

# FACT SHEET

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## Key points in the 2022-23 October Budget

26 October 2022

### 1. ECONOMIC FORECASTS

Australia's economic growth is forecast to slow from 3¼ per cent in 2022-23 to 1½ per cent in 2023-24, due to the **worsening global outlook and high inflation**.

Consumer price inflation is still expected to peak at 7¾ per cent in the December quarter, but **high inflation is now expected to last longer than previously thought**. Inflation is forecast to ease to 3½ per cent by June 2024 before falling away.

After growing 6½ per cent in 2022-23, **household consumption growth is expected to slow** to 1¼ per cent in 2023-24 due to rising interest rates and cost of living pressures.

The unemployment rate is forecast to remain at 3¾ per cent in the June quarter of 2023, before rising to 4½ per cent in June 2024. **The unemployment rate is still expected to remain lower than it was before the pandemic**.

### 2. TRANSPORT INFRASTRUCTURE SPENDING

The budget includes \$55 billion over the next four years for new and existing transport projects. For freight, this includes—

- an additional **\$80 million for rest areas**
- a **\$1.5 billion Freight Highway Upgrade Program**, including sealing the Tanami Road and upgrading the Dukes, Stuart and Augusta highways and Central Arnhem Road
- \$540 million for **Tasmania's highways**
- upgrading the **Bruce Highway**
- funding for roads in **western Sydney and the M12 Motorway**.

The Government has **delayed \$6.5 billion of existing projects to beyond July 2026**.

These projects could not have been built on their original schedules. Trying to build them would have just pushed up their cost and, ultimately, resulted in higher heavy vehicle charges.

### 3. SKILLS AND TRAINING

The Government will provide **480,000 fee-free TAFE and community-based vocational education places** in areas and regions with skills shortages. 180,000 places will be delivered in 2023.

The **New Energy Apprenticeships program** will deliver 10,000 apprenticeships in the new energy sector. The ATA expects the apprenticeships to include roles in electrifying transport.

### 4. TEMPORARY FULL EXPENSING

Businesses **will continue to be able to access temporary full expensing** until it ends on 30 June 2023.

Under temporary full expensing, eligible businesses can claim an immediate deduction for the cost of an asset, rather than depreciating it over time.

Temporary full expensing is available for new assets that are first held, first used or installed ready for use by 30 June 2023.

Eligible businesses with a turnover of less than \$50 million can also claim TFE on second-hand assets.

### DISCLAIMER

The Australian Trucking Association has prepared this fact sheet with due care, but our understanding of the Budget measures may change as more information becomes available. In addition, many Budget measures need to be passed by Parliament. The fact sheet is intended for general information only and may not apply to your business circumstances. You should get appropriate professional advice before acting on the information in this sheet.