COVID-19 Economic Recovery Strategy

A BRIGHTER future FOR NSW
Acknowledgement of Country

NSW Treasury acknowledges that Aboriginal and Torres Strait Islander peoples are the First Peoples and Traditional Custodians of Australia, and the oldest continuing culture in human history.

We pay respect to Elders past and present and commit to respecting the lands we walk on, and the communities we walk with.

We celebrate the deep and enduring connection of Aboriginal and Torres Strait Islander peoples to Country and acknowledge their continuing custodianship of the land, seas and sky.

We acknowledge the ongoing stewardship of Aboriginal and Torres Strait Islander peoples, and the important contribution they make to our communities and economies.

We reflect on the continuing impact of government policies and practices, and recognise our responsibility to work together with and for Aboriginal and Torres Strait Islander peoples, families and communities, towards improved economic, social and cultural outcomes.

Artwork: Regeneration by Josie Rose, 2020
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Eighteen months ago, few could have predicted the challenges in store for the people of NSW. Equally astonishing was the meteoric recovery NSW mounted in late 2020 and earlier this year.

Then, in June, the Delta variant presented a new and even greater challenge.

Yet once again, the people of NSW have demonstrated the resilience and ingenuity that defines the Premier State, supported by the more than $10 billion in direct NSW Government assistance to keep people in jobs and businesses in business. Our NSW JobSaver program has been critical in this regard.

Throughout this period, I have been struck by the unshakeable determination and spirit of constructive collaboration across communities, industries and governments, as we have worked together like never before to keep NSW going.

That spirit of collaboration has been instrumental in developing this recovery plan, which draws on the ideas put forward by people and businesses right across NSW.

This is a plan that builds on the work already underway, including $6 billion in stimulus and support from the 2021-22 NSW Budget, harnessing proven strategies and adapting them to our state’s present needs.

It’s a plan to build confidence and support our state’s transition back to the way of life we know and love, while making sure no one is left behind and laying the foundations for a brighter future.

We know the people and businesses of NSW are raring to go. This is our plan to support them as they lift our state out of lockdown and onward to new heights.

Matt Kean
NSW Treasurer
The last two years have been incredibly challenging for New South Wales with a severe and prolonged drought and catastrophic bushfires, followed by the onset of COVID-19. The pandemic has resulted in a public health and economic crisis like nothing we have seen before.

When the pandemic struck, New South Wales was able to respond effectively through a best-in-class public health system, while drawing on the State’s fiscal and economic strength to deliver substantial support and stimulus. As a result, the State was able to return to some level of normality and rebound quickly through the second half of the 2020-21 fiscal year.

However, in June 2021 New South Wales was hit by a much more virulent strain of the virus that has similarly spread through communities around the world. This Delta outbreak saw case numbers increase dramatically, putting considerable pressure on the State’s health system and requiring prolonged public health restrictions across Greater Sydney and a number of regional areas.

Despite the severity of the Delta outbreak, a highly effective public health response – including investment of more than $4 billion since March 2020 to increase the State’s health capacity - coupled with the community rallying to get vaccinated, has resulted in restrictions steadily easing in accordance with the Reopening NSW Roadmap (Roadmap).

And with New South Wales having demonstrated world-leading capabilities in testing, tracing and quarantine, while delivering ongoing economic support for households and businesses, the State has been able to avoid the worst of the health and economic impacts felt in places like the United States, United Kingdom and Europe, meaning we are well placed to mount another strong recovery.

SUPPORTING PEOPLE AND BUSINESSES THROUGH THE CRISIS

RESPONSE MEASURES

In response to the winter 2021 lockdown, the NSW Government has unilaterally committed more than $10 billion in direct support measures, including:

• cash flow support for businesses and non-profits, through the JobSaver, Business Grants and Micro-Business grants programs (with an additional $3.6 billion in Commonwealth JobSaver support)
• support for highly impacted industries including a $75 million performing arts support package and a $26 million accommodation support package
• tenancy protections and incentives for commercial and residential landlords to offer rent relief to tenants in financial distress, and support for people at risk of homelessness including temporary accommodation and private rental assistance packages
• more than $330 million to support individuals and vulnerable communities through test and isolate payments, emergency hardship payments, food relief and essential support for vulnerable refugees, asylum seekers and temporary visa holders
• $410 million in FY22 payroll tax waivers for smaller businesses

Delivery in response to the winter 2021 lockdown to date

$5.6 BILLION paid out in JobSaver payments to businesses (inclusive of 50% Commonwealth contribution)
$2.3 BILLION paid out in COVID-19 business grants
$542 MILLION paid out in micro-business grant payments
$74 MILLION paid out in social and community support
As of October 2021, NSW faces a formidable task: to restart its economy, recover the ground lost, restore jobs and return to growth as quickly as possible, overcoming the considerable impact of the 2021 outbreak of the COVID-19 Delta variant.

To date, this outbreak and associated public health restrictions have caused the loss of around 235,000 jobs in NSW between June and September 2021, while the number of hours worked has declined by 11 per cent over the same period (Figure 1). Overall, the NSW economy is estimated to contract in line with total hours in the September quarter.

