



MEDIA RELEASE

25 May 2023

Halfway to a budget fix, but only if the Government sticks to its targets

The Tasmanian Chamber of Commerce and Industry is the voice of business in Tasmania.

TCCI CEO, Michael Bailey, said today's State budget shows the Government is committed to living within its means and delivering a surplus.

"But to paraphrase the old Bon Jovi song, we may be halfway there, but if the Government doesn't stick to its targets they'll be more than just living on a prayer in a couple of years.

"COVID was such a massive shock to the system and it was absolutely critical that the Government stimulated the economy to avoid a depression. But it's time to repair our State's finances and get back on track, especially in a high inflation environment.

"The Government needs to focus on living within its means. Between 2011-12 and 2021-22, the size of the public sector grew by about 30 per cent. That's not sustainable and needs to change. The efficiency dividend will go some way to balancing the books. However, the Government has kicked the can down the road, with the efficiency dividend not due to start until July 2024.

"The risk is, that if the Government can't reach its targets the State's financial position will deteriorate quickly."