



New South Wales

T R E A S U R E R

STATEMENT

2007-08 Budget result

NSW Treasurer Eric Roozendaal today said the NSW Treasury has released the Budget result for 2007-2008, following the completion of the 2007-08 audit.

The monthly results for July 2008 and August 2008 have also been released and, in line with previous years, the results are now available on the Treasury website.

- The Budget result for 2007-2008 was a \$73 million surplus
- The monthly result in July 2008 was a year-to-date surplus of \$109 million
- The monthly result in August 2008 was a year-to-date deficit of \$163 million.

Mr Roozendaal said these results highlighted how conditions had changed since the Budget was delivered in June and the importance of the mini-Budget on November 11.

The Budget result for 2007-08 was forecast to be a surplus of \$700 million in the most recent estimate, prepared for the 2008-09 Budget.

NSW Treasury advises that the primary reasons for the 2007-08 surplus being smaller than was expected when the 2008-09 Budget was presented are:

- A \$160 million shortfall in transfer duty revenue, mainly occurring during May and June
- A \$222 million shortfall in investment income from the NSW Self Insurance Corporation mainly due to significant falls in share values
- \$320 million cost overruns in Health
- An additional \$150 million grant to RailCorp.

Weak property prices, but more importantly fewer property transactions, mean Government revenue from property transfer duties was \$90 million below forecasts in July, \$103 million below forecasts in August and \$77 million below forecasts in September.

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