BUDGET IN REPLY ADDRESS

CHECK AGAINST DELIVERY

‘If you had... one shot... or one opportunity...To seize everything you ever wanted... one moment. Would you capture it? Or just let it slip?’ - Eminem.

Labor had their opportunity. After 12 long years on the opposition benches waiting for their moment. What did they do? They let it slip.

They lost an opportunity to make a real difference – to have a vision for our State.

To build on the transformative work of successive Liberal and Nationals Governments who built our State and our economy – who created opportunity – not lost it.

This budget is the snap back to reality.

NSW has gone from the top performing economy in the country – to the bottom in 3 short years. Our Gross State Product is growing at less than 1%. Slower than Victoria.

And slower than our population growth – putting us in a per capita recession.

Business confidence is at an all-time low, a record 6200 businesses closed their doors last year - and in the next three months 29% of businesses are considering axing jobs.

Multiple transport infrastructure projects across Sydney have been delayed or cancelled.

And despite all the Government’s talk on housing, they are woefully - 40% - behind on their housing targets - not helped by Labor’s $13,000 tax on new dwellings.

We have a State Labor Government that has allowed Anthony Albanese to rob us – because they can’t negotiate a decent deal.

GST funding – the lowest ever with NSW getting a mere 82 cents in the dollar. Compare that to Victoria’s $1.06.

We’ve been duded on federal infrastructure funding too – with the Minns Labor Government securing $8 billion less than Queensland over the next 5 years and $5.6 billion less than Victoria.

While global pressures have had an impact on our economy – the war in Iran does not explain why NSW is faring much worse than the other states. This is a home-grown issue – on Labor’s watch.

Put simply – State and Federal Labor are a recipe for economic disaster in NSW.

But it doesn't have to be this way.

Today, I want to tell you about the Liberal and Nationals plan for a stronger New South Wales.

A state where families can get ahead and stay ahead.

Where businesses have the confidence to invest, grow and create jobs.

Where we build for the future by delivering the metros, roads, homes, schools and hospitals our state needs.

A New South Wales that is once again the best -

Once again leads the nation.

Mr Speaker, we have talented, hardworking and smart people in this state who want a better future for their families.

What we lack is leadership and vision to make it happen.

LABOR'S FOURTH BUDGET

This week, Labor handed down their fourth budget - they promised relief and reform.

But the relief is temporary and there is no long-term plan to address our economic growth.

Taxes are up 31% and this budget shows Labor will increase taxes by a further 16%.

Labor has once again broken its election promise on delivering a budget surplus and will not deliver a surplus in this term of government.

The Premier and Treasurer are preaching budget discipline but have given themselves a $1.1b election slush fund.

Labor is building less with the budget projecting a $1.5 billion drop in infrastructure spending over 4 years compared to last year's budget.

We know why the government doesn't have a vision for building infrastructure in our state.

When the Premier was recently asked what his vision was for Sydney when the Metro is finished in 2032, he said 'well I won't be here.'

No long-term vision beyond his own political cycle – and an admission that he's already thinking of retirement next term.

At a time when we are cheering on the Socceroos and Blues, this Labor Budget has cut $225 million from the Office of Sport.

This is a blow to community sporting clubs, athletes and local sporting infrastructure.

We welcome the ongoing investment in schools in the budget, which builds on the Liberals and Nationals record investments. But education does not end at school.

At a time when we need more apprentices taking up a trade, building the homes our state needs, Labor has presided over a 40% decline in apprenticeship and traineeship commencements and this budget cuts both operating and capital expenditure for TAFE.

Every day, we hear more horror stories of people waiting too long in our hospital emergency departments for care. From Westmead to Shoalhaven, whether it is mental health patients being sent home without care, 22 hour waits in the emergency department or grandparents sleeping on the floor of hospitals.

Labor wants you to think they are delivering a record spend on health, but their budget shows they will now spend almost $2 billion less on new and upgraded health infrastructure over the next four years compared to their first budget in 2023-24.

But don't take my word for it, here is what Dr Fred Betros, head of the AMA had to say:

Most of the infrastructure projects in today's Budget were announced by the previous Government. That is not good enough. Doctors and patients have been crying out for support, and today's budget fails them."

Mr Speaker, the people of NSW deserve better.

They deserve a government that leads and builds for them.

They deserve a plan for a stronger NSW.

BACKING NSW FAMILIES

A stronger NSW starts with families getting ahead and staying ahead.

A Liberal and Nationals Government will deliver practical cost of living relief that puts money back into household budgets.

Since Labor came to office, the cost of your car rego has increased more than 15 per cent.

Motor vehicle tax revenue is forecast to grow from $3 billion to more than $4 billion by 2028-29.

