



Budget

2023–24

BUDGET STRATEGY AND OUTLOOK

BUDGET PAPER NO. 1

Circulated by

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and

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of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2023–24

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Statement 1

Budget Overview

The 2023–24 Budget builds stronger foundations for a better future. It addresses the challenges Australians are facing today, better shares the opportunities in our society and lays the foundations for a stronger and more secure economy into the future.

Australians have shown resilience in the face of heightened global uncertainty, persistent inflation and higher interest rates, which are combining to slow our economy. The best response to these challenges is a responsible budget that strikes the right balance between fiscal restraint, easing cost-of-living pressures, securing the essential services people rely on and investing in sustainable drivers of growth.

This Budget achieves this while strengthening our fiscal position, with a budget surplus now forecast in 2022–23, and smaller deficits and lower debt over the forward estimates compared to October. This much stronger fiscal position would not have been achieved without a responsible approach to returning upward revisions of revenue to the budget and continued budget repair.

The Budget addresses our immediate challenges and sets Australia up for the future by:

- providing responsible and targeted cost-of-living relief
- strengthening Medicare
- broadening opportunities in our society and around the country
- investing in a stronger and more secure economy
- managing the budget responsibly.

The global economic outlook has deteriorated and is highly uncertain. High inflation and rising interest rates will see the weakest 2 years for the global economy in over 2 decades, outside of the Global Financial Crisis and the pandemic. Tighter financial conditions associated with recent banking strains in the United States and Europe are a further drag on growth and add more uncertainty to the global outlook.

The Australian economy is impacted by these challenges, but it is well-placed to navigate them. The unemployment rate is near 50-year lows, wages growth has picked up, and national income is being supported by elevated commodity prices. However, the global slowdown, persistent inflation and higher interest rates are expected to slow real GDP growth to 1½ per cent in 2023–24, before rising to 2¼ per cent in 2024–25. The unemployment rate is projected to remain low by historical standards, rising modestly to 4¼ per cent in 2023–24 and 4½ per cent in 2024–25.

Inflation has peaked and is moderating as global price shocks and supply constraints ease. While still elevated, inflation is expected to fall to 3¼ per cent in 2023–24 and return to the

target band in 2024–25. The Government’s cost-of-living measures will directly reduce the CPI in 2023–24 and are not expected to add to broader inflationary pressures in the economy.

A budget surplus of \$4.2 billion (0.2 per cent of GDP) is now forecast in 2022–23, ahead of most major advanced economies. An underlying cash deficit of \$13.9 billion is forecast in 2023–24; an improvement of \$30.1 billion since the October Budget. Over 5 years to 2026–27, there is a cumulative improvement in the underlying cash balance of \$125.9 billion. Debt and deficits are lower in each year of the forward estimates and medium term. Gross debt is estimated to reach a peak of 36.5 per cent of GDP in 2025–26, 10.4 percentage points lower and 5 years earlier than at the October Budget.

This stronger fiscal position is a consequence of the Government’s decision to bank 82 per cent of the revenue upgrades in this Budget, and 87 per cent across 2 Budgets.

The Budget prioritises responsible and targeted cost-of-living relief. This includes up to \$3.0 billion in energy bill relief in partnership with the states and territories, investing \$1.3 billion to deliver ongoing bill savings through home energy upgrades, tripling of the bulk billing incentive to make it cheaper and easier for Australians to see a doctor, and doubling the maximum dispensing quantity to 60 days for over 300 medicines.

The Government is providing targeted support to vulnerable Australians by expanding access to the Parenting Payment (Single), increasing the rate of income support payments like JobSeeker and Youth Allowance, delivering additional support to low-income renters and funding a wage increase for many aged care workers.

The Budget makes a historic \$5.7 billion investment to strengthen Medicare and provide patients better access and more affordable care. It invests in additional home care packages for older Australians who wish to remain at home for longer, and a commitment by Federal, state and territory governments to an NDIS Financial Sustainability Framework, ensuring the Scheme continues to provide life-changing outcomes for future generations of Australians with disability.

This Budget broadens opportunity in our society by advancing gender equality and includes \$589.3 million to support efforts to end violence against women and children. It invests in place-based programs to tackle entrenched and intergenerational disadvantage in communities, funds the Voice referendum and supports practical actions to improve the lives of Aboriginal and Torres Strait Islander people.

The Government is laying the foundations for a stronger, more secure economy by investing a further \$4.0 billion in our plan to become a renewable energy superpower, making new investments in strategic industries and providing additional support for small businesses. The Budget secures the future of vocational education and training, harnesses opportunities of the digital economy, and bolsters Australia’s industrial capacity through the AUKUS agreement. Australia’s security and prosperity continue to be safeguarded through new investments in national security capabilities and strengthening ties in our region.

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Statement 1: Budget Overview

Economic and Fiscal Outlook

Global growth is set to slow to $2\frac{3}{4}$ per cent in 2023, before a modest pick-up to 3 per cent in 2024. Elevated inflation, sharply rising interest rates and tighter financial conditions are all expected to constrain growth in advanced economies in 2023. These pressures are expected to more than offset the boost from the earlier-than-anticipated re-opening of China's economy following the lifting of pandemic restrictions from December 2022 onwards.

Overall, global growth over 2023 and 2024 is expected to be the weakest in over 2 decades, excluding the Global Financial Crisis and the pandemic. The outlook remains highly uncertain, with the balance of risks firmly tilted to the downside.

The Australian economy is not immune from these global economic challenges, but it is well-placed to navigate them. Strong employment growth and the fastest pace of wages growth in a decade have supported consumer spending, and elevated commodity prices are supporting export earnings. The economy is expected to expand by $3\frac{1}{4}$ per cent in 2022–23.

While the Australian economy is expected to outperform all major advanced economies, global and domestic headwinds will be a drag on activity in 2023–24. High inflation and rising interest rates are squeezing households, and these cost-of-living pressures along with weaker global growth will contribute to real GDP growth slowing to $1\frac{1}{2}$ per cent in 2023–24.

Real GDP growth is expected to pick up to $2\frac{1}{4}$ per cent in 2024–25 with continued positive real wages growth and a recovery in household disposable income bolstering household spending.

Inflation has peaked and begun to moderate. The factors that caused the current inflationary period are beginning to ease and inflation is expected to return to target in 2024–25. The Government's measures to deliver cost-of-living relief will directly reduce the CPI in 2023–24, and are not expected to add to broader inflationary pressures in the economy. These measures are expected to reduce inflation by $\frac{3}{4}$ of a percentage point in 2023–24.

The unemployment rate is projected to remain low by historical standards, rising modestly to $4\frac{1}{4}$ per cent by the June quarter of 2024 and $4\frac{1}{2}$ per cent by the June quarter of 2025. Wages growth is forecast to pick up further to 4 per cent in 2023–24, its fastest pace since 2009, supported by the Government's actions to boost wages for Australia's lowest paid. Wages are forecast to grow by $3\frac{1}{4}$ per cent in 2024–25.

Nominal GDP is forecast to grow strongly by $10\frac{1}{4}$ per cent in 2022–23. The strength of the labour market and a pick-up in wages growth, an elevated terms of trade from higher

commodity prices and stronger growth in domestic prices are all contributing to this strong growth. Nominal GDP growth is then expected to slow to 1¼ per cent in 2023–24 due to the assumed decline in commodity prices, which is offset by ongoing strength in domestic prices and growth in output. Solid output growth is expected to support nominal GDP growth of 2½ per cent in 2024–25.