The data underscores the scale of the challenge ahead, but recent history suggests that NSW is more than capable of rising to meet it.

Between April and July 2020, following the initial outbreak of the COVID-19 pandemic, NSW experienced a large fall in economic activity. However, the pace and strength of the subsequent recovery exceeded all expectations, with both employment and economic activity surpassing pre-COVID levels within a year.

While the impact of the winter 2021 Delta outbreak has been more pronounced, the rapid development and deployment of effective vaccines has enabled the State to look to the future with greater certainty.

As vaccination targets are met, restrictions on movement and economic activity are being steadily eased in accordance with the Roadmap. As restrictions lift, the economy is expected to rebound quickly as businesses eagerly reopen and consumers re-emerge and unleash spending that was delayed during the lockdown period.

While a speedy recovery remains likely, there is a possibility that the pace of recovery could be slower than last year due to the severity of this lockdown, potentially higher case numbers as we reopen and the resumption of international travel shifting expenditure from domestic tourism. A slower recovery would heighten the risk of long-term scarring, particularly in sectors unable to function at full capacity, with knock on effects for employment. For this reason, many businesses are expected to face ongoing financial pressure well into 2022.

PUTTING NSW BACK ON THE PATH TO GROWTH

In light of these challenges, this strategy works alongside the Roadmap, pursuing three key objectives to ensure the people and businesses of NSW have the support they need to sustain a safe, robust and rapid recovery.

The first objective is to secure a strong rebound with temporary and targeted stimulus and support measures aimed at encouraging economic activity; building confidence, and supporting the restoration and creation of jobs for the people of NSW (Box 1).
The pandemic has disrupted labour markets globally, with job losses, pressure on essential workers, and the adjustment to working from home. NSW lost around 270,000 jobs during the initial wave of the virus in 2020. However, measures put in place by the Government facilitated a strong rebound, with all lost jobs recovered and an additional 38,000 jobs created by June 2021. NSW has lost around 235,000 jobs during the latest outbreak, but a strong employment recovery is expected through the December quarter as restrictions are lifted. The NSW Government’s initial response to the crisis, the Roadmap and this plan will support jobs as we emerge from lockdown. The NSW Government will aspire to recover all jobs lost by September quarter 2022 and create an additional 25,000 by December quarter 2022.

The second objective is to ensure the sectors, localities and communities hit hardest by the recent outbreak have the timely, targeted support they need to get back on their feet, back to growth, and back to building for a stronger future.

The third objective is to begin the process of applying the lessons learned over the past 18 months to build a better future for our entire state, overcoming the economic challenges of the pandemic, and pursuing new economic opportunities that have come to light. A Recovery Commissioner will be appointed, to oversee the implementation of the measures in this strategy and ensure seamless coordination from the government as we drive our economic recovery.

As NSW shifts to a recovery footing, the State’s economic prospects remain intertwined with the ongoing public health response detailed in the Roadmap, principally through the highly successful vaccination rollout, as well as other appropriate health measures.

As NSW gets back to business and on the path to a strong recovery, the NSW Government remains focused on the longer-term challenges and opportunities, and the emerging global trends, that will shape the future of our state. These include digital technologies, such as artificial intelligence, which will continue to change our lives and our work, and will be a key enabler for productivity growth. Similarly, the shift towards a low carbon economy will provide new economic opportunities for NSW while helping ease pressures on the natural environment. Other trends—including changes in international markets like the rapid rise of the Asian middle class, shifting patterns of migration and ongoing social changes—will also leave their mark. Planning and responding to these trends is a key priority for this Government so that NSW remains the best place in the world to live, work and raise a family.

**SUPPORTING A SMOOTH TRANSITION**

The transition from lockdown to reopening will necessitate a managed winding down of the financial support measures that have helped sustain businesses and households through periods of restricted activity (Table 1). Some measures will cease, others will continue in a modified form, and new transitional supports will help to ensure the pathway back to an open economy is as smooth as possible.

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**TABLE 1: COVID-19 BUSINESS AND INCOME SUPPORT PAYMENTS WILL TAPER AS VACCINATION LEVELS INCREASE AND BUSINESS BOUNCES BACK**

