



LEDGER
RUTLEDGE &
WALKER PTY LTD
CHARTERED ACCOUNTANTS

CD Ledger CA
MB Walker CA
42 Thesiger Court, Deakin
PO Box 308
DEAKIN WEST ACT 2600
Tel 02 6295 7110
Fax 02 6239 6854
email info@lrw.com.au

Govt announces \$42bn Nation Building and Jobs Plan

On 3 February 2009, the Federal Government launched a \$42bn Nation Building and Jobs Plan in response to a worsening global economic environment. The Plan builds on the Government's \$10.4bn Economic Security Strategy announced in October 2008 (see 2008 WTB 44 [1932]) and contains long-term "nation building" initiatives, as well as an "immediate stimulus" aimed at supporting employment and economic growth.

Key components of the Plan include a temporary extra capital allowance tax deduction for businesses and a one-off cash payment of up to \$950 for eligible families, single workers, students, drought effected farmers and others.

Other key components of the Plan include increasing funding for local community infrastructure and local road projects and installing ceiling insulation in 2.7m Australian homes. Also included in the Plan are initiatives to build more than 20,000 new social and defence homes and to build or upgrade buildings in every Australian school.

According to the PM and Treasurer, the initiatives in the Plan will provide a boost to economic growth of around ½% of GDP in 2008-09 and around ¾% to 1% of GDP in 2009-10.

The Government has released 15 factsheets on the Plan. Further details of the Plan are available in the Government's Updated Economic and Fiscal Outlook.

We have provided general information for guidance only in this newsletter. For business and personal taxation planning, or other professional advice having regard to your circumstances, please come and see either Charles or Matthew.