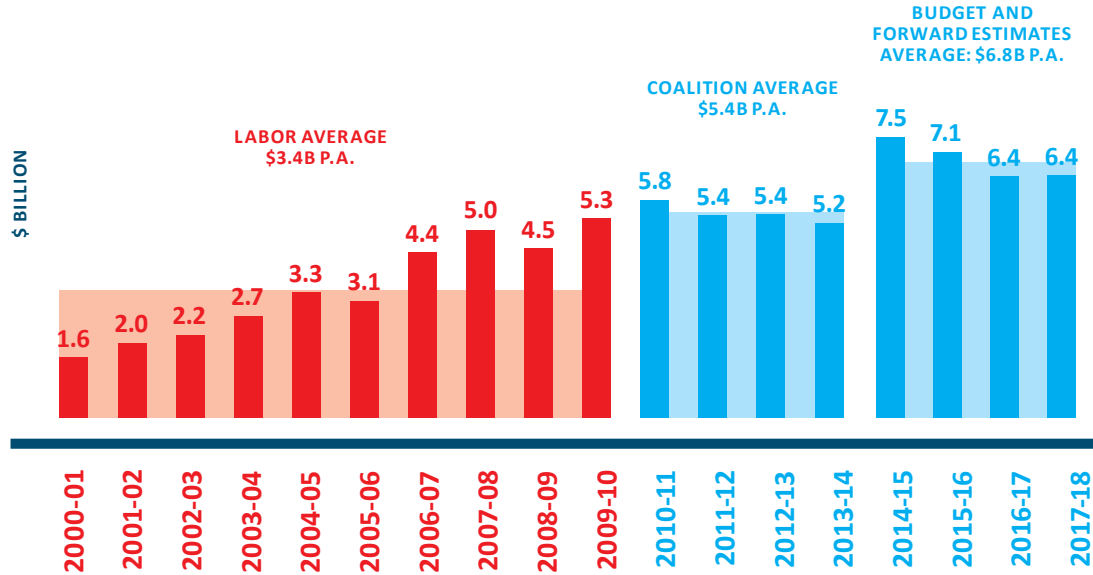
## 2014-15 BUDGET ECONOMIC AND FISCAL AGGREGATES

	Unit of measure	2013-14 Revised	2014-15 Budget	2015-16 Estimate	2016-17 Estimate	2017-18 Estimate
<b>Net result from transactions (operating result)</b>	\$ billion	0.9	1.3	3.0	3.2	3.3
<b>Net debt</b>	\$ billion	21.5	23.4	18.5	19.0	19.5
<b>Net debt to GSP</b>	per cent	6.1	6.3	4.7	4.6	4.5
<b>Government infrastructure investment</b>	\$ billion	5.2	7.5	7.1	6.4	6.4
<b>Real GSP growth</b>	per cent	2.00	2.50	2.75	2.75	2.75
<b>Employment growth</b>	per cent	0.75	1.25	1.50	1.50	1.50
<b>Unemployment rate</b>	per cent	6.25	6.25	6.00	5.75	5.50
<b>Population</b>	per cent	1.8	1.8	1.8	1.8	1.8