Table 1.1: Major economic parameters ^(a)

	Outcome		Forecasts			
	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Real GDP	3.7	3 1/4	1 1/2	2 1/4	2 3/4	2 3/4
Employment	3.6	2 1/2	1	1	1 3/4	1 3/4
Unemployment rate	3.8	3 1/2	4 1/4	4 1/2	4 1/2	4 1/4
Consumer price index	6.1	6	3 1/4	2 3/4	2 1/2	2 1/2
Wage price index	2.6	3 3/4	4	3 1/4	3 1/4	3 1/2
Nominal GDP	11.0	10 1/4	1 1/4	2 1/2	5 1/4	5 1/4

- a) Real GDP and Nominal GDP are percentage change on preceding year. Employment, the consumer price index and the wage price index are through the year growth to the June quarter. The unemployment rate is the rate for the June quarter.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; Labour Force Survey, Australia; Wage Price Index, Australia; Consumer Price Index, Australia; and Treasury.

Since the October Budget, there has been a substantial improvement in the fiscal outlook. This is a direct outcome of the Government returning receipt upgrades to the budget. The Budget achieves this while also delivering responsible and targeted cost-of-living relief, investing in a stronger, more secure economy, spreading opportunity and securing essential services.

The underlying cash balance is estimated to be in surplus by \$4.2 billion (0.2 per cent of GDP) in 2022–23, the first surplus since 2007–08. This is an improvement of \$41.1 billion compared to the October Budget and \$82.1 billion since the Pre-election Economic and Fiscal Outlook.

The underlying cash deficit is estimated to be \$13.9 billion (0.5 per cent of GDP) in 2023–24, \$30.1 billion lower than the October Budget. The deficit is expected to increase in 2024–25 and 2025–26 before falling to \$28.5 billion (1.0 per cent of GDP) in 2026–27. It remains lower across all years than forecasted in October. Over 5 years from 2022–23 to 2026–27, the underlying cash balance improves by a cumulative \$125.9 billion.

Since October, tax receipts have been revised up by \$67.2 billion across 2022–23 and 2023–24, underpinned by a strong labour market and elevated commodity prices. Strength in tax receipts is expected to moderate from 2024–25 as commodity prices are assumed to return to long-run levels and the conditions in the labour market ease. Overall, tax upgrades (excluding GST and policy decisions) have improved the underlying cash balance by \$114.2 billion over 5 years from 2022–23 to 2026–27.

In this Budget, the Government strikes a balance between relief, repair, and restraint. The Government has returned 87 per cent of the tax receipt upgrades across the October Budget and 2023–24 Budget, which includes 82 per cent in this Budget.

The Government has taken policy decisions of \$20.6 billion over 5 years from 2022–23 to 2026–27. This includes cost-of-living support, historic investment in Medicare, investing in a strong economy and continuing to address legacy issues inherited from the previous government.

At the end of the medium term, the deficit is projected to be 0.2 per cent of GDP, compared to 1.9 per cent in the October Budget. Gross debt and underlying cash deficits are lower as a share of the economy in every year of the forward estimates and the medium term.

Gross debt is now projected to peak at 36.5 per cent of GDP in 2025–26, 10.4 percentage points lower and 5 years earlier than at the October Budget, before declining to 32.3 per cent by 2033–34.

While tax as a share of GDP over the medium term is broadly unchanged from the October Budget, the higher level of nominal GDP (from a higher price level and a higher level of potential GDP) increases projected tax receipts. The impact on non-interest payments is more modest.

Interest payments are projected to be significantly lower over the medium term. This is largely driven by lower deficits reducing the amount of new debt issuance. Had the Government instead spent all the tax receipt upgrades in the forward estimates across this and the October Budget, interest payments over the 12 years to 2033–34 would be \$83 billion higher.

Table 1.2: Budget aggregates

	Actual 2021-2	Estimates						Projection 2033–34
		2022-23	2023-24	2024-25	2025-26	2026-27	Total(a)	
		\$b	\$b	\$b	\$b	\$b	\$b	
Underlying cash balance	-32.0	4.2	-13.9	-35.1	-36.6	-28.5	-109.9	
Per cent of GDP	-1.4	0.2	-0.5	-1.3	-1.3	-1.0		-0.2
Gross debt(b)	895.3	887.0	923.0	958.0	1,015.0	1,067.0		
Per cent of GDP	38.8	34.9	35.8	36.3	36.5	36.5		32.3
Net debt(c)	515.6	548.6	574.9	620.6	665.2	702.9		
Per cent of GDP	22.3	21.6	22.3	23.5	24.0	24.1		19.9

a) Total is equal to the sum of amounts from 2022–23 to 2026–27.

b) Gross debt measures the face value of Australian Government Securities (AGS) on issue.

c) Net debt is the sum of interest-bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

Responsible budget management

The Government is improving the budget position in a measured way, consistent with the overarching goal of reducing gross debt as a share of the economy over time. To help offset additional spending, the Government has identified \$32.5 billion of budget improvements and reprioritisations, bringing the total over 2 budgets to \$61.0 billion.

This Budget delivers on the Government's commitment to repair the budget and redirect spending to higher quality areas. This includes:

- reprioritising defence funding into the 6 priority areas for immediate action, in response to the Defence Strategic Review
- reinvesting all government savings from changes to the maximum dispensing quantity under the Pharmaceutical Benefit Scheme into community pharmacies
- reprioritising funding to enhance the quality of spending in health and aged care
- directing savings from the closure of the Entrepreneurs' Programme into the new Industry Growth Program that will now focus on operating in the priority areas of the National Reconstruction Fund.

The Government is also strengthening the fairness and sustainability of the tax system. This includes better targeting of superannuation concessions by reducing tax concessions available to individuals whose superannuation balance exceeds \$3 million. Timely payment of tax and superannuation liabilities will be supported by extending compliance programs and increasing engagement with taxpayers. Reforms to Australia's tax settings for offshore liquefied natural gas projects will ensure a fairer return to the Australian community. Implementing a global minimum tax and a domestic minimum tax will ensure multinationals pay their fair share of tax. In total, there are \$13.7 billion in improvements related to tax receipt measures in the Budget.

The Government is continuing to take action to address ongoing legacy issues by providing certainty for programs that were underfunded or had terminating funding at a cost of \$7.5 billion. This includes funding to: ensure financial sustainability for the 9 national collecting institutions (including the National Library of Australia and the National Gallery of Australia); secure Australia's digital health infrastructure; investment in the Brisbane 2032 Olympic and Paralympic Games venue infrastructure; and sustainably fund Australia's biosecurity system.

The Government has limited average real spending growth to 0.6 per cent over 5 years to 2026–27. This compares to an average of around 4.0 per cent over the period prior to the Global Financial Crisis (2000–01 to 2007–08) and 2.2 per cent over the period prior to the pandemic (2011–12 to 2018–19).

