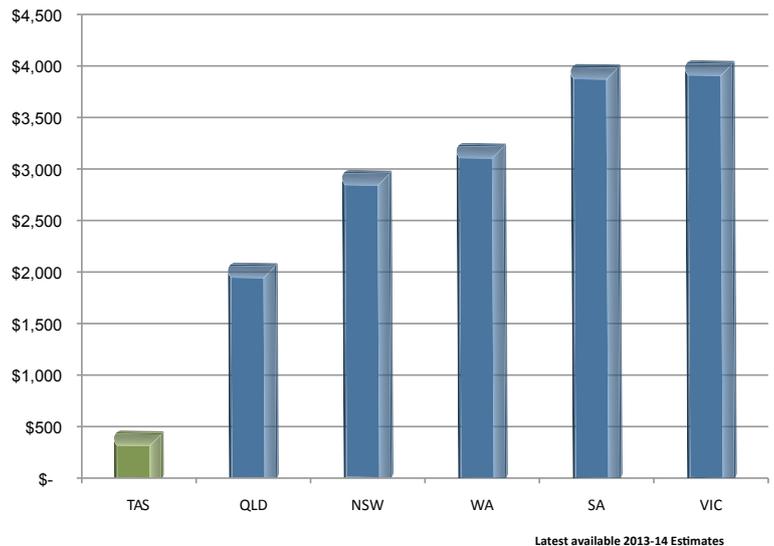


The Budget and Jobs

Keeping debt low and returning the Budget to surplus

- Tasmania has the lowest level of net debt across all states of Australia. In Tasmania our net debt stands at around \$441 per capita compared with \$4069 per capita in Victoria.
- Tasmania is on track to eliminate all net debt by 2016-17 and rebuild savings for future infrastructure investment.
- The Budget charts a return to a surplus by 2016-17.
- Over the Forward Estimates period, expenditure is budgeted to grow at an average annual rate of 1.5%.
- The Government continues to apply a public sector wages policy of 2% plus productivity benefits.
- The size of the public service has been reduced by 1200 FTEs without the need for forced redundancies.
- Budget economic forecasts show a return to trend economic growth of 2% from 2013-14.
- Employment is estimated to grow by 1400 persons in 2013-14 with 9000 new jobs over the Forward Estimates.

NET GOVERNMENT DEBT PER PERSON



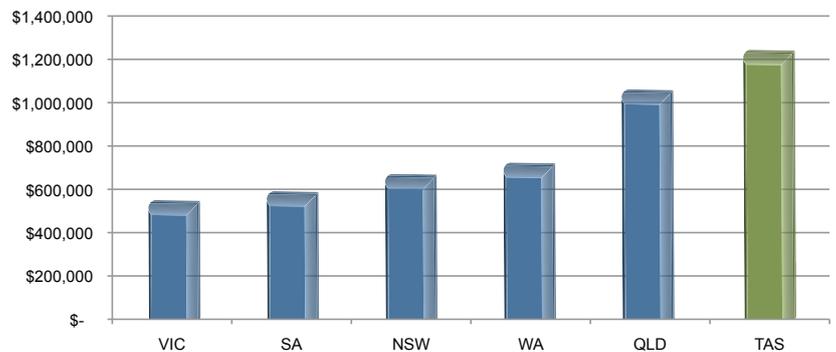
Better infrastructure to support people and jobs

- A significant \$1.4 billion general government infrastructure program and a \$2.3 billion capital program across government businesses to build the economic and social infrastructure of the future.
- A \$163.4 million roads program including major upgrades of the Murchison Highway (\$21m), Arthur Highway (\$18m) and Rokeby Main Rd (\$10m).
- Major tourism infrastructure investment including \$25.3m to continue development of the Three Capes Track and ongoing funding of \$19.2m for the Tarkine Forest Drive. The state and federal governments have also reached agreement to invest \$6m to bring the West Coast Wilderness Railway track up to an appropriate standard.
- Continued investment into the \$400m Tasmanian Irrigation network, including \$39m in 2013-14 to deliver the Midlands, Lower South Esk, Kindred North Motton, South East and Upper Ringarooma irrigation schemes.
- An additional \$38 million investment into our school infrastructure for improved classrooms and gyms.

A more competitive business environment to support jobs

- An increase in the payroll tax exemption threshold for the first time in more than a decade.
- From 1 July 2013, the payroll tax threshold will increase from \$1.01m to \$1.25m – the most competitive exemption across all states.
- Provides total relief of \$40m to 2250 businesses that employ half of the Tasmanian workforce. As a result of this change, around 130 Tasmanian businesses will no longer be charged payroll tax at all.

PAYROLL TAX EXEMPTION THRESHOLDS



- Tasmania is one of only two jurisdictions that have been independently assessed as having taxation severity below the national average in every year since 2000. This is essential for attracting investment to our regional economy.
- As part of the Tasmanian Jobs Package, all new employees hired before 30 June 2014 are fully exempt from payroll tax for up to two years. This has already supported 750 new jobs at Vodafone and 70 jobs at OfficeMax.
- Continued funding for small business grants through the Tasmanian Government Innovation and Investment Fund to support private sector investment and deliver sustainable job creation.
- Major structural reform of Tasmania's energy supply industry with a focus on minimising price increases for customers and providing full retail competition.

Tasmania's place in the Asian century

- Tasmania is the only state in Australia to publish its own Asian Century White Paper.
- We are already taking immediate initiatives including:
 - establishing a trade and investment office in Shanghai;
 - improving signage at key arrival points and major attractions by incorporating Asian languages;
 - working with industry and Brand Tasmania to develop consistent 'Tasmanian Gourmet' food branding for cheese, wine, cherries, salmon and seafood for high-income Asian customers;
 - partnering with the University of Tasmania to establish an Asia Institute; and
 - offering cultural awareness training workshops for business, in partnership with the Australian Government and local industry representative bodies.