Source: Department of Treasury and Finance

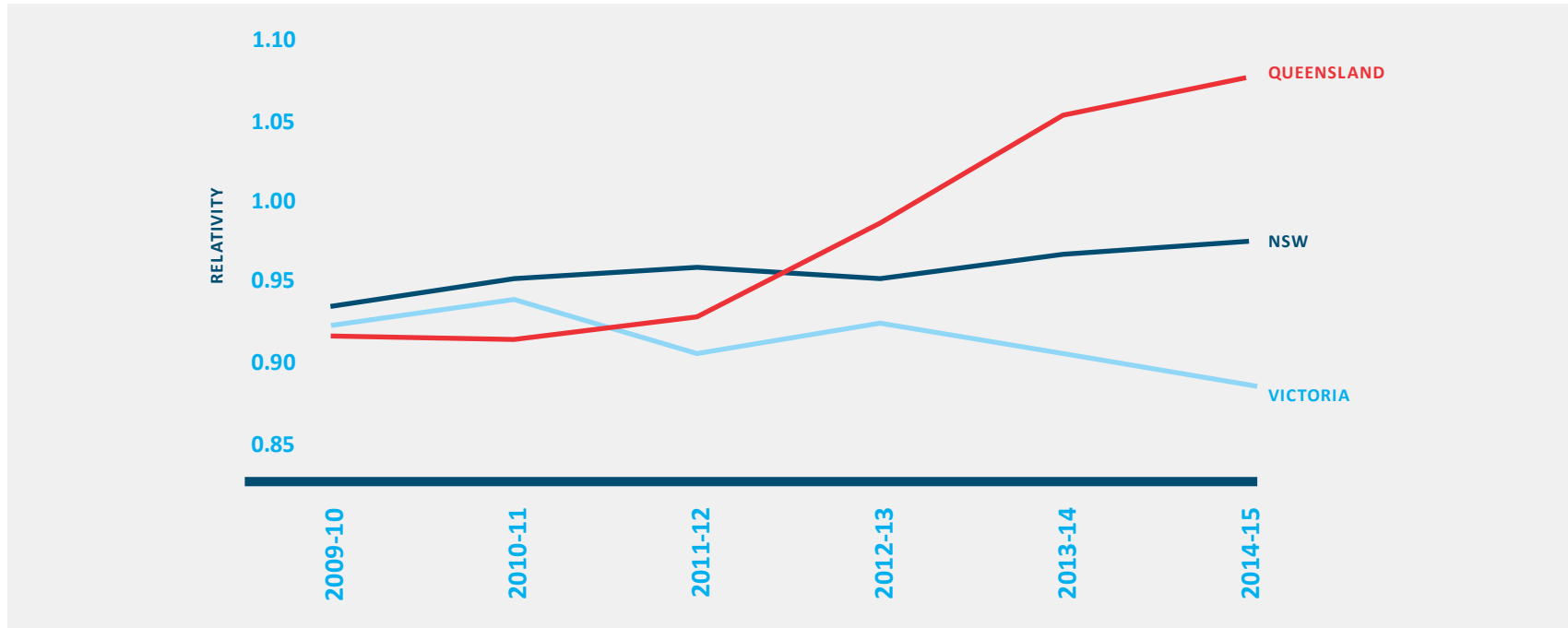
# Surpluses funding record infrastructure program

## GOVERNMENT INFRASTRUCTURE INVESTMENT



Source: Department of Treasury and Finance

# The distribution of GST revenue remains inequitable



# Infrastructure highlights



- \$8.5b - \$11b Melbourne Rail Link
- \$8b - \$10b East West Link – Western Section
- \$2b - \$2.5b Cranbourne-Pakenham Rail Corridor Project
- Up to \$850m CityLink - Tulla widening
- Additional \$685m to deliver the Metro Level Crossing Blitz
- Up to \$220m Murray Basin Rail Project
- \$73m Shepparton Law Courts

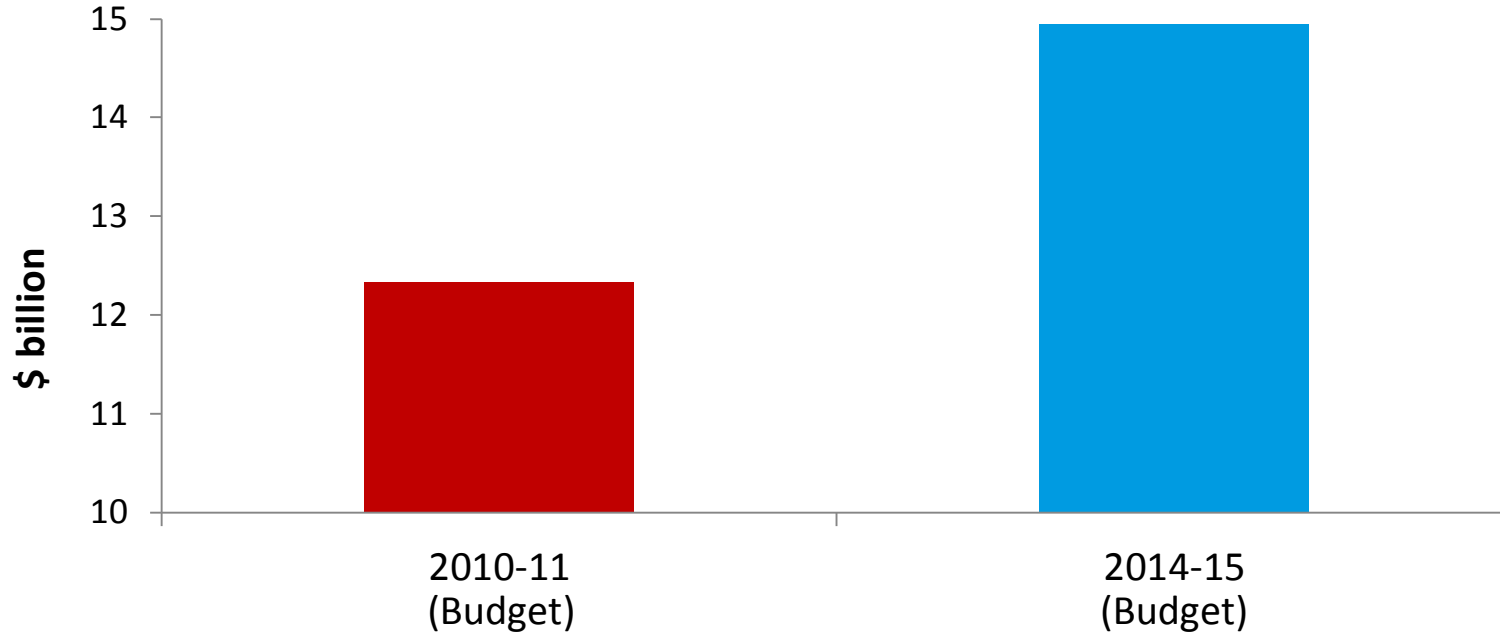
# Positive tax reform to further support jobs