National Cabinet – a better future for the federation

The Government recognises that Federal, state, and local governments each have vital roles in delivering the essential services that Australians rely on every day. Responding to the challenges in Australia's economy, cities and demography over the next decade requires the resources and powers of all 3 levels of government. The Government is bringing the states and territories together to drive the reforms needed to ensure the next generation of growth, jobs, prosperity, and security.

On 28 April, National Cabinet met to agree a consistent approach to key national priorities that are supported by measures in this Budget. This includes:

- the substantial package of Strengthening Medicare measures to address immediate challenges in primary care, take the pressure off the hospital system and lay the foundations for long-term Medicare reform
- the commitment to an NDIS Financial Sustainability Framework to ensure the Scheme can continue to provide life-changing outcomes for future generations of Australians with disability
- Better Planning for Stronger Growth reforms to support a national approach to the growth of cities, towns, and suburbs.

Budget priorities

Responsible and targeted cost-of-living relief

This Budget delivers responsible and targeted cost-of-living relief to support Australians facing pressures from high inflation and rising interest rates. This includes:

- providing energy relief for households and businesses, and supporting them to reduce bills by saving energy
- reducing the cost of health care and medicines
- providing targeted, additional assistance for eligible single parents
- increasing support for people on working age and student payments, like JobSeeker Payment, Youth Allowance and Austudy, and JobSeeker Payment recipients aged 55 and over
- improving the supply and affordability of housing, including through increasing Commonwealth Rent Assistance
- supporting wage increases for aged care and low-paid workers.

In addition, the Government is delivering on its commitments to improve the affordability of early childhood education and care and flexibility of the Paid Parental Leave scheme, bolstering women’s economic opportunities.

Energy price relief

Easing pressure on households and small businesses

Households and businesses have been facing unacceptable energy price rises because of Russia’s illegal war in Ukraine, which has compounded the cost of previous policy uncertainty around delivering the energy transformation. The Government’s Energy Price Relief Plan shields Australians from the worst impacts of price increases through immediate price relief funded in this Budget.

In December 2022, the Government acted quickly to limit energy price increases and provide responsible and targeted relief to small businesses and vulnerable households. To limit the impact of global commodity prices on Australian energy costs, the Government partnered with states and territories to put a temporary price cap on coal used for electricity generation and new wholesale gas contracts, and committed to introduce a mandatory code of conduct for gas sales. This code will ensure Australian households and businesses will have access to gas at reasonable prices and will establish a more level playing field for negotiations between gas producers and customers.

The Government is also delivering up to \$3.0 billion of electricity bill relief to take pressure off small businesses and vulnerable households, in partnership with state and territory governments. Rebates will be delivered through reductions to electricity bills to minimise any potential inflationary impacts. Support to households will be targeted at those most in need, including concession card holders, those who receive family and carers payments and recipients of electricity concessions under existing state and territory schemes.

With all these actions under the Energy Price Relief Plan, retail electricity price increases in 2023–24 are now expected to be around 25 percentage points smaller and retail gas price increases around 16 percentage points smaller than expected prior to the Government’s interventions. This shows the Government’s actions are placing downward pressure on energy bills for Australians.

Energy upgrades for households

The Government is also helping households save on future energy bills by establishing the Household Energy Upgrades Fund to support home upgrades that reduce energy usage.

The Fund will inject \$1.0 billion into the Clean Energy Finance Corporation to unlock more than 110,000 low-interest loans for energy-saving home upgrades, in partnership with private lenders. Just upgrading the energy efficiency rating of a home from 1-star out of 10 to 3 stars can reduce energy bills by around 30 per cent, and increasing from 3 to 5 stars can reduce energy bills by around another 20 per cent.

The Fund will also provide \$300.0 million to cut energy bills for tenants in 60,000 social housing properties by around one-third through funding energy performance upgrades, in partnership with states and territories.

The Government is also providing \$36.7 million to modernise and expand our energy efficiency standards, improving the information consumers have about the energy performance of their homes and appliances. This includes expanding the Nationwide House Energy Rating Scheme to cover existing homes as well as new builds, creating an energy efficiency star rating system that will help Australians make the best choices for their hip pocket when it comes to renting, purchasing, or renovating their homes.

Reducing the cost of health care

Lower out-of-pocket health costs

Ensuring Australians can access affordable health care when they need it and supporting doctors who deliver this care is a priority. The Government is investing \$3.5 billion to triple the bulk billing incentive for patients aged under 16 years, pensioners and other Commonwealth concession card holders. This includes all face-to-face general practice consultations more than 6 minutes in length and certain telehealth consultations.

A further \$358.5 million is being invested in Medicare Urgent Care Clinics, including to deliver 8 more clinics by the end of 2023. Urgent Care Clinics will ensure patients do not have out-of-pocket costs and remain open for extended hours.

Reducing the costs of medicines

From 1 September 2023, the Government will phase-in increases to the maximum dispensing quantities allowed for more than 300 Pharmaceutical Benefits Scheme (PBS) medicines. Some patients will be able to receive 60 days' worth of the medicine they need for a stable, chronic health condition, rather than the current amount of 30 days' supply. This change will reduce the number of visits to a pharmacy and general practitioners, saving Australians time and more than \$1.6 billion in out-of-pocket costs over the next 4 years.

The Government is continuing to provide Australians access to more affordable and life-changing essential medicines through the PBS and other medicines programs. In this Budget, the Government is providing \$2.2 billion for new and amended listings, including treatment for cystic fibrosis.

This reform builds on the October Budget measure Plan for Cheaper Medicines that reduced the general patient co-payment for PBS-listed medicines from \$42.50 to \$30 per script from 1 January 2023. This change has saved Australians more than \$58 million in 3 months.

Support for those who need it most

Expanded access to Parenting Payment (Single)

The Government recognises single parents can face higher rates of financial hardship and barriers to employment as they navigate the significant costs and responsibilities associated with caring for and raising children.

The Government will invest \$1.9 billion over 5 years from 2022–23 to expand eligibility for Parenting Payment (Single) to include single principal carers, whose youngest child is under 14 years of age. Under current settings, the payment is available to eligible single principal carers with a child aged under 8 years of age. In September, around 57,000 eligible single parents, of whom around 91.1 per cent are women, will transition to Parenting Payment (Single) with the current basic rate of \$922.10 per fortnight until their youngest child turns 14. This is an extra \$176.90 per fortnight compared to the current JobSeeker Payment (single with dependent rate). This will also benefit around 110,000 children in these eligible families. Indexation will also continue to apply.

Parenting Payment (Single) recipients also benefit from more generous earning arrangements compared to the JobSeeker Payment (single with dependent rate), including an income free area for recipients with one child of \$202.60 per fortnight and an additional \$24.60 per child per fortnight. Compared to the income free area of \$150 per fortnight for the JobSeeker Payment (single with dependent rate), 57,000 more eligible single parents will be able to earn at least \$52.60 more per fortnight before losing any of their payment. As a result, Parenting Payment (Single) recipients with one child can earn at least \$2,622.35 per fortnight (and an additional \$24.60 per child per fortnight) before receiving no payment, a \$569.10 per fortnight increase relative to current settings. Current mutual obligations for recipients with children aged 6 years or above will be maintained to support single parents build connections with the workforce or improve their skills.

The higher Parenting Payment (Single) rate will provide greater assistance to single principal carers to help them balance caring responsibilities for their children during later primary school years and during the critical transition to high school. As eligible single principal carers are predominantly women, the measure will support women's economic equality by helping to improve earnings and financial security.

