

I think politics has been really important. It's all about no surprises. Generally what we are seeing is a budget that is letting the economy repair its fiscal position as we go forward

The Government's done the big ticket items like the microbusiness or small business package which is \$5.5 billion, you've got childcare additional spending, a lot of spending but you've also got about the same amount of saves on the other side. So you've got some special taxes in terms of GST, tightening up of the pension. Net net, you're really pretty neutral.

This year they are essentially redirecting areas where they want to see extra spending. Net net though, in the medium term, revenue improves because the economy gets better, people get pushed up into higher tax brackets and you get back to a surplus in the medium term but not straight away.

I think what you'd probably see is business confidence will go sideways. I don't think you are going to get a big four in consumer sentiment. So this one is much more neutral. So therefore, I think it's really going to depend on actual activity as we go forward. That's going to be more important than the budget.