- Cut payroll tax rate to 4.85 per cent from 1 July 2014, benefitting 39 000 employers
- Lowest payroll tax in Australia for businesses with payrolls from \$4.7m - \$26.7m
- Duty on life insurance also abolished from 1 July 2014
- Combined tax cut of \$250m over four years

Source: Department of Treasury and Finance

# Health funding

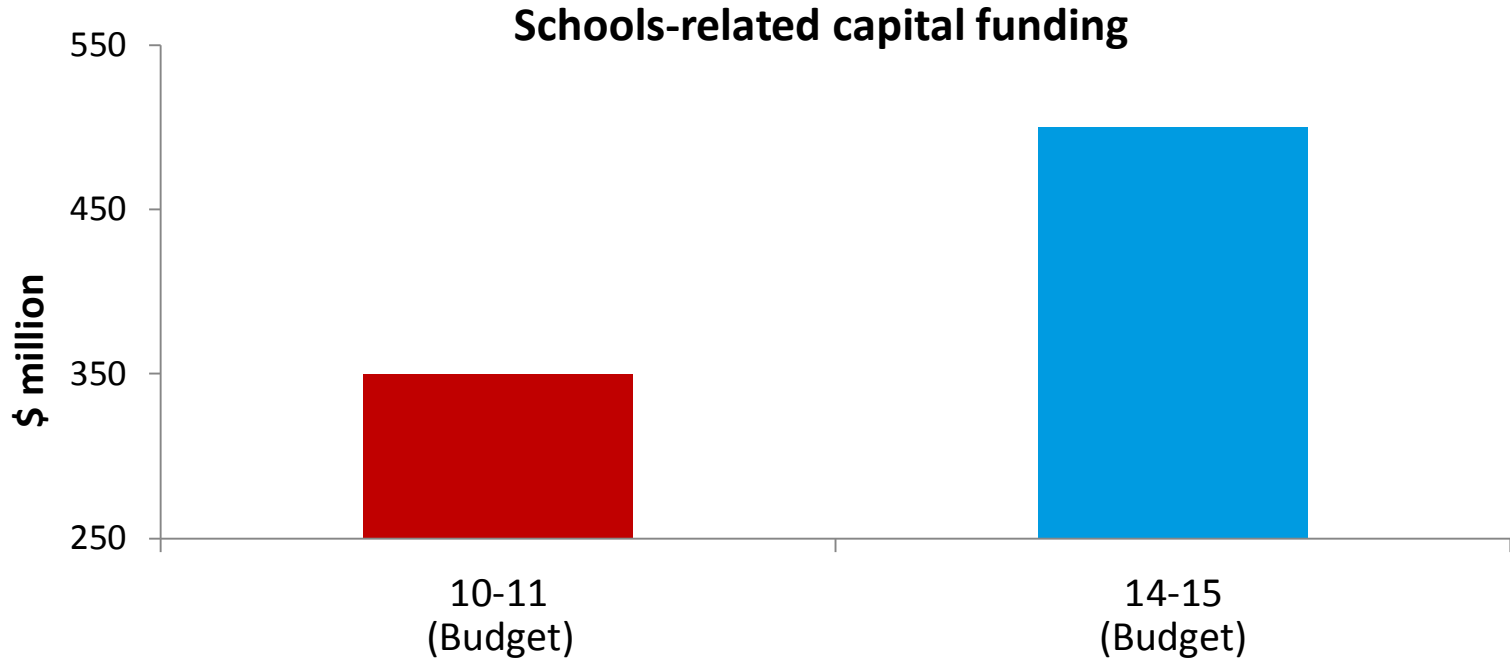


**The 2014-15 health output funding budget is 21 per cent higher than the 2010-11 budget**

Source: Department of Treasury and Finance



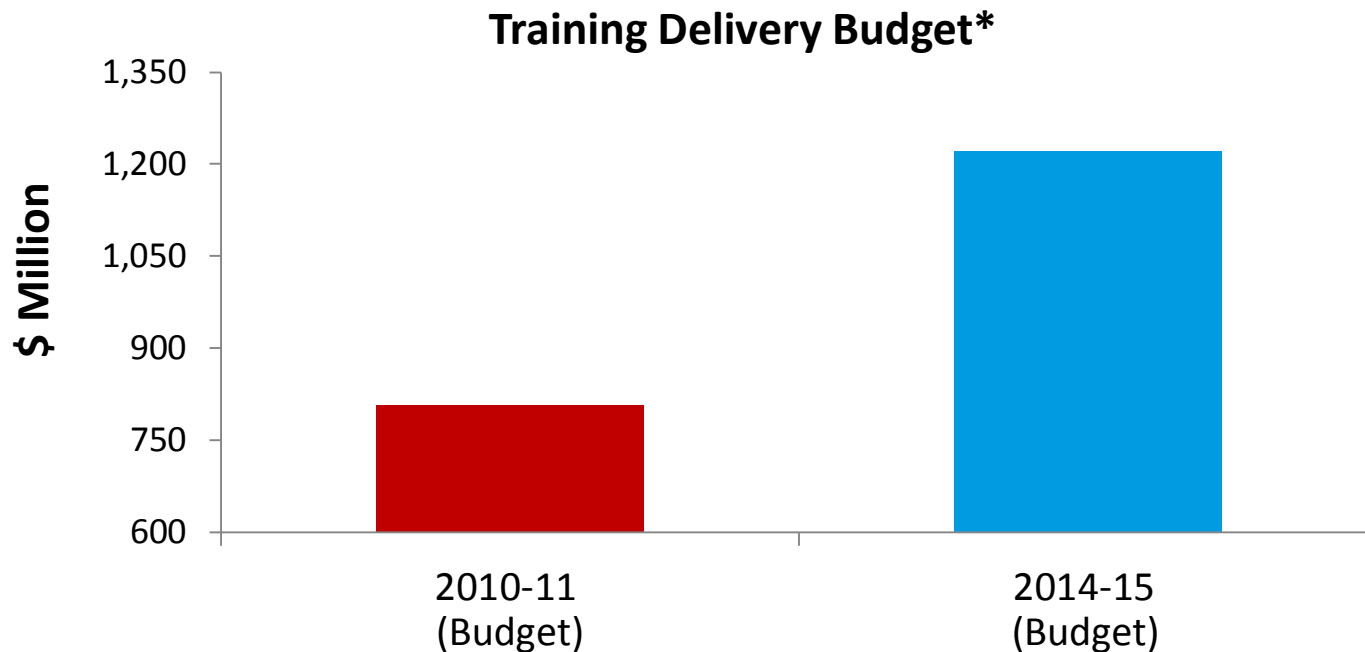
# School capital funding



**The 2014-15 budget for school capital is 43 per cent higher than the 2010-11 budget**

Source: Department of Treasury and Finance

# VET funding



**The 2014-15 budget for training delivery is 51 per cent higher than the 2010-11 budget**

Source: Department of Education and Early Childhood Development; Department of Treasury and Finance

\*excludes concessions expenditure

# Building a safer Victoria



- \$33m to construct new police stations
- \$783m investment in fire services
  - CFA funding up 2.5 per cent to \$457m
  - MFB funding up 3.1 per cent to \$326m
- \$29m for 78 new CFA fire vehicles
- Corrections system expansion including:
  - Additional 871 prison beds
  - Infrastructure upgrades at Beechworth Correctional Centre and Langi Kal Kal Prison

Source: Department of Treasury and Finance



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