<table>
<thead>
<tr>
<th>COVID-19 Disaster Payment</th>
<th>70% Vaccination</th>
<th>80% Vaccination</th>
<th>November</th>
</tr>
</thead>
<tbody>
<tr>
<td>11 OCTOBER</td>
<td>FIRST WEEK AFTER 80% TARGET</td>
<td>Payment tiers collapse into single $450 stream</td>
<td>Scheme ends the third week after 80% target reached</td>
</tr>
<tr>
<td>Maintain current payment rate</td>
<td>Income support payments reduced to $100</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SECOND WEEK AFTER 80% TARGET</td>
<td>Payments reduced to $320</td>
<td></td>
<td></td>
</tr>
<tr>
<td>JobSaver</td>
<td>10 OCTOBER</td>
<td>Payments reduced to 30% of weekly payroll</td>
<td>Scheme ends after 30 November</td>
</tr>
<tr>
<td>Min payment: $1,125</td>
<td>24 OCTOBER – GREATER SYDNEY*/</td>
<td>Payments reduced to 15% of weekly payroll</td>
<td></td>
</tr>
<tr>
<td>Max payment: $75,000</td>
<td>31 OCTOBER – REGIONAL LGAs</td>
<td>Min payment: $562.50</td>
<td></td>
</tr>
<tr>
<td>Applications close 18 October</td>
<td>Max payment: $37,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Micro-Business Grants</td>
<td>Maintain current payment rate</td>
<td>30 OCTOBER</td>
<td>Scheme ends after 30 November</td>
</tr>
<tr>
<td>Applications close 18 October</td>
<td>Payments reduced by 50% to $750 per fortnight</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Emergency Hardship Payment</td>
<td>Applications remain open and payments continue</td>
<td></td>
<td>Scheme ends end of October</td>
</tr>
</tbody>
</table>

*Including Central Coast, Wollongong, Shellharbour and Blue Mountains

Note: the information in this table is current as at 19 October 2021

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**260,000 jobs by December quarter 2022.**
Where health conditions permitted, the Government has continued to implement measures to support NSW’s longer-term recovery, while other investments already announced will continue to play a part in the State’s economic recovery. Around $6 billion in support measures from the 2021-22 NSW Budget (Box 2).

These existing programs and projects remain critical to our State’s recovery, and in some instances (such as the Dine & Discover voucher program) they have been adapted and expanded to better meet the current needs of the economy.

Similarly, the longer-term challenges and opportunities identified in this strategy should be considered in the context of the NSW Government’s broader future planning, including a wide-ranging economic reform agenda.

**BOX 2: EXISTING MEASURES IN PLACE TO SUPPORT ECONOMIC RECOVERY**

Where health conditions permitted, the Government has continued to implement measures to support NSW’s longer-term recovery, while other investments already announced will continue to play a part in the State’s economic recovery. Around $6 billion in support measures from the 2021-22 NSW Budget include:

- **$3.6 billion in infrastructure and capital maintenance works**, including $1.2 billion through the Jobs and Infrastructure Acceleration Fund and more than $360 million for social housing works
- **$1.7 billion to support business and the economy**, including for the Jobs Plus program to attract businesses and jobs to NSW; and rebates towards government fees and charges for small business
- **$400 million in education and skills programs** including the Skilling for Recovery Program and targeted tutoring for school students disadvantaged by the 2020 lockdown
- **$160 million in health, social and community programs**, including mental health community workers, the Together Home program to support people to transition out of homelessness and into long-term stable housing, and an expanded end-of-life care program

**$3.6 BILLION in infrastructure and capital maintenance work**

**$1.7 BILLION to support business and the economy**

**$400 MILLION in education and skills programs**

**$160 MILLION in health, social and community programs**
Policy summary

Securing a strong rebound

With targeted support for vital sectors and localities, and stimulus for individuals and families, this strategy ensures NSW is well placed to bounce back into life for a summer to remember.

- $250 million to support jobs and skills, including help for job seekers to retrain or upskill.
- $500 million to restore consumer and business confidence, including expansion of the Dine & Discover voucher program, and an expanded Stay & Rediscover accommodation voucher.
- $212.2 million to boost vital sectors of our economy, including additional funding for the performing arts sector, an Alfresco Restart Package, and support to bring our cities back to life.
- $75 million to boost communities across the state, including support for tourism, events, sport and recreation.
- $200 million to boost regional NSW, including support for events, facilities and local infrastructure, and housing.
- $5 billion for the creation of WestInvest – a fund targeted at improving infrastructure and liveability across Western Sydney.

Targeted and timely support

This strategy ensures that those most impacted by the health and economic crisis of COVID-19 have the ongoing support they need to rebuild for a bright future in NSW.

- $130 million for a mental health recovery package to provide immediate access to help for anyone whose mental health has been impacted by the COVID-19 pandemic.
- $495 million in education support to address learning gaps for children in need and to help schools adapt to future possible learning disruptions.
- $739.3 million in household and social support, including housing support for vulnerable Aboriginal communities, expansion of solar rebates, support measures for victims of domestic and family violence, and vouchers to parents who have facilitated home learning for their children.
- Support for business sectors still under pressure, including Event Saver to support event organisers, and expansion of the small business rebate for fees and charges to include road tolls.

Coming back stronger

This strategy offers a preliminary view of the challenges that call for more urgent attention, and opportunities and priorities to pursue.

