**Budget Statement**

**2022-23**

NSW.eps

**Budget Paper No. 1**

Circulated by The Hon. Matt Kean MP, Treasurer

# Table of Contents

Chart, Figure and Table List

Focus Box List

About this Budget Paper i

Chapter 1: Budget Overview

1.1 Supporting families, building a brighter future 1 - 1

1.2 Economic outlook 1 - 3

1.3 Fiscal outlook 1 - 5

1.4 Building a brighter future for NSW families 1 - 7

Chapter 2: The Economy

2.1 NSW economy is showing strong momentum 2 - 2

2.2 Global forces are shaping the outlook for the NSW economy 2 - 3

2.3 The NSW economic outlook 2 - 4

2.4 The State’s economic reform agenda 2 - 12

2.5 Key risks to the outlook 2 - 13

Chapter 3: Fiscal Strategy and Outlook

3.1 A fiscal strategy that supports long-term growth 3 - 2

3.2 A return to a surplus by 2024-25 3 - 4

3.3 Supporting people and the economy with the State’s balance sheet 3 - 8

Chapter 4: Revenue

4.1 Revenue 4 - 2

4.2 Revenue measures since 2021-22 Half-Yearly Review 4 - 6

4.3 Taxation revenue 4 - 12

4.4 Grant revenue 4 - 15

4.5 Non-tax revenues 4 - 19

Chapter 5: Expenditure

5.1 Building a brighter future with ongoing response and recovery 5 - 2

5.2 Trends and outlook - expenses 5 - 8

5.3 Capital expenditure 5 - 11

Chapter 6: Managing the State’s Assets and Liabilities

6.1 A sustainable approach to balance sheet management 6 - 1

6.2 Key balance sheet changes since the 2021-22 Half-Yearly Review 6 - 3

6.3 Maintaining sustainable levels of net debt 6 - 3

6.4 Net worth continues to grow 6 - 6

Chapter 7: Commercial Performance in the Broader Public Sector

7.1 Overview of the broader public sector 7 - 1

7.2 Reforms and initiatives of public non-financial corporations 7 - 3

7.3 Capital expenditure 7 - 6

7.4 Major public financial corporations 7 - 7

7.5 Returns to the Government from PNFC and PFC sectors 7 - 8

Appendices

A1. Statement of Finances A1 - 1

A2. Tax Expenditure and Concessional Charges Statement A2 - 1

A3. Variation Details of Appropriations during 2021-22 A3 - 1

A4. Classification of Agencies A4 - 1

A5. Measures Statement A5 - 1

B. Fiscal Risks and Budget Sensitivities B - 1

C. Contingent Assets and Liabilities C - 1

D. Historical Fiscal Indicators D - 1

E. Performance and Reporting Under the Fiscal Responsibility Act 2012 E - 1

F. Economic Scenario Analysis F - 1