



Matt Kean
Treasurer
Minister for Energy and Environment

MEDIA RELEASE

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NSW ECONOMY BOUNCING BACK FOR A STRONGER 2022

New South Wales is continuing to bounce back from one of the biggest economic shocks the State has faced in generations, with the Government's targeted support measures and strong vaccination rates helping our economy successfully recover.

Treasurer Matt Kean today released the 2021-22 Half-Yearly Review, with the State's economy showing signs of a strong rebound as we continue to reopen our economy in a safe and measured way.

Despite a revised deficit of \$19.5 billion for 2021-22, the NSW Budget is still forecast to return to surplus by 2024-25, with the impact of the Delta outbreak largely contained to the current financial year.

Mr Kean said the increased deficit was driven by the significant health, social and economic measures the NSW Government introduced in response to the Delta outbreak, which kept people in jobs and businesses open across the State.

"Our support measures, combined with the resilience, creativity and determination of our people and businesses, meant the State's economic contraction was smaller this year than it was in 2020, despite a greater level of restriction in place," Mr Kean said.

"COVID-19 is unpredictable but we have demonstrated that we have the fiscal firepower to respond when needed. Our success so far in keeping people in jobs has shown that we can deal with the challenges that come our way over the coming weeks and months.

"As a result, we have seen strong rebounds in consumer confidence and business confidence, which are helping to drive a rebound in the State's economy.

"Growth in jobs has resumed and vacancies are higher than pre-pandemic levels. Economic activity and employment are projected to rebound back above pre-Delta outbreak levels in the March quarter 2022."

Mr Kean said the NSW Government has committed about \$45 billion in health, social and economic measures since COVID-19 restrictions were first introduced in March 2020.

"\$7 billion in JobSaver payments helped around 206,000 businesses get through the Delta outbreak, and maintained the vital link between employees and employers," Mr Kean said.

“Our \$2.8 billion Economic Recovery Strategy is continuing to support our people, our workers and our businesses, and our \$5 billion commitment to WestInvest will help build vital infrastructure and facilities in south-western and western Sydney.

“Despite the pandemic, NSW is the only state in Australia with triple-A credit ratings, recently assigned by Fitch and reaffirmed by Moody’s.”

Mr Kean said the NSW Government will explore reform opportunities to support long-term economic growth, including improving women’s economic opportunities, developing the industries of the future, increasing home ownership, supporting the State in becoming a clean energy superpower, and continuing to improve our health and education systems.

“Because of the policies set out in this Half-Yearly Review and the huge efforts made by the people of NSW, we have the opportunity to build one of the strongest and most resilient economies anywhere in the world,” Mr Kean said.

“Our people are our most valuable assets, and we need to continue to invest in them and in the programs that help them flourish and realise their aspirations.

“COVID-19 has taught us that the biggest issues of our time can be the biggest opportunities for our State in the future. We intend to learn that lesson, and bounce back better and stronger in 2022.”

For more information, visit: www.budget.nsw.gov.au

MEDIA: Kaycie Bradford | 0417 129 445