That is less money in your pocket and more money in the government's coffers.

With the price of everything going up – fuel, food, electricity, rent and mortgages because of Labor's inflation - families need practical support.

That is why the Liberals and Nationals will deliver a $100 rego rebate for motorists. We're glad the Government borrowed our idea and put it in their budget too.

The $100 rego rebate combined with our Fuel Price Guarantee and restoration of the Regional Seniors Travel Card shows that NSW Liberals and Nationals are focussed on solutions, so you keep more of what you earn.

Supporting NSW families also means supporting them to be free from domestic and family violence.

I commend the work of our domestic and family violence workforce and the much-needed additional funding the Government will provide in this budget for overstretched services.

A STRONG ECONOMY

Small business is the backbone of our economy – making up 97% of all businesses in our state – and employing 1.7 million people. At a time when costs are up and confidence is down, Labor is planning on taking almost $1 billion more from business.

The reality is Labor has never understood what it takes to run a business. The risks you take. The sacrifices you make. We saw that with Anthony Albanese's broken promises on capital gains tax.

The Liberals and Nationals will back innovators and start-ups - small and family businesses - to create jobs, invest in their communities and drive economic growth.

There's an old economic principle that the more you tax somethings the less you get of it.

Payroll tax is a tax on jobs and growth.

As it goes up it gets harder for businesses to take on that new apprentice or graduate and keep everyone on the books.

Right now in NSW, any business with wages bill above $1.2 million is taxed for employing people.

The Liberals and Nationals in Government raised the payroll tax threshold 5 times saving thousands of businesses from the burden of payroll tax. Since the Minns Labor Government was elected the payroll tax threshold has not been lifted once. This has been a stealth tax on jobs.

Under the Liberals and Nationals NSW will have the most competitive state payroll tax regime for small and medium businesses in the country.

We will:

1. Raise the annual payroll tax threshold from $1.2 million to $1.5 million.

2. Lower the payroll tax rate from 5.45% to 4.75% for businesses with a total Australian payroll below $10 million.

3. Introduce CPI indexation to both thresholds to eliminate bracket creep.

These reforms will save an estimated 4,000 businesses from paying payroll tax and mean an additional 25,000 businesses will have the lowest payroll tax rate of any Australian State.

For a small or family business this will provide an annual tax saving of up to $75,850.
This means more local jobs in your community, more successful businesses and more opportunity right across NSW.

By cutting payroll tax, we're developing a jobs protection policy.

Reducing the cost of employing people gives businesses the room to hire, retain and upskill their workforce as technology changes the nature of work around them.

The best response to the challenge of our times is to make NSW the best place in Australia to run a business, invest and create new jobs.

We will also:

- Restore certainty for business by repealing Labor's union spy powers bill.
- Double the funding for Business Connect, a program Labor cut and we fought to restore
- And we will develop an industry strategy to back business across agriculture, financial and insurance services, health care, construction & manufacturing -- and retail, hospitality & tourism.

New South Wales hasn't had a comprehensive industry strategy in more than twenty years. At a time of global competition for investment, technology and talent, the state needs a clear plan to grow the industries of the future and ensure the next generation of jobs are created here.

Labor says that data centres are driving our economy right now making up 12% of non-residential construction in NSW. But this is an accidental benefit because Labor does not have a data centre strategy to manage energy demand and where they are built. The NSW Liberals and Nationals will deliver a plan to protect local communities

– and to harness the great potential of data centres for the benefit of all – not just the multinationals.

BUILDING FOR THE FUTURE

We know that building a stronger NSW is about more than addressing today's challenges, it about building for the future.

Western Sydney is the fastest growing region in Australia.

It is home to 2.8 million people, the same population as Western Australia.

But families in Western Sydney are telling us they can't take more people if governments aren't building the infrastructure to support that growth.

The Western Sydney City Deal was a transformational multi-billion-dollar deal signed by state and federal Coalition Government's nearly ten years ago.

It has helped fund and deliver the M12 Motorway, Northern Road Upgrade, Metro Western Sydney Airport and Bringelly Road to name a few.

With many of the projects in the original deal now completed or coming to an end, the need for more rail, roads, hospitals and schools for a growing West and Southwestern Sydney is still there.

NSW can't afford to stall, we must keep planning and building, that is why today I am announcing that if we are elected in March next year, we will prioritise the delivery of a New Western Sydney City Deal by 2028.

This will be long-term partnership between the federal and state government focused on delivering the next generation of roads, schools and hospitals needed to support one of the fastest-growing regions in the country.

At the heart of this new City Deal will be our plans for continuing to the build the Metros - by progressing a Metro for South Western Sydney.