Increase to the rate of JobSeeker Payment and other eligible income support payments

The Government is ensuring Australia's targeted safety net delivers support to those who need it most. Working age and student payments like JobSeeker Payment and Youth Allowance are a central part of this safety net. While these payments are automatically indexed to reflect changes in consumer prices, many income support recipients are facing financial hardship, which can in turn create barriers to participation in society and the economy.

The Government is committed to a fairer, more inclusive society. In recognition of the challenges that many income support payment recipients face, the Government is investing

\$4.9 billion over 5 years from 2022–23 to increase support for around 1.1 million Australians.

The basic rate of eligible working age and student income support payments, including JobSeeker Payment and Youth Allowance, will increase by \$40 per fortnight in September, following the passage of legislation. Recipients will continue to have their payments indexed to keep pace with increases in cost-of-living.

Increase for eligible JobSeeker Payment recipients aged 55 years and over facing barriers to work

Over the past 10 years the proportion of mature-aged recipients on JobSeeker Payment has significantly increased. People aged 55 years and over experience additional barriers to work, including age discrimination and poor health. These barriers can result in mature-aged recipients spending a longer time relying on income support payments.

The Government will also extend eligibility for the existing higher rate of JobSeeker Payment to single Australians aged 55 to 59 who have been on payment for 9 or more continuous months, to match that applying to those aged 60 and over. In September, around 52,000 eligible single Australians aged 55 to 59 (of which 55 per cent are women) will receive the higher basic rate.

These recipients will now be supported by the higher rate of payment to acknowledge their circumstances and provide them greater financial support, while they seek meaningful employment.

Responsible, sustainable income support

The income support changes will deliver sustainable increases in support for Australia's lowest income households, while they undertake activities such as study, searching for meaningful employment or caring for family. These measures target additional support to Australians who need it most, while being responsible in the current macroeconomic and fiscal environment.

Many Australians will receive the combined benefit of the increases to income support payments and Commonwealth Rent Assistance, as well as from the Energy Relief Plan. Eligible recipients will continue to have their payments indexed to keep pace with increases in cost-of-living.

More affordable housing

Addressing the housing challenges Australia is facing remains a key priority for the Government. This Budget provides additional support to low-income renters through increasing Commonwealth Rent Assistance and enables new critical investments in housing supply, while the Government progresses its housing reform agenda to deliver more social and affordable homes.

Easing pressure on renters

The Government recognises the significant pressures that many low-income renters face. The Government will increase the maximum rates of Commonwealth Rent Assistance by 15 per cent at a cost of \$2.7 billion over 5 years from 2022–23. This will help recipients better manage cost-of-living pressures in the face of strong rent growth and will help alleviate rental stress experienced by Commonwealth Rent Assistance recipients. Around 1.1 million households receiving the maximum Commonwealth Rent Assistance rate will be better off.

Working together to encourage new housing supply

National Cabinet recently announced that Planning Ministers, working with the Australian Local Government Association, will develop a proposal for National Cabinet in the next 6 months outlining reforms to increase housing supply and affordability. In addition, the Government is offering new incentives to encourage the supply of housing by:

- reducing the withholding tax rate for eligible fund payments from managed investment trusts attributed to newly constructed build-to-rent developments from 30 to 15 per cent.
- increasing the capital works tax deduction (depreciation) rate from 2.5 per cent to 4 per cent per year, increasing the after-tax returns for newly constructed build-to-rent developments.

Access to social and affordable housing

Increasing access to social and affordable housing is a Government priority. In this Budget, the Government is increasing the National Housing Finance and Investment Corporation's liability cap by an additional \$2 billion, to \$7.5 billion, to provide more low-cost loans to Community Housing Providers. This is expected to support around 7,000 more new social and affordable dwellings.

Supporting more Australians into home ownership

From 1 July 2023, the Government is expanding eligibility for the First Home Guarantee and Regional First Home Buyer Guarantee to any 2 borrowers jointly applying beyond the scope of spouse or de facto couples, and non-first home buyers who have not held a property interest in Australia within the previous 10 years. The Government is also expanding the Family Home Guarantee to single legal guardians of dependents, in addition to natural and adoptive parents. The Home Guarantee Scheme will also be made available to permanent residents.

More support for homeless Australians

The Government has offered states an additional \$67.5 million in funding to help tackle homelessness in 2023–24. This builds on the Government's offer to provide 12 months of transitional funding to 30 June 2024 through the National Housing and Homelessness

Agreement while the Government works with states to reform Commonwealth funding arrangements under a new agreement.

Keeping wages moving

The Budget delivers on the Government’s commitment to fund a wage increase for aged care workers. It allocates \$11.3 billion to support the Fair Work Commission’s decision to provide an interim increase of 15 per cent to minimum wages for many aged care workers. More than 250,000 workers will benefit from the decision. The Government supports continuing to improve wages and conditions for aged care workers, so they properly reflect the value of the work performed.

Low-paid workers experience the worst impacts of inflation and have the least capacity to draw on savings. Last year, the Government supported wage increases for Australia’s low-paid workers. The Fair Work Commission decision gave a minimum \$40 per week increase for full-time workers on national minimum and award wages. The Government has again recommended that the Fair Work Commission ensures the real wages of Australia’s low-paid workers do not go backwards.

Strengthening Medicare

Medicare is the foundation of Australia’s primary health care system. In this Budget, the Government is investing \$5.7 billion over 5 years from 2022–23 to strengthen Medicare and make it cheaper and easier to see a doctor.

Historic investment in Medicare

Medicare is the foundation of Australia’s primary care system. In this Budget, the Government begins the long overdue process of rebuilding and strengthening Medicare to ensure it can meet the health needs of Australians for the 21st century. In addition to investing \$3.5 billion to triple the bulk billing incentive for children under 16, pensioners and other Commonwealth concession card holders, this Budget delivers the Government’s initial response to the recommendations of the Strengthening Medicare Taskforce.

The Government is making it easier to see a doctor through investments in complex and chronic care pathways. This includes establishing a new Medicare Benefits Schedule (MBS) item for longer consultations of 60 minutes or more. This will support improved access and service affordability for patients with chronic conditions and complex needs.

The Government will support Australians seeking non-emergency health care outside normal general practice opening hours through increased funding of \$143.9 million for primary care after hours programs. This includes an extension to the Primary Health Networks after hours program to support general practices to fill access gaps.

Australia’s digital health platform has not kept pace with changing health needs and models of care. To improve health outcomes, the Government is investing \$429.0 million to

modernise My Health Record and support easier, more secure data sharing across all health care settings.

The Government is introducing the MyMedicare system to formalise the relationship between patients and their primary care providers to improve patient care and health outcomes. The Government is also increasing access to team-based care by providing an additional \$445.1 million to the Workforce Incentive Program—Practice Stream to support general practices to engage multidisciplinary professionals.

The implementation of MyMedicare will be complemented by an investment of \$98.9 million to connect frequent hospital users with general practices to receive multidisciplinary care in the community and reduce the likelihood of hospitalisations.

The Australian public should have confidence that fraud and inadvertent non-compliance do not permeate the Medicare system. In this Budget, the Government is providing an initial investment of \$29.8 million to strengthen the integrity of the Medicare system in response to key recommendations of the Independent Review into Medicare Integrity and Compliance.

