



Shaping a
dynamic future.

Tasmanian Budget

07-08

Business and Economy

Future direction

A strong and vibrant economy is crucial to supporting and protecting the future of Tasmania's unique lifestyle.

A strong economy creates jobs for our families, opportunities to develop and invest in business, improves productivity and most importantly gives us the opportunity to shape our own future.

A strong economy means the Government has the resources to implement vital health, education, safety, environmental and other community services and initiatives. It creates confidence, enables us to make the most of our cultural and natural assets and ensures that Tasmania is an even more attractive place in which to live.

The Tasmanian economy of 2007 is a strong and vibrant one. This has not happened by accident. It is only through the responsible financial and economic management of the Labor Government since 1998 that Tasmania has secured sustained economic growth and a positive economic future.

The 2007-08 Budget continues this commitment to responsible financial and economic management. It focuses on long-term sustainability for education, health and the environment while driving business growth and productivity.

It also delivers investment in new public infrastructure to support private sector investment, boost productivity and to meet the needs of future generations.

The 2007-08 Budget continues the Government's record of strong support for Tasmanian business by creating a foundation for sustainable economic prosperity.

Delivering for Tasmanians

- A 'Triple A' credit rating from Moody's Investor Services based on a strong Government financial position with strong economic and financial credentials.
- Over 30,000 new jobs for Tasmanians since 1999.
- Record high employment and a record low rate of unemployment.
- A record \$920 million infrastructure investment program over the next four years.
- Far-reaching infrastructure developments in water and sewerage, transport, optic fibre communications, schools and hospitals, which will drive future productivity increases and deliver jobs to the Tasmanian community.
- The second lowest taxing state in Australia, as measured by the Commonwealth Grants Commission, and the lowest level of tax per capita.
- Cuts in mortgage duty, heavy vehicle stamp duty and motor tax, which will bring total annual tax cuts committed to by the Government to \$170 million.
- Unprecedented levels of private sector investment, which will deliver future productivity growth and support the products and services required by the Tasmanian community.
- Support for innovative Tasmanian businesses.
- Support for business and employee skills development which will drive increased productivity and profitability.

What this budget delivers for Tasmanians

Initiative	Benefit
\$24 million in new tax cuts relating to mortgage duty, heavy vehicle stamp duty and light vehicle motor tax	The second most competitive state tax environment in Australia.
\$4 million to expand the successful Enterprise Growth Program	Increase business competitiveness and employment growth.
\$7.5 million for a new program, commencing in 2008, to encourage jobseekers and support apprentices and trainees	Increased skills and employment and support for disadvantaged and the long-term unemployed.
Reform initiatives relating to water and sewerage, optic fibre communications and transport	Increased economic productivity and business competitiveness and the provision of better services to the Tasmanian community.
\$60 million investment in school infrastructure	Better educational outcomes and providing opportunities for Tasmanian businesses throughout the State.
Royal Hobart Hospital redevelopment – the biggest single infrastructure project in Tasmania's history	Opportunities for Tasmanian businesses, jobs and better health outcomes for the community.
Implementation of payroll tax harmonisation with other states	Cut business administration costs.
\$1.5 million for a regional planning initiative	Implementation of consistent and contemporary planning schemes across the State.
Divestment of the Hobart International Airport Pty Ltd	Investment of proceeds in new infrastructure to increase productivity and meet the needs of future generations.
\$1 million to support the Australian Innovation Research Centre	Foster leading-edge industry development.
Support for major private sector investment projects such as the pulp mill and the Direct Factory Outlet at the Hobart airport	Opportunities for Tasmanian businesses, jobs, increased economic activity and better services for Tasmanians.
\$1.2 million to continue the trial of incubation services at the Technopark	Support small business growth through management development.
\$10.5 million for the Tourism Promotion Plan and \$9 million for tourism marketing	Support for Tasmanian tourism businesses.
\$9.5 million to assist TAFE Tasmania address skills shortages	Attract and skill-up apprentices and trainees in key trade areas.

Further information

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Business and Economy Snapshot

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2007-08 Budget Paper set includes:

Tasmanian Budget Speech
Budget Paper No. 1 – The Budget
Budget Paper No. 2 – Government Services
(Volumes 1 and 2)
The Tasmanian Government Financial System
Various brochures

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