



Dominic Perrottet
Treasurer

MEDIA RELEASE

Tuesday, 16 June 2020

JOB CREATION TO DRIVE NSW ECONOMIC RECOVERY

The NSW Government will move from a “response” to “recovery” footing as it steers the state through the biggest economic challenge in a generation as a result of COVID-19.

NSW Treasurer Dominic Perrottet said creating jobs and restoring confidence for the hundreds of thousands of people and businesses impacted by COVID-19 was at the heart of the Government’s economic plan.

Mr Perrottet delivered an economic and fiscal update to the NSW Parliament today, on what would traditionally have been the day of the 2020-21 NSW Budget.

In his speech the Treasurer outlined how the Government’s health and economic response to COVID-19 - the largest of any state at more than \$13.6 billion - together with Commonwealth support, had significantly mitigated the economic impact.

Despite this, the State’s economy is still forecast to contract by as much as 10 per cent in the second half of the 2019-20 financial year, with unemployment forecast to rise to around 7 ¾ percent.

The flow on effect on key revenue streams is expected to result in around \$20 billion of lost revenue over the five years to 2023-24.

“It’s time to get the show back on the road and from July 1 the vast majority of our new, socially distanced economy will be back open for business,” Mr Perrottet told Parliament.

“The biggest thing we can do for business and consumer confidence is to get people back into work.”

Mr Perrottet signalled the Government would adopt both targeted stimulus and reform to boost economic growth while charting a measured course towards fiscal repair.

Support will target key sectors, including construction, skilling and retraining, and helping tourism, retail and accommodation get back on their feet.

A new Small Business Recovery Grant of up to \$3,000 will help small businesses safely relaunch operations, while free community childcare will continue until the end of September, beyond the end date for the Commonwealth childcare scheme, helping to get more people - especially women - back into the workforce.

Jobs will also be created through the government's infrastructure program, with \$3 billion in direct stimulus for schools, hospitals and roads across the state taking the total infrastructure pipeline to more than \$100 billion, providing a strong foundation to restore consumer and business confidence.

To improve the efficiency and effectiveness of the economy and accelerate growth, the Government will focus on five key areas for reform: deregulation, productivity, tax reform, digitisation and trade and investment.

The Treasurer thanked the people of NSW for their commitment in working together to contain COVID-19 and urged that the same spirit be applied to the economic recovery.

"Our budget may be bruised, our economy may be battered, but our spirits are unbeaten," Mr Perrottet said.

"The strength of our state isn't measured by the state of our finances - it's measured in the dreams and the determination of our people."

The NSW Budget will be delivered in November.

MEDIA: Trevor Seymour | Treasurer | 0427 253 927