Securing the services and care Australians deserve

All Australians should be able to access the services they need most. The Government is protecting the health of Australians, improving the delivery of aged care services, ensuring the effectiveness of the NDIS, and safeguarding our future by commencing the establishment of an Australian Centre for Disease Control.

Delivering quality aged care services

The Government is improving the quality of care for older people and making the aged care system equitable, sustainable, and trusted. In this Budget, there is new investment to improve services and deliver reforms that not only address current issues but set the sector up for long-term success.

This Budget continues support to improve wages and conditions for aged care workers. It provides funding to support the Fair Work Commission’s decision to provide an interim increase of 15 per cent to modern award minimum wages for many aged care workers (see Box 3.3).

\$81.9 million will be provided to develop and implement a new Aged Care Act and \$72.3 million to support a new, stronger Aged Care Regulatory Framework. Other initiatives include \$139.9 million to improve the accountability and transparency of approved aged care providers through enhancements to the Star Rating system and \$12.9 million to develop, monitor and enforce food and nutritional standards.

The Government is also providing \$52.1 million to increase the funding available to aged care providers in very remote areas under the National Aboriginal and Torres Strait

Islander Flexible Aged Care Program. In addition, \$487.0 million will extend the Disability Support for Older Australians Program.

To support older Australians who wish to remain at home for longer, the Government is investing \$166.8 million to provide an additional 9,500 Home Care Packages. This Budget also provides additional funding to continue to reform in-home aged care, including \$15.7 million to establish a single aged care assessment system. The Government will postpone the commencement of the Support at Home Program to 1 July 2025 in response to sector feedback that a longer lead time is needed and extend grant arrangements for the Commonwealth Home Support Programme for a further 12 months to 30 June 2025.

Health protection and prevention

The Government is protecting the health of Australians, especially young people, by preventing the uptake of smoking and vaping and ensuring people who smoke or vape are supported to quit. This Budget provides \$29.5 million to increase and enhance smoking and vaping cessation support, \$141.2 million to expand the Tackling Indigenous Smoking program and \$63.4 million for national public health campaigns. The Government is encouraging smokers to quit by raising tax on tobacco by 5 per cent per year, for 3 years from 1 September 2023, and ensuring loose-leaf tobacco is taxed equally to cigarettes. The Government is also proposing stronger regulation and enforcement of e-cigarettes, including new controls on their importation, contents and packaging.

The Government is investing \$263.8 million over 4 years from 2023–24 to establish and maintain a new national lung cancer screening program. The program will maximise prevention and early detection of lung cancer for at-risk Australians. In response to the recent and alarming spike in the number of workers suffering from silicosis and other silica-related diseases, the Government is acting to protect workers by implementing and coordinating a strategy with all Australian governments to prevent these debilitating diseases.

The Government is strengthening the mental health system by building the workforce. Improving the availability and distribution of the mental health workforce will ensure there is equity in service delivery, enabling reform. Support is being provided to the mental health workforce with funding for 500 additional psychology placements and training at a cost of \$91.3 million. In addition, there is \$260.2 million for psychosocial supports, which help Australians with severe mental illness to recover and live in the community. The Government will provide \$136.0 million to support the mental health of survivors of torture and trauma before moving to Australia on humanitarian grounds, and other culturally and linguistically diverse communities.

The Budget also provides \$91.1 million to commence the establishment of the Australian Centre for Disease Control (ACDC). The ACDC will provide a national focal point for disease management to improve Australia's ability to respond to health emergencies and other public health challenges.

Managing the long-term COVID-19 response

Minimising the incidence of death and severe illness from COVID-19, particularly for the most at-risk Australians, remains the Government’s priority. Since the October Budget, the Government has committed an additional \$2.3 billion to manage Australia’s COVID-19 response. This funding supports implementation of the National COVID-19 Health Management Plan for 2023. The plan transitions the COVID-19 response to long-term arrangements to ensure Australia’s health system has the capacity and capability to respond to future waves and variants, promote uptake of vaccinations and treatments and slow transmission.

Improving disability support

The Government is driving whole-of-government action and accountability against Australia’s Disability Strategy 2021–31. The Budget provides a further \$31.4 million for the National Disability Data Asset to improve disability policy development.

The Government is ensuring the NDIS continues to support people with significant and permanent disability. To improve capability, capacity, and systems to better support participants, an additional \$732.9 million will be invested in initiatives developed with the National Disability Insurance Agency in consultation with the NDIS Review Co-Chairs. This includes \$48.3 million to fight fraud against the NDIS.

The Budget also incorporates the NDIS Financial Sustainability Framework agreed by National Cabinet to ensure the NDIS can continue to provide life-changing outcomes for future generations of Australians with disability. The framework will provide an annual growth target in total costs of the Scheme of no more than 8 per cent by 1 July 2026, with further moderation of growth as the Scheme matures. The NDIS will remain demand driven and the fastest growing Commonwealth payment.

Broadening opportunity, advancing equality

The Government is committed to economic growth that puts equality and equal opportunity at the centre. This includes: targeting entrenched and concentrated community disadvantage including through place-based approaches; improving the lives and economic opportunities of First Nations Australians; improving gender equality and participation; and building on commitments to end violence against women and children.

Women’s equality and participation

In addition to the \$1.9 billion investment to expand the eligibility of Parenting Payment (Single), the Government is progressing a range of reforms to support women’s economic outcomes.

From July this year, the Government is delivering cheaper early childhood education and care, cutting the cost of care for around 1.2 million families. It will make it easier for parents

and carers, particularly women, to participate in the workforce and will mean more children can access the benefits of early education.

From 1 July 2023, changes to the Paid Parental Leave scheme, announced in the October Budget, will commence to provide more support for modern families. Parental Leave Pay and Dad and Partner Pay will combine into one 20-week payment that can be shared between parents. Either parent will be able to claim Paid Parental Leave first, and single parents will be able to access the full 20 weeks under the scheme. The Government will also introduce a new combined family income limit of \$350,000 per annum, which will see nearly 3,000 additional parents become eligible for Paid Parental Leave. The Government will introduce legislation to expand the scheme by 2 weeks each year from July 2024 until reaching 26 weeks in July 2026.

This Budget continues to support efforts to close the gender pay gap. Following changes to the *Workplace Gender Equality Act 2012*, the gender pay gaps of employers with 100 or more workers will be published from early 2024. The Government continues to expand implementation of gender responsive budgeting, with gender analysis embedded across Government budget decision-making from the 2023–24 MYEFO.

The Government will also abolish the ParentsNext program and finalise the approach to voluntary participation as soon as possible with a view to replacing it with a more supportive pre-employment program. The new program will better support parents' transition to work. Interim changes to remove compulsory aspects of the current program will be considered as soon as possible, ensuring that all Parenting Payment recipients with children under 6 are treated equitably in respect of mutual obligations. Making ParentsNext voluntary will end the risk to disadvantaged parents of loss of payments and remove undue stress and anxiety from participants, the majority of whom are women and single parents.