- Supporting the further development of existing industries, such as the theatre and film sector.
- Building the capabilities to support new opportunities such as an RNA research and manufacturing industry.
- Reducing red tape to make it easier to run a business in NSW while ensuring customers are protected.
- Support for our First Nations communities, including investing in the Aboriginal Community Housing Investment Fund and greater employment pathway opportunities for Aboriginal and Torres Strait Islander students.
- Improving our State’s liveability with investment in new open spaces and outdoor recreation.
- Boosting workforce participation by identifying barriers to women’s economic participation and reform opportunities.
This COVID-19 Economic Recovery Strategy aims to help NSW build back even stronger from the Delta outbreak and winter lockdown, while maintaining a future focus so that NSW remains the best place in the world to live, work and raise a family for future generations.

In the immediate to short term, measures are designed to provide support to those who have been most impacted by the recent lockdown to get back up and look to the future with confidence, while providing temporary and targeted stimulus measures to boost the economy, restore the jobs lost during the lockdown and create new ones.

Over the medium-to-longer term, the NSW Government is focused on boosting economic growth and lifting living standards by making it easier to do business, improving our economy’s productive capacity and workforce participation, and making targeted investments in priority sectors to support existing and emerging industries.
Securing a strong rebound

When public health restrictions lifted in 2020, the response from the people and businesses of NSW exceeded all expectations. Confidence soared, economic activity rapidly recovered, jobs were restored, and our state powered back to growth much faster than forecast.

This time the challenge will be steeper, but our goal is the same: to get NSW on the fast track to recovery.

Two of the most important drivers of recovery are opportunity (the simple act of opening up) and confidence. If consumers and businesses are confident in the future, we know that they can power NSW back to growth once more, drawing on stores of pent-up demand to get the economy moving.

Complementing the existing stimulus and support measures announced in the 2021-22 NSW Budget, this strategy is designed to turbo-charge a strong consumer and business-led recovery, create jobs and restore confidence by helping businesses reopen safely on a “COVID-normal” footing.

With targeted support for vital sectors and localities, and stimulus for individuals and families, this strategy ensures NSW is perfectly placed to bounce back faster and stronger than ever.

Jobs and skills

- Additional investment into Skilling for Recovery to help job seekers retrain or upskill and support school leavers to enter the workforce for the first time. This includes offering 103,000 additional fee-free training places, a new IT traineeship program for school leavers and an extension of the school-based apprenticeships and traineeships program ($100 million).

- Around 45 new culturally appropriate homes for Aboriginal families across New South Wales will be built ($20 million). The construction of these dwellings will support around 90 new jobs and help Aboriginal communities recover from the pandemic.

- Around 80 new social housing dwellings across the State will be constructed, including in Western Sydney and regional communities ($30 million). This will support communities that have been hit hardest by the pandemic, while also supporting around 150 new jobs.

- Delivery of more than 1,000 new social housing dwellings in Sydney, Coffs Harbour and Wagga Wagga will be accelerated through the Communities Plus program ($50 million). This will also enable around 1,800 private homes and support around 250 new jobs.

- Delivery of 290 new social and affordable housing dwellings in partnership with community housing providers to meet growing priority waitlist and homelessness rising due to COVID-19 ($50 million).
Securing a strong rebound

Restoring confidence for consumers

• Expansion of the Stay & Rediscover voucher scheme to make one $50 accommodation voucher available to all NSW adults to redeem at accommodation premises across NSW ($250 million).

• Expansion of the existing Dine & Discover voucher program to support NSW residents to get ‘out and about’ with an additional two $25 vouchers for all NSW adults to redeem at eligible businesses across NSW ($250 million).

Restoring confidence for businesses

• The introduction of the Small and Medium Enterprise Summer Holiday Stock Guarantee which will provide eligible businesses with a grant of up to $20,000 to compensate for the loss of perishable stock or $10,000 for reduced capacity to sell non-perishable items, if a local lockdown occurs from 1 December 2021 to 31 January 2022 and the business is impacted.

• A series of planning red tape reduction reforms to support the reactivation of the economy will be introduced. These include streamlining approval processes for certain types of hospitality businesses, filming and temporary events on public land; making consistent hours of operation for business and industrial zones in NSW; permanently easing regulations to permit daylight alcohol consumption in parks and reserves managed by Placemaking NSW.

Boosting vital sectors

• Ensuring the rebound of our vibrant performing arts industry through the Performing Arts Relaunch Package, providing continued support where capacity restrictions apply ($50 million).

• Reviving districts with support for councils to activate their local 24-hour economies, in partnership with local businesses and community groups, through the 24-Hour Economy District Acceleration Program ($5 million).

• Extension of the Kickstart 2022 Sydney Business Event Fund, to incentivise event organisers to hold their next small to medium-sized business event in Greater Sydney in 2022, supporting jobs in accommodation, entertainment and tourism ($6 million).

• The Alfresco Restart Package to maximise capacity for hospitality businesses using public and private space for the purpose of alfresco dining and other supporting outdoor activities ($66.2 million).

• The Aviation Attraction Fund, a joint program in partnership with Sydney Airport that will help re-establish service presence in NSW ($60 million).

