

STRONG ECONOMY. STRONG COMMUNITIES.



Business fact sheet

Delivering new strength

The Tasmanian Government is committed to progressive and responsible economic management designed to improve the prosperity and quality of life of all Tasmanians.

Economic and financial strength provides the foundation on which vital services and vibrant communities can be built.

In 2004-05, Tasmania's economy grew faster than any other State except Queensland and outstripped the national average by 1.7%.

The 2006-07 Budget continues the process of strengthening the Tasmanian economy through the implementation of a new fiscal strategy that reinforces the Government's commitment to Budget surpluses, no net debt and no new taxes or increases in existing taxes.

By working in partnership with the business community, the Tasmanian Government aims to continue the current climate of competitive advantage.

The focus of the 2006-07 Budget is on ensuring the long-term development of the workforce through addressing skills shortages, maintaining a competitive business environment, encouraging and supporting the vast array of Tasmania's small businesses, and fostering an economic culture of creativity and innovation.

Delivering our commitments

The 2006-07 Budget will deliver a range of exciting and vital initiatives focussed on continuing the improvement in the Tasmanian economy.

Initiative	Benefit
Tax cuts – program to abolish mortgage duty and non-real-property Business Conveyance Duty	\$80 million in savings to the community over next 4 years
\$9.7 million funding boost to TAFE Tasmania	Attract and skill up to 340 new apprentices in traditional trades areas such as building and construction, metals and allied trades
\$1.5 million to establish an Australian Innovation and Research Centre at the University of Tasmania	Fostering leading-edge industry development will help continue the resurgence of the State's economy
Increased funding of \$1 million to the successful Workforce Development Fund	Assist small to medium sized Tasmanian businesses integrate workforce planning, skills development and business planning
\$480,000 to establish 30 new Tasmanian exporters	Supporting small business in northern Tasmania
\$1.8 million to trial enhanced business incubation services at the Tasmanian Technopark	To give small businesses statewide hands-on management assistance
\$75 million to support Tasmania's tourist industry	A comprehensive package of support for Tasmanian tourism businesses
\$22.7 million to assist Tasmania's primary producers	Improve the efficiency, sustainability and profitability of our agricultural businesses
\$5.1 million to update the 3D geological model of north-east and north-west Tasmania and support promotion of mining opportunities	Support Tasmania's important mining industry
Introduction of Employer of Choice Awards	Recognising business productivity and employee work/life balance
Continued support for the pulp mill project, including the Pulp Mill Supplier Development program	Massive investment in the Tasmanian economy and Tasmanian businesses ready to make the most of the opportunities provided



Did you know?

- Over the eight years to 2009-10 **tax cuts** implemented by the Labor Government will be **worth \$1 billion** to the Tasmanian business sector and broader community.
- Tasmania has gone from having the second highest level of tax severity of any State or Territory in 1998 to having the **second lowest level of tax severity**.
- Under **5% of registered Tasmanian businesses** pay payroll tax.
- Tasmania and Queensland are the only States where a small business with a payroll of up to \$1 million a year pays **no payroll tax**.
- In just three Budgets the Government has committed an **additional \$50 million to skills development**.
- In 2004-05 Tasmania's economy grew faster than any other State other than Queensland and is **forecast to outstrip national growth** in 2005-06 and 2006-07.
- The number of small businesses in Tasmania has **grown by 6,000** since 1999.
- Tasmania is the **most competitive State** in 17 out of the 34 indicators in the most recent Competition Index document.
- There is **\$2.5 billion in private investment** either under way or planned in Tasmania.

Looking to the future

The 2006-07 Budget delivers on Labor's 2006 election commitments to the business community in a considered and responsible way.

The Labor Government will continue to remain committed to strong economic and financial management.

By working in partnership with the Tasmanian business community, the Government will ensure Tasmania remains a competitive place in which to do business and to address issues such as skills development and the impact of demographic change.

A strong economy is the foundation on which the Tasmanian community will continue to prosper and grow.

Further information

For further information please contact:
 Department of Economic Development
 GPO Box 646
 Hobart Tasmania 7001 Australia
 Telephone: +61 3 6233 5888
 Website: <http://www.development.tas.gov.au>

Business fact sheet

© Government of Tasmania

Excerpts from this publication may be reproduced, with appropriate acknowledgment, as permitted under the Copyright Act.

2006-07 Budget Paper set includes:

Tasmanian Budget Speech
 Budget Paper No. 1 – Budget Overview
 Budget Paper No. 2 – Operations of Government Departments (Volumes 1 and 2)
 The Tasmanian Government Financial System
 Various brochures

Published June 2006

Printed by the Printing Authority of Tasmania

ISSN 1833-7406 (Print)

ISSN 1833-7414 (Online)