Ending violence against women and children

National Plan to End Violence Against Women and Children 2022–32

To support women's safety, including implementation of the *National Plan to End Violence against Women and Children 2022–32* (the National Plan), the Government is providing an additional \$589.3 million. This is in addition to the \$1.7 billion for women's safety announced in the October Budget. The National Plan funding includes \$159.0 million to extend the Family, Domestic and Sexual Violence Responses National Partnership Agreement with state and territory governments to support frontline service delivery.

The Government will work to strengthen and harmonise sexual assault and consent laws, address barriers to justice and improve the family law system to achieve better outcomes including for victim-survivors. To better support visa holders experiencing domestic and family violence, the Government will expand the family violence provisions within the *Migration Regulations 1994*.

This Budget invests \$194.0 million to establish the dedicated Aboriginal and Torres Strait Islander Action Plan. The Government is supporting a range of activities under the Plan, including culturally responsive healing programs, addressing immediate safety concerns

and community-led family safety services for First Nations children and families impacted by family violence.

Supporting victim-survivors of child sexual abuse

The National Redress Scheme and the continuation of Redress Support Services is being supported by an additional \$142.2 million. This will ensure people who experienced institutional child sexual abuse can continue to access free, independent support, delivered in a culturally-safe and trauma-informed way.

Targeting entrenched community disadvantage

The Government is investing \$199.8 million in an integrated package to address entrenched and concentrated disadvantage in Australian communities. The Government is committed to taking a sustained, long-term approach to working in partnership with communities to make an enduring difference in the lives of disadvantaged Australians, regardless of where they live. This package will see the Government working in partnership with state and territory governments, communities, and other key stakeholders including through a new strategy to partner with philanthropy.

The package will be underpinned by a whole-of-government Framework to Address Community Disadvantage that will identify strategic objectives and key principles to guide how Government works in partnership with communities, and to support more impactful investment in initiatives that address disadvantage. The Framework will also provide the foundations to explore how tailored, place-based approaches can be used to achieve positive change in communities, and how the Government might enable greater community-led decision making and access to funding.

Under the integrated package, the Government is providing \$64.0 million to ensure funding certainty for 10 existing place-based partnerships, and to enhance 6 of these partnerships. The Government is also providing \$16.4 million for a Life Course Data Initiative to deliver additional access to data for communities and to inform long-term changes that will ultimately improve outcomes.

To support the social impact investing market, the Government has committed \$100.0 million to establish an Outcomes Fund, pending a co-design process with stakeholders including states and territories. The Fund will make contractual payments for projects that deliver agreed, measurable outcomes. Additionally, the Government is providing \$11.6 million for the Social Enterprise Development Initiative, which will help eligible ‘for-purpose’ organisations to build their capability to access capital and support improved social outcomes.

Strong Aboriginal and Torres Strait Islander communities

Working in partnership with First Nations Australians, as well as state, territory, and local governments, the Government is committed to Closing the Gap. This Budget provides practical responses to immediate challenges and a path to improving the lives and economic opportunities of First Nations communities.

Aboriginal and Torres Strait Islander Voice Referendum

The Government is delivering on its commitment to implement the Uluru Statement from the Heart in full. The Voice Referendum will provide all Australians with a historic opportunity to recognise the First Peoples of Australia in the Constitution by establishing an Aboriginal and Torres Strait Islander Voice. The Voice will be empowered to make representations to the Parliament and the Executive Government about matters relating to Aboriginal and Torres Strait Islander peoples, enabling better decisions and outcomes.

Closing the Gap initiatives

This Budget invests in improving opportunities for First Nations Australians. These commitments will drive progress against the socioeconomic targets and Priority Reforms of the National Agreement on Closing the Gap, with a focus on improving outcomes in the areas of education and skills, employment, health and aged care, community safety, as well as essential infrastructure.

\$561.6 million is being provided for First Nations health, including \$238.5 million to improve First Nations cancer outcomes through building capability and growing the healthcare workforce. To support the delivery of 30 dialysis units for First Nations people in regional and remote Australia with end-stage kidney disease, \$28.2 million will also be provided for workforce accommodation.

The Government is also committing \$38.4 million to support high-quality and culturally appropriate education for First Nations children in remote areas across Australia. Funding will support pilots of community-led models for more culturally appropriate distance learning for First Nations students and increase access to junior ranger activities. The Government is also investing \$21.6 million to extend the Indigenous Boarding Providers grant program to extend access to boarding for rural and remote First Nations students.

To provide access to essential infrastructure, the Government has committed \$150.0 million to improve water security for regional and remote First Nations communities through the National Water Grid Fund. \$20.8 million will also be provided to undertake urgent repairs and capital works for Aboriginal Hostels Limited.

Mutitjulu, a remote First Nations community located within Uluru-Kata Tjuta National Park, will receive an investment of \$92.8 million to undertake critical capital works to supply essential water, sewerage, and electrical services. And funding of \$23.3 million will be provided for residential housing in the Wreck Bay Village.

Improving remote Aboriginal services in the Northern Territory

The Government is working in partnership with the Northern Territory Government and local communities to improve services for First Nations communities in the Northern Territory. The Government is committing \$250.0 million in a plan for *A Better, Safer Future for Central Australia*, which will improve community safety, tackle alcohol-related harm and provide more opportunities for young people. This is in addition to the \$48.8 million investment into community-led responses to improve safety in Alice Springs.

\$40.4 million will support student enrolment and engagement across 46 schools in central Australia. Designed in partnership with the local community, schools will have influence over the activities funded to allow them to respond flexibly to community needs, including On Country learning initiatives.

Looking after our veterans

The Government is continuing to improve the experience for veterans seeking support by implementing the recommendations of the Interim Report of the Royal Commission into Defence and Veteran Suicide. The public consultation on a Pathway to simplify veteran compensation and rehabilitation legislation is underway. The Government is continuing to prioritise work to help eliminate the veterans' claims backlog with an additional \$64.1 million investment in Department of Veterans' Affairs staffing and \$254.1 million to modernise ICT systems.

Keeping Australians safe online

This Budget will provide \$134.1 million for the Office of the eSafety Commissioner to continue to support Australians online, including through enhanced education, outreach and investigatory activities.

Securing Australians' Superannuation

The Government is committed to addressing the key drivers of unpaid superannuation and will align the payment frequency of the superannuation guarantee (SG) with wages and salaries. Aligning the payment of superannuation with wages and salaries will increase retirement incomes through greater compounding returns. This will simplify the tracking of superannuation payments for employees and support early intervention against underpayment. These changes will improve retirement outcomes for around 8.9 million employees, including for young and low-income workers who are most likely to have unpaid super.

A stronger and more secure economy

This Budget invests in growing the economy and delivers a plan for how Australia can convert existing strengths into broad and lasting growth drivers. Clean, cheap energy is at the centre of the Australia's plan to become a renewable energy superpower – powering growth in net zero industries and across our regions (Box 1.1). Together with investments in skills, digital adoption and supply chains, this growth agenda will ensure Australia's economy will take advantage of existing and emerging economic opportunities.

Powering Australia with cheaper, cleaner, and more reliable energy

The Government is unlocking new renewable energy generation and storage capacity to help meet our emissions reduction commitments and deliver cleaner, cheaper, more reliable energy for Australian businesses and households.