• Support for the festivals industry through a new Festival Relaunch Package, ensuring operators can once again stage world-class events to be enjoyed by people across the State ($25 million).
Securing a strong rebound

$$200\text{ MILLION}$$
Regional NSW support package

$$25\text{ MILLION}$$
New Sport and Recreation Recovery and Community Rebuild package

$$30\text{ MILLION}$$
Housing for health workers to improve access to health services

Boosting vital localities
- WestInvest – the NSW Government is investing $5 billion to help secure a brighter future for Western and South-Western Sydney families and residents, helping build new and improved facilities and local infrastructure to help communities hit hard by COVID-19 (Box 3).
- The new Sport and Recreation Recovery and Community Rebuild package, to support the sport and recreation sector and provide new opportunities for participation in sports, particularly in Regional NSW and those LGAs heavily impacted by restrictions ($25 million).
- The CBDs Revitalisation Program, to bring our cities back to life with support for events and activations in CBDs across Greater Sydney and surrounds ($50 million) (Box 4).

Boosting our regions
- A Regional Events Package to support major events, festivals, agricultural shows and community events across the regions, which will support local businesses in the agriculture, events, hospitality and accommodation industries ($50 million).
- A new round of the Regional Job Creation Fund in 2022, to support job creation through targeted investment in regional NSW ($30 million).
- Expansion of the Office for Regional Youth Holiday Break program across regional NSW to fund new or enhanced social and recreational activities for young people and to improve their wellbeing ($10 million).
- Extension of the Regional Youth Community Coordinator Program to all of regional NSW, to support community-based initiatives for young people to improve their resilience and wellbeing ($13.5 million).
- Housing for health workers for the Hunter New England Local Health District and Western NSW Local Health District, which will deliver jobs and improve access to health services in those regional areas ($30 million).
- Place-based Regional Housing Delivery Plans for targeted regions, which will help improve infrastructure delivery and grow regional communities ($5 million).
- Shovel-ready priority projects across regional NSW, creating jobs and supporting the economic recovery of the regions ($40 million).
- Small-scale essential infrastructure for regional and remote Aboriginal communities impacted by COVID-19 and lockdowns ($5 million).
- Targeted support measures to drive recovery in the NSW agricultural sector ($16.5 million).

BOX 3: WESTINVEST FUND

The new $5 billion WestInvest Fund will help secure a brighter future for those families and households hit hard by COVID-19. This investment by the NSW Government will focus on projects that improve quality of life, help create jobs and change the face of Western Sydney for the better.

Up to $3 billion will be invested across six areas including parks, urban spaces, green spaces, enhancing community infrastructure, modernising local schools, upgrading arts and cultural facilities, revitalising high streets, and clearing local traffic.

The remaining $2 billion will be reserved for high priority projects to be developed in consultation with communities. These investments will help provide a boost to the region’s economic recovery and will be a catalyst for growth in Western Sydney.
BOX 4: CBDs REVITALISATION PROGRAM

The CBDs Revitalisation Program expands on work already undertaken in the Sydney CBD, and provides funding for events and activations in CBDs across Greater Sydney and its surrounds.

The $50 million program will have the aim of encouraging people into CBDs and bringing back life to our cities. Initiatives include the Sydney Street Party Series, activations of entertainment and late night precincts, and extending Culture Up Late which successfully attracted more than 50,000 people in the first half of 2021.

The CBDs Revitalisation Program will encourage the people of NSW to re-engage with their cities and to support CBD businesses hit hard by the lockdown.
The pandemic has touched the lives of everyone in NSW, but the burden has not fallen evenly. The range of health, social and economic challenges has been extraordinary, and on each of those fronts, particular communities, demographics and industries have been hit especially hard.

Among them are kindergarten kids who have missed so much of their first year and HSC candidates navigating an uncertain path to their final exams and beyond; global industries like tourism and international education still reeling from border closures; and economic centres of activity, from Sydney’s CBD to the emerging economic powerhouse of west and south-western Sydney, that have been brought to a stand-still.

The pandemic has tested our resolve and our resilience, and while divisions have been highlighted, so too has the determination to come together and create a more equitable, more united NSW.

This strategy ensures that those most impacted by the health and economic crisis of COVID-19 have the ongoing support they need to rebuild and share in a prosperous future for NSW.

**Mental health support**
- A mental health recovery package to provide immediate access to help for anyone whose mental health has been impacted by the COVID-19 pandemic ($130 million) (Box 5).

**Household and social support**
- A package of support measures for victims of domestic and family violence including around 80 new and replacement fit-for-purpose refuges for women leaving domestic and family violence ($484 million).

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**BOX 5: MENTAL HEALTH SUPPORT**

The COVID-19 pandemic has seen a significant increase in distress, anxiety and depression across the broader population, with a particular impact on families, our young people and vulnerable groups in our communities. As we navigate the economic recovery from this pandemic we must also support people’s mental wellbeing along the way.

The NSW Government’s $130 million mental health recovery package will address the immediate and longer-term impacts of COVID-19 on the people of NSW in three key priority areas: supporting our young people and families; boosting system capacity to meet demand; and helping our communities to lead the recovery.

This support package will:
- Boost surge capacity for private psychologists and psychiatrists and other mental health professionals for NSW residents ($35 million over two years).
- Provide up to 55,000 additional services to young people through their local headspace centre over 18 months ($20 million over two years).
- Train 275,000 people across NSW in psychological first aid and suicide prevention ($14 million over two years).
- Address the sharp rise in eating disorder presentations ($16.5 million over four years).
- Deploy 36 Aboriginal care navigators and youth peer workers ($21 million four years).
- Expand Gidget Foundation’s perinatal workforce ($2.6 million over two years).
- Expand wellbeing checks for child protection practitioners at high risk of trauma ($6 million over two years).
- Fund local community wellbeing events ($5 million over two years).
- Fund grassroots mental health programs via sporting codes and clubs ($3 million in 2021-22).
- Unlock private hospital beds to provide surge capacity for the public system ($3 million in 2021-22).
- Establish a transcultural mental health support line ($3.1 million over four years).
- Fund flagship 2022 Stand Tall school event and three 2021-22 regional satellite events ($1.5 million in 2021-22).
BOX 6: HELP FOR HARDEST HIT SUBURBS

The pandemic has hit parts of west and south-western Sydney especially hard. These areas have seen some of the toughest restrictions in the nation, putting immense pressure on those communities.

Greater Western Sydney accounts for over 30 per cent of Sydney’s economy. Supporting those communities to recover will be essential to the State’s economic recovery. This plan includes the following measures that will accelerate the recovery in those areas:

• The WestInvest Fund (see Box 3)
• Social and affordable housing initiatives targeted towards high priority LGAs
• CBDs Revitalisation Program (see Box 4)
• 24-Hour Economy District Acceleration Program
• $250 in Thank You vouchers to households for home learning
• Expansion of the existing Dine & Discover voucher program
• Expansion of the Stay & Rediscover program

Businesses and sectors

• An Event Saver fund to provide immediate support to organisers if events are cancelled or severely disrupted by any public health orders, while the government continues to explore longer term solutions to address the issues faced by event organisers in relation to COVID-related cancellations.
• Expansion of the $441 million small business rebate program in 2021-22 for fees and charges to help reduce the costs of establishing or running a small business, with the cap increased from $1,500 to $2,000 and the scheme widened to now include relief for toll charges.

Education

• A COVID intensive learning support package, to provide a targeted, intensive tutoring program in the 2022 school year to address learning gaps for children in need ($383m).
• A publicly available online learning platform with an extensive range of curriculum-aligned lessons and materials, including video lessons to accommodate the flexible learning needs of children, particularly in the event of future disruptions ($12 million).
• The ‘Air Quality Assurance Program’, to improve room ventilation and air filtration systems at high-risk school settings. This will minimise the potential spread of COVID-19 at schools and help safeguard against future school closures ($100 million).

• Expansion of the ‘Additional Rent Choice’ and ‘Start Safely’ packages, supporting an additional 990 households, with a focus on individuals and families escaping domestic violence and young people aged 16-24 years old ($10 million).
• Expansion of the Solar for Low Income Households program statewide, starting with the 12 Sydney LGAs of Concern. Eligible low-income households can choose to either receive the $285 Low Income Household Rebate, or receive a free, fully installed 3kW rooftop solar system ($21 million in 2021-22, and $50 million over three years).
• $250 in Thank You vouchers for each household where home learning has taken place. The vouchers can be redeemed from March 2022, including at ‘Discover’ businesses (per the Dine & Discover scheme) and at Stay & Rediscover accommodation venues ($192 million).
• Additional support for vulnerable Aboriginal communities through the Services Our Way program ($3.3 million). This will enable the program to service around 130 more Aboriginal families.

Targeted and timely support 17
The scale and duration of the social and economic disruption caused by the COVID-19 pandemic is unlike anything NSW has experienced since the Second World War. While this has brought significant challenges for the people of our state, it has also given us a new lens through which to view NSW and the future we want to build.

New challenges have emerged, and existing ones have been brought more sharply into focus, from the urgent need to address housing affordability, to the health and medical resources available to regional and remote communities, and issues of state and national self-sufficiency in times of crisis.

Public health restrictions have limited mobility, requiring us to live, work and even holiday more locally, while embracing new and more flexible ways of working. And the pandemic has accelerated the rise of new industries that will create the jobs of the future, while unearthing new industrial opportunities for NSW to become a regional, national and even global leader. Governments everywhere should also take a fresh look at the rules and regulations that can obstruct the innovation and invention that have been the hallmarks of our peoples’ response to COVID-19.

To ensure we can take up these opportunities and face these challenges head on, the NSW Government is investing in the state’s future. Supporting future industries and jobs will be essential to the long-term prosperity of the state, including through translating and commercialising more research.1

Investing in education and training will help ensure our workforce skills match the jobs of the future in high-growth areas such as advanced manufacturing, quantum computing, agri-food, defence and aerospace. Lifting women’s workforce participation and empowering women by improving childcare settings, ensuring greater workplace flexibility, and reducing gender segregation within industries and occupations will also be essential in supporting the future of our state. Overall, this plan and the NSW Government’s long-term reform agenda will ensure that NSW is a great place to live and work for future generations.

This strategy offers a preliminary view of the new and existing challenges that now call for more urgent attention, and new opportunities and priorities to pursue.

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**BOX 7: ONGOING REFORM AGENDA**

Prior to lockdown, the NSW Productivity Commission (PC) released its White Paper - Rebooting the Economy outlining 60 opportunities for economic growth. Some of these are being implemented and will help with removing barriers to investment growth and improving productivity post COVID-19.

Investment in targeted reforms to improve workforce flexibility and resilience, enable new technologies and ways of doing things and improve housing choice and affordability to make NSW a better place to invest, work and live include:

- Implementing the Teacher Supply Strategy and design of a Teach for Australia program to help fill critical teacher shortages in remote schools and reduce the ‘learning gap’.
- Building a new Trades Skills Pathways Centre to develop and pilot flexible trades pathways, helping women and career changers enter the trades.
- Implementing a new nationwide scheme for the automatic mutual recognition of occupational licences to enable occupational licensees to work in other jurisdictions without having to apply, or pay fees.
- Extending and evaluating the COVID-19 temporary relaxation of regulations to test whether they are in the net public interest. These evaluations are currently underway, with results imminent.
- To support the timely delivery of critical infrastructure to unlock housing supply, $9.7 million has been allocated to implement the 29 recommendations from the NSW PC’s Review.
- Implementing the NSW Planning Reform Action Plan which includes a suite of planning reforms aimed at maximising the productivity and flexibility of our employment lands and reducing assessment times.

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1 Turning Ideas into Jobs: Accelerating Research and Development in NSW Action Plan https://tinyurl.com/5fh95tfa
New industries

- The NSW Government is committed to the development of an RNA medical technology industry, with investment in a Research and Development pilot facility, in partnership with NSW universities, to support local RNA R&D and manufacturing capabilities.

- A new long-term Theatre and Film Strategy will be developed to attract more film and theatre companies to Sydney ($5 million).

BOX 8: INVESTING IN PRIORITY SECTORS TO ACCELERATE ECONOMIC RECOVERY

Post-COVID-19 recovery presents a once-in-a-generation opportunity for NSW to further build on our global credentials as a productive and liveable place.

By combining our underlying strengths with new technologies and industries, we will increase prosperity for all our citizens. While some of these strengths have emerged in recent years, such as our capabilities in RNA medical technology, others are in sectors we’ve long been world leaders in, such as agri-food and the visitor economy.

To make the most of this opportunity, the NSW Government will accelerate our economic recovery through targeted investment in priority sectors. These sectors represent industries and technologies where we have strong existing or potential comparative advantage combined with the opportunity for global growth, and will form the basis of the transformation of our economy:

- Med-tech & Life Sciences
- Clean Economy & Resources
- Defence & Aerospace
- International Education & the Visitor Economy
- Digital Technology
- Agri-food

These sectors all have high future growth potential; high export potential; strong spill-over benefits to the economy and represent a comparative advantage for NSW. By catalysing their growth through targeted industry, investment and trade support, we will transform our state over the post-COVID era to a more resilient, productive and prosperous place.
Better regulation – easier to build a business

• Increased regulatory flexibility in areas such as takeaway food and beverages, business operating hours and completion of tasks digitally have made it easier for businesses to operate and innovate during the pandemic. These temporary reforms will be retained permanently, unless shown to have no ongoing benefits.

• To make it easier for small businesses to operate, the NSW Government is committed to a review of the current ‘Faster Payment Terms’ policy which ensures that payments by government to small business suppliers is as fast as possible.

Stronger First Nations

• An additional $20 million will be invested into the Aboriginal Community Housing Investment Fund over the next two years. This will include new social housing to help address increasing homelessness and the overcrowding of many Aboriginal social housing dwellings.

• An expansion of the NSW Government Traineeship program to provide greater employment pathway opportunities for Aboriginal and Torres Strait Islander students through an extension of the Elsa Dickson School-based Apprenticeship Traineeship (SBAT) program, which will see an additional 250 SBATs provided in the NSW Public Service. This aligns with the NSW implementation plan for Closing the Gap, to support First Nations youth and adult employment.

Better communities

• The COVID-19 pandemic has demonstrated the importance of access to open spaces, with 45 per cent of people spending more time outside during the pandemic. Access to open space, such as parks, rivers and lakes, is essential to community wellbeing and making NSW an even greater place to live and visit. The NSW Government is investing more in open spaces to create new outdoor swimming locations, spaces for play and adventure, and upgrades to nature-based tourism infrastructure including walking trails, campgrounds, and visitor centres ($145.4 million).

Economic participation

• Reforms that support workforce participation are key to securing our rising living standard and reducing the gender gap, particularly in pay, participation and in leadership. The NSW Government will conduct a review to identify barriers to women’s economic participation and reform opportunities, including improvements to the accessibility and affordability of early childhood services and early childhood education outcomes.