ENERGY SECURITY

Under Labor families and businesses are struggling, power bills continue to rise and confidence in the state's energy future continues to weaken.

A Liberals and Nationals Government will put downward pressure on business and household power bills by increasing energy supply, improving energy security and generating more power closer to where it's used – reducing reliance on costly transmission infrastructure.

The centrepiece of our plan is the creation of City Renewable Energy Zones across Sydney, Newcastle and Wollongong.

These City REZs will unlock the state's largest untapped energy resource by supporting industrial precincts, commercial buildings, apartment complexes and local communities, to better utilise solar and battery technology, generating and storing power closer to where it is used. .

Rooftop solar is an Australian success story that we should keep utilising to power our cities.

Our plan also includes an Outback Renewable Energy Zone as part of a more diverse and resilient energy system for NSW. The Far West region possesses some of the state's strongest solar and wind resources with significant potential for renewable generation and storage. Importantly, the Broken Hill region is hungry for local jobs, investment and economic development. There is goodwill.

The New England REZ, with a changed route for 500KV power lines through prime agricultural land - is significantly over budget and behind schedule. Labor's bungled roll out has hurt local communities like Walcha.

When the Walcha action group travelled to this Parliament to meet with their Premier and their Government, they were met with a closed door.

Well, not under a Liberals and Nationals Government - we will always listen. That's why under our plan the New England REZ will be scaled back – taking into account the economics and common sense.

REGIONAL SUPPORT

Mr Speaker, roughly 25% of people live outside Greater Sydney, Newcastle and Wollongong. It's only fair that people outside our cities get as much as the people who live in them.

Labor's budget papers outline in the 'Plan for Regional NSW' and the 'Infrastructure Statement' that of its stated $116.8 billion infrastructure spend over the forward estimates, only 13% is allocated for regional NSW.

Under Labor, basic infrastructure in regional NSW has fallen into disrepair.

The Great Western Highway, one of the state's most important arterial roads, has been closed since March, yet there isn't even a dedicated line item in the Budget to fix it.
While the Government delays businesses are suffering and people's livelihoods are on the line.
Labor's response has been a pitiful support package that leaves businesses, councils and communities behind.
Other major roads like Waterfall way are also being neglected by this Government
In 2025, the NRMA estimated the road funding backlog in regional NSW to be $2.8 billion – and that's just council roads.

All regional NSW is asking for is its' fair share.

If the Liberals and Nationals are elected next year, we will guarantee at least 25% of new infrastructure spending is allocated to regional NSW – that is, outside of Sydney, Newcastle and Wollongong.

SAFER COMMUNITIES

Gangland crime is out of control on Sydney streets. Under Labor, we keep seeing horror stories, a grandfather kidnapped and murdered, shopfronts firebombed, a gun pulled on a father and daughter at school pick up.

This must end.

From opposition, we have provided the leadership this Government lacks.

From cracking down on illicit tobacco, to managing the protests our city is sick off and tough new laws to crack down on gangs.

A Liberals and Nationals Government will always be tougher on crime, back in our police and make our communities safe.

HOUSING

Labor talks about housing but continues to make it more expensive and more difficult to build homes.

For the Liberals and Nationals helping young Australians into home ownership is not an end in itself, but rather the starting point that allows people to flourish and build their futures.

We know that home ownership is the primary foundation of long-term financial and social stability.

Housing affordability remains one of the biggest challenges in NSW.

You cannot solve a housing crisis without building more homes and reducing the barriers that stand in the way of construction.

That starts with reducing the upfront costs imposed on new housing developments.

Developer contributions add significant costs to housing projects before a single home has been built. These costs are ultimately passed on to homebuyers and renters.

We will freeze Labor's tax on new houses until 30 June 2029 and change the payment point from approval to completion, reducing upfront costs and improving project viability.

We also recognise that solving the housing crisis requires bold thinking and a willingness to unlock major housing opportunities.

That is why we remain committed to closing Long Bay Correctional Complex and relocating prison capacity to regional NSW, saving Goulburn gaol from closure and freeing up one of the largest urban renewal opportunities in the country for 12,000 new homes close to the city.

Mr Speaker the policies I have outlined are just the beginning. You'll see more over the coming 8 months as we approach the State election.

This is the start of our forward-looking plan for a stronger New South Wales.

The Liberals and Nationals will:

- Ease cost of living pressure on families.
- Back business and private enterprise
- Reward your hard work and effort
- Reduce Labor's high taxes
- And deliver a vision for our state – that will return us to number one again.

This is what a good government does - and it is what a Liberal and Nationals Government will do.

We will not let our opportunity to create a better NSW slip - we will seize our opportunities not erode them – we will be a government of vision and opportunity.

The people of NSW deserve no less.