



19 September 2023

NSW STATE GOVERNMENT BUDGET 2023/2024 REPORT

SUMMARY OF NSW STATE GOVERNMENT BUDGET FOR 2023/2024 FOR THE BUILDING AND CONSTRUCTION INDUSTRY

Members are advised that Master Builders has prepared this summary of the NSW State Government Budget for the financial year 2023-2024.

On Tuesday 19 September 2023, NSW Treasurer Daniel Mookhey handed down his first budget. The Treasurer said the 2023-24 NSW Budget lays out the Minns Government's long-term plan to rebuild essential services for the people of NSW and features a major investment in infrastructure and housing. Some of the main items of this year's budget are;

- \$3.6 billion to fix essential services.
- \$9.8 billion to build and upgrade state schools and TAFE.
- \$2.2 billion for a Housing and Infrastructure Plan.
- \$2.5 billion to recruit and retain health workers.
- \$72.3 billion for new and improved transport infrastructure.
- \$1.8 billion for Renewable Energy Zones and the Energy Security Corporation.

This update largely focuses on matters that are of particular significance to the NSW Building and Construction Industry, [to see the total budget overview please click here.](#)

Economic outlook

- The slowdown in economic growth combined with population growth is expected to impact the housing market in terms of both price and construction activity and business investment.
- Employment is expected to remain at elevated levels despite softer growth in activity.
- Unemployment is expected to gradually rise to 4.75% in early 2025.

\$2.2 billion Housing and Infrastructure Plan

- The Minns Labor Government is outlining significant long-term reform in NSW to begin the task of confronting the housing crisis. The Government's 2023-24 Budget delivers a significant \$2.2 billion investment to pay for more housing, critical infrastructure and better planning for housing.
- **As part of this package Master Builders warmly welcomes a further \$24 million to establish a NSW Building Commission to support high quality housing and protect home buyers from sub-standard buildings.**



- The NSW Government's \$2.2 billion investment in new housing and infrastructure also includes:
 - \$300 million reinvested in Landcom to accelerate the construction of thousands of new dwellings, with 30% for affordable housing.
 - \$400 reserved in Restart NSW for the new Housing Infrastructure Fund, to deliver infrastructure that will unlock housing across the State.
 - \$1.5 billion for housing related infrastructure through the Housing and Productivity Contribution.
- Homes NSW backed by the \$224 million Essential Housing Package.
- \$60 million Build to Rent Trials.
- \$9.1 million to assess housing supply opportunities across government-owned sites, including the delivery of new social housing.
- Overhauling and simplifying the planning system by redirecting resources from the Greater Cities Commission and Western Parkland City Authority.
- Permanently expanding the number of social housing dwellings by around 1,500 through the \$610.1 million Commonwealth Social Housing accelerator programme.

Education

- 24 new and 51 upgraded primary and high schools in Western Sydney at a cost of \$3.5 billion over four years.
- 19 new and 35 upgraded schools in regional New South Wales for \$1.4 billion over four years.
- A plan to deliver new and upgraded schools in fast-growing areas.
- A thorough Vocational Education and Training (VET) review and \$112 million to meet the TAFE funding shortfall.
- 1000 extra apprentices across the NSW government by 2026 at a cost of \$93.5 million.

Transport and roads

- Investing \$72.3 million to deliver new and improved transport infrastructure.
- Investing an additional \$1.0 billion in Sydney Metro City and Southwest to get project back on track after delays.
- Delivering the Sydney Metro-Western Sydney Airport, with six new stations to service the future Western Sydney International Airport with \$7.9 billion over four years.
- \$200 million reserved to expedite the planning for the procurement, construction, and delivery of Parramatta Light Rail Stage 2 for Western Sydney.
- \$300 million to upgrade train station carparks and make stations more accessible.
- \$2.4 billion over four years for western Sydney roads.



Toll relief

- 33% reduction in the truck toll multiplier on the M5 East and M8.

Caring for children

- \$769.3 million for 100 new preschools on public school sites.
- \$60 million towards new and upgraded non-government pre-schools.

Cost of living support programme

- Concessions and exemptions from transfer duty on properties valued up to \$1 million for eligible first home buyers under the expanded First Home Buyer Assistance Scheme
- \$10,000 first homeowner grant for eligible first home buyers buying a newly built house, townhouse, apartment, unit or similar with a purchase price below \$600,000 or land and new house with a total combined cost below \$750,000.
- Vocational training assistance scheme travel and accommodation allowance for apprentices and new entrant trainees who are required to travel more than 120km round trip to attend day or block release training.

For further information on the 2023-2024 State Budget visit the [NSW Treasury website](#).