Rewiring the Nation

The Government has allocated \$12.0 billion of its \$20.0 billion investment in Rewiring the Nation to transformational transmission projects, putting Australia on track to build an 82 per cent renewable grid by 2030. This includes committing up to \$1.0 billion of low-cost debt for Tasmania's Battery of the Nation projects, \$1.5 billion towards Victorian Renewable Energy Zones and offshore wind, and \$4.7 billion to unlock critical transmission and Renewable Energy Zones in partnership with the New South Wales Government.

Capacity Investment Scheme

The Government is accelerating the transformation to a renewable-based grid through the Capacity Investment Scheme, making sure households and businesses can count on renewable energy being available when they need it. The 2023 tenders of the Capacity Investment Scheme will deliver clean, firm renewable generation and storage to South Australia, Victoria, and New South Wales. These tenders are a first step towards unlocking at least \$10 billion of new investment to accelerate the uptake of clean, firm generation and storage needed to power an 82 per cent renewables grid and replace our retiring thermal power stations.

Electrifying our economy

The Government is accelerating the decarbonisation of our economy through support for energy-saving and electrification upgrades, and improved access to electric vehicles.

This Budget commits \$1.3 billion in the Household Energy Upgrades Fund to incentivise energy saving upgrades for households and social housing and provides a further \$310.0 million in support through the Small Business Energy Incentive.

Building on the Driving the Nation Fund and the Electric Car Discount, the Government has released Australia's first National Electric Vehicle Strategy. The Strategy sets a national framework to guide investment and support uptake of electric vehicles in Australia. As part of the Strategy the Government is providing \$7.4 million to support the introduction of a Fuel Efficiency Standard, to ensure vehicle manufacturers prioritise Australia's market for electric vehicles and other fuel-efficient technologies.

The transport sector will further benefit from \$7.8 million to develop a Transport and Infrastructure Net Zero Roadmap and Action Plan. The Roadmap and Action Plan will present an integrated approach to advance the reduction of emissions across transport modes, alternative fuel, new technology and enabling infrastructure.

Box 1.1: Australia's plan to become a renewable energy superpower

The challenge to reach net zero emissions is transforming the global economy. Australia's unique resources, abundant sun, wind and land, and skilled workforce means this transformation presents a significant opportunity. This Budget invests a further \$4 billion in our plan to become a renewable energy superpower, lifting the Government's total investment in this plan to over \$40 billion.

Powering Australia with clean, cheap and reliable energy

The Government has committed \$23 billion to grow and modernise our electricity grid, boosting energy performance and supporting electrification.

Through its \$20 billion Rewiring the Nation program, the Government is unlocking investment in our electricity grid, allocating over \$12 billion to priority transmission projects since its commencement. This Budget announces initial auctions under the Capacity Investment Scheme, which is the first step towards unlocking \$10 billion of investment in dispatchable renewable generation and storage. This builds on existing investments in Community Batteries for Household Solar, Community Solar Banks and First Nations Community Microgrid program.

Australia can also drive down energy costs by boosting energy efficiency and accelerating electrification. This Budget commits \$1.3 billion in the Household Energy Upgrades Fund and provides a further \$310.0 million in support through the Small Business Energy Incentive to encourage energy saving upgrades. The over \$800.0 million in support for electric vehicles, including support for the introduction of a fuel efficiency standard, will also drive electrification in our transport system.

Powering net zero industries, jobs and communities

The Government has also committed \$17 billion to convert Australia's renewable energy, critical minerals, skilled workforce into broader competitive advantages.

The \$2.0 billion Hydrogen Headstart will support Australia's renewable hydrogen sector to mature, and the Guarantee of Origin scheme will enable exporters to verify emissions of products and certify renewable electricity. The more than \$2 billion invested in critical minerals industry development and international partnerships will put Australia at the centre of net zero supply chains.

The Powering Australia Industry Growth Centre and the up to \$3.0 billion of the National Reconstruction Fund earmarked for renewables and low emissions technologies will broaden these advantages to adjacent industries, and the \$1.9 billion Powering the Regions Fund will ensure net zero drives growth across regions that have traditionally powered Australia.

This Budget puts Australia's plan to become a renewable energy superpower at the centre of the Government's growth strategy and marks the next phase of its implementation with the announcement of the Net Zero Authority, which will ensure all Australians benefit from this economic transformation.

Powering net zero industries and jobs

The global investment landscape for renewable energy and clean energy manufacturing has been transformed through significant international policies such as the United States' Inflation Reduction Act, the European Green Deal and major new policies announced by Japan, India, Canada, and other nations. These international investments will put downward pressure on the costs of some net zero technologies, and demonstrate the increasingly competitive international investment landscape. The Government is taking action to support Australia's growing clean industries and realise the opportunities of the net zero transformation.

The Government's commitment to supporting the net zero transformation is underpinned by clear and legislated emissions reduction targets of 43 per cent by 2030 and net zero by 2050. This shift to a low carbon economy presents Australian regions with enormous opportunities and requires coordinated effort by all levels of government and industry.

Building clean energy industries

The Government is supporting green hydrogen projects through the \$2.0 billion Hydrogen Headstart. This program will support large-scale renewable hydrogen projects through competitive hydrogen production contracts, which will help attract foreign and domestic investment to Australia's hydrogen industry. The program also includes \$2.0 million in funding to support First Nations communities to engage in relevant planning processes.

This Budget provides \$38.2 million to establish a Guarantee of Origin scheme to track and verify emissions associated with hydrogen and low emissions products, as well as provide an enduring mechanism to certify renewable electricity. It will underpin long-term contractual arrangements between producers and consumers, supporting international trade and the creation of domestic markets.

The Government is providing \$57.1 million to develop a Critical Minerals International Partnerships program to secure strategic and commercial partnerships with like-minded partners and develop diverse and resilient critical mineral supply chains. This builds on the existing \$2 billion Critical Minerals Facility and the \$15 billion National Reconstruction Fund, for which the Government has allocated \$1 billion for investments in value-adding in resources, including processing minerals.

The Government is providing \$14.8 million to establish the Powering Australia Industry Growth Centre, which will support Australian businesses looking to manufacture, commercialise and adopt renewable technologies. This is in addition to the up to \$3.0 billion allocated to investments in renewables and low emissions technologies, including green metals, under the National Reconstruction Fund.

Recognising the intensifying competitiveness of the international clean energy investment landscape, the Government will also provide \$5.6 million to analyse the new implications for Australia, and to identify potential actions to catalyse growth in clean energy industries, to ensure the competitiveness of Australian manufacturing and attract capital investment.

Sustainable finance

The Government is committing \$8.3 million over 4 years to develop and issue sovereign green bonds, \$1.6 million to co-fund with the private sector the development of an Australian sustainable finance taxonomy, and \$4.3 million to bolster ASIC's enforcement action against greenwashing. This lays the foundation for an Australian Sustainable Finance Strategy which will support the financial system to fund the transformation to net zero, and ensure Australian firms remain competitive in global capital markets.

Establishing a Net Zero Authority

This Budget funds the establishment of a national Net Zero Authority, with responsibility for promoting the orderly and positive economic transformation associated with achieving net zero emissions.

The Authority will work across all levels of government and with workers, companies, investors, and communities to facilitate economic development and diversification and help smooth the changes as Australia moves to a clean energy economy.

The Authority will also ensure workers are supported as they transition to new opportunities and support First Nations Australians to meaningfully participate.