BOX 9: ECONOMIC BENEFITS OF INCREASED PARTICIPATION

As shown in the 2021 NSW Intergenerational Report, the NSW population is ageing. As we age, the workforce participation rate is expected to decline. This decline will occur despite increasing participation amongst working age women and those over the traditional retirement age of 65 years because older people tend to participate less in the workforce compared to younger workers. This will lead to slower economic growth, dampen growth in government revenues such as payroll taxes and transfer duties, and result in faster growth in health-related expenses.

This means reforms that support stronger workforce participation, and productivity growth, are key to securing our state’s rising living standards and long-term fiscal sustainability. Measures that lift participation and productivity will grow our economy and state government revenues without increasing the burden on NSW taxpayers. Higher workforce participation can also have important benefits for individuals and the broader community. This includes providing a pathway out of poverty for new entrants to the workforce, economic security in later life, lower crime rates, and higher tax revenues to support health, education and other social programs.

Lifting opportunities for women’s economic participation is key to boosting the workforce participation rate. Women’s participation has increased over the last 40 years, and this is expected to continue. Nonetheless, on current trends it is expected to remain below that of men. Boosting women’s participation requires addressing the key reasons that women leave the workforce or reduce their participation in paid work. This includes access to and the cost of childcare and access to quality aged and disability care. Reducing gender segregation in occupations and industries, and greater workplace flexibility, will also support women’s economic participation.
What does recovery mean for me?

Western Sydney

• The $5 billion WestInvest fund will help build local infrastructure in Western and South-Western Sydney.

• The Kickstart 2022 Sydney Business Event Fund will be extended to incentivise business events in Greater Sydney in 2022.

CBDs

• The CBDs Revitalisation Program will support CBDs across Greater Sydney and surrounds.

• The 24-Hour Economy District Acceleration Program will support CBDs to activate their local 24-hour economies.

Regional and remote NSW

• The Regional Events Package will support community events across the regions.

• The Sport and Recreation Recovery and Community Rebuild package supports participation in sports, particularly in Regional NSW.

• The Regional Job Creation Fund in 2022 will support job creation in regional NSW.

• Shovel-ready priority projects across regional NSW.

• Small-scale infrastructure for regional and remote Aboriginal communities.
What does recovery mean for me?

Small business

• Additional vouchers are available to all NSW residents through Dine & Discover voucher program, redeemable at eligible businesses and the expanded Stay and Rediscover scheme will give NSW adults a $50 voucher redeemable at accommodation premises across the State.

• The Small and Medium Enterprise Summer Holiday Stock Guarantee will provide up to $20,000 to compensate eligible businesses if a local lockdown occurs from 1 December 2021 to 31 January 2022.

• Red tape reduction reforms for planning will streamline the approval processes for certain types of hospitality businesses, filming and temporary events on public land.

• Expansion of the small business rebate for fees and charges to help reduce the costs of establishing or running a small business.

Arts, tourism and hospitality

• The Performing Arts Relaunch Package to support the performing arts industry.

• The Festival Relaunch Package to support the festivals industry.

• An Event Saver fund to provide support to event organisers if their events are impacted by further public health orders.

• The Alfresco Restart Package to maximise capacity for hospitality businesses.

• The Aviation Attraction Fund will re-establish service presence in NSW.
Vulnerable people

- A mental health recovery package for those impacted by COVID-19.
- Support for vulnerable Aboriginal communities through the Services Our Way program
- Expansion of the Solar for Low Income Households program.
- Support for victims of domestic and family violence.

Housing

$183 million in social and affordable housing support measures:

- New and upgraded social housing dwellings through additional investment in the Aboriginal Community Housing Investment Fund.
- Accelerating the delivery of around 2,800 homes, including around 1,000 social housing dwellings, through Communities Plus projects.
- 290 new social and affordable housing dwellings will be delivered in partnership with community housing providers through the Community Housing Innovation Fund.
- 80 new small scale social housing dwellings will be constructed across the State.
- 45 new homes will be delivered for Aboriginal families, to support kinship living and reduce overcrowding.
- Expansion of the ‘Additional Rent Choice’ and ‘Start Safely’ packages to support 990 households to secure housing in the private rental market.
- Increased investment in Services Our Way to support around 130 additional vulnerable Aboriginal families.

In addition:

- Deliver housing for health workers for the Hunter New England Local Health District and Western NSW Local Health District.
- Place-based Regional Housing Delivery Plans for targeted regions.

Young people

- Additional investment into Skilling for Recovery will support school leavers entering the workforce.
- The Regional Youth Community Coordinator Program will be extended to support community-based initiatives for young people.
- The Office of Regional Youth Holiday Break program will be expanded to fund new social and recreational activities for young people.
- An intensive tutoring program in the 2022 school year to address learning gaps for children in need and restore lost learning during COVID.
- An online learning platform will help schools adapt to further possible disruptions from COVID.
- Identify reform opportunities to improve early childhood education outcomes and improve accessibility and affordability.
- $250 in Thank You vouchers for each household where home learning has taken place.