The Authority will include a focus on the regions, industries and workers that have traditionally powered Australia's economy. As some industries adapt and transition, the Authority will work to ensure new industries come online, and workers, communities and regions are supported.

Safeguard Mechanism and Powering the Regions Fund

The Government's landmark reforms to the Safeguard Mechanism commence on 1 July 2023 and will drive down industrial emissions, assisting Australia to reach its emissions reduction targets. The reforms to the Safeguard Mechanism provide certainty for businesses and will ensure industry remains competitive in a decarbonising global economy. The Government will ensure the Safeguard Mechanism's effectiveness through a review into its policy settings in 2026–27.

In tandem with the reforms to the Safeguard Mechanism, the Powering the Regions Fund will assist regional industries to realise the opportunities of the net zero transformation through the establishment of 3 key streams. The \$600.0 million Safeguard Transformation Stream is allocated for trade-exposed Safeguard facilities and will assist these facilities in reducing their on-site emissions and boost their global competitiveness.

The \$400.0 million Industrial Transformation Stream for existing industrial facilities will support the growth of new clean energy industries in regional areas, decarbonising existing industrial activities and transforming traditional strengths, such as green manufacturing.

The \$400.0 million Critical Inputs to Clean Energy Industries Stream will support sovereign manufacturing capability of critical inputs to the energy transformation, such as steel,

cement, lime, and aluminium. This will support these industries to continue manufacturing while reducing their emissions as well as ensuring access to critical inputs for the transformation.

A sustainable future

Australia's natural environment is both an important economic asset and globally unique in its cultural heritage value. The Government is ensuring Australia continues to be adaptable to the changing global climate and is committed to protecting our environment for future generations to experience and enjoy.

Protecting Australia's unique natural environment

The Government will enhance the ecological sustainability of the Murray-Darling Basin by continuing to deliver on its commitment to implement the Murray-Darling Basin Plan. This Budget includes \$103.7 million to undertake the first statutory review of the Murray-Darling Basin Plan, which will help develop adaptation pathways to respond to new challenges and conditions.

The Government is delivering on its Nature Positive Plan, including \$121.0 million to establish Environment Protection Australia and \$51.5 million to establish Environment Information Australia. The implementation of the Nature Positive Plan will restore public trust in environmental laws and ensure integrity and efficiency in regulatory approvals.

The Government will spend \$355.1 million to address chronic underfunding of our National Parks including Kakadu and Uluru-Kata Tjuta. This includes the funding for Mutitjulu First Nations community identified above. This investment will help preserve the natural and cultural heritage value of Parks, address safety concerns and replace ageing visitor infrastructure.

Safeguarding and supporting agricultural output

Consistent with the Government's election commitment, the Budget includes ongoing funding to strengthen Australia's biosecurity system. More than \$1.0 billion of additional funding will help ensure Australia remains free from invasive pests and diseases that would impact trade, jobs, regional Australia, health outcomes and the environment. The Government's biosecurity regime underpins the farming sector's record \$75 billion in agricultural exports.

Through its National Water Grid Fund, the Government is increasing water security for Tasmanian irrigators. This Budget includes \$109.0 million towards construction of the Northern Midlands Irrigation Scheme and \$62.1 million for the Sassafras-Wesley Vale Irrigation Scheme.

The Government is increasing irrigators' confidence in water trading markets in the Murray-Darling Basin. The Budget includes \$32.7 million for the Bureau of Meteorology to develop reliable data and information systems, including a website with accurate minute-by-minute water market data, enabling greater information sharing and restoring

transparency, integrity, and confidence in key water markets. Improved water market data will also help the Government more efficiently implement the Murray-Darling Basin Plan.

The Budget includes \$38.3 million to enhance the Government's capacity to help farmers manage the impacts of climate change and to better target its agriculture related expenditure. The Australian Bureau of Agricultural and Resource Economics and Sciences will be able to collect better agricultural statistics, improve its climate analysis and upgrade its data and information systems.

Disaster resilience and preparedness

The Government is helping Australian communities improve their disaster readiness in the face of more frequent and intense natural disasters. In 2023–24, the Government is providing \$200.0 million through the Disaster Ready Fund to support projects across Australia, including levee and drainage system upgrades, building seawalls, bushfire risk reduction projects and more.

Australia's extreme weather has tested the resilience of many individuals and communities, with widespread flooding across many parts of Australia due to 3 consecutive La Niña events. The Government has continued to move quickly to support impacted communities to get back on their feet, providing \$1.5 billion to individuals since July 2022 through the Disaster Recovery Allowance and Australian Government Disaster Recovery Payment. Since the October Budget, the Government has committed over \$1.4 billion for its share of targeted assistance under Category C and D of the joint Commonwealth-State Disaster Recovery Funding Arrangements. The Government expects to reimburse the states and territories \$8.4 billion over 5 years from 2022–23 to 2026–27 for costs incurred in relation to past disasters.

Investing in strategic industries

Building the foundations of a stronger and more secure economy will require both the development of new industries and the repair and expansion of Australia's existing industrial capacities. This Budget makes targeted investments to support those new industries and build new sovereign defence capabilities. These will be critical to taking full advantage of the transformation of our economy, deliver advanced technologies for Australia's national security and repairing the supply chains that are needed now and into the future.

National Reconstruction Fund

Building on the October Budget measure, the Government will provide \$61.4 million of funding to support the establishment and operation of the \$15 billion National Reconstruction Fund. The Parliament passed the *National Reconstruction Fund Corporation Act 2023* on 29 March 2023, and it received Royal Assent on 11 April 2023, paving the way for the appointment of the Corporation's Board and the National Reconstruction Fund's launch, expected in mid-2023.

The National Reconstruction Fund will be one of the largest peacetime investments in manufacturing in Australian history. It has been designed to build Australia's industrial capability, with a focus on 7 priority areas that leverage Australia's natural and competitive strengths – renewables and low emissions technologies; medical science; transport; value-add in the agriculture, forestry, and fisheries sectors; value-add in resources; defence capability; and enabling capabilities. Investing in these priority areas will diversify and transform domestic industries, improve supply chain resilience, and ensure businesses are positioned to realise the opportunities presented by the net zero economic transformation.

Industry Growth Program

The new \$392.4 million Industry Growth Program will support Australian small to medium-sized enterprises and startups to commercialise their ideas and grow their operations. This recognises the important contribution small and medium-sized enterprises make, and the role they play in transforming the Australian economy and creating new, high skill jobs. Support will be targeted towards businesses operating in the priority areas of the National Reconstruction Fund.

Securing Australia's Nuclear Medicine and Science Capability

The Government will support the resilience of nuclear medicine supply chains through the design and construction of a new, safe and reliable nuclear medicine manufacturing facility and sustainment of existing capabilities. Nuclear medicine is critical to Australia's health system, touching the lives of thousands of Australians each year. Maintaining a nuclear medicine sovereign capability will reduce the risk of unplanned supply disruptions and promote positive health outcomes for Australians, especially in regional areas.

Building up our defence capability

The Government is also committed to using Australia's expertise in science and technology so that the Australian Defence Force has cutting-edge capabilities. This includes funding of \$3.4 billion over the next decade, to establish the Advanced Strategic Capabilities Accelerator. This investment will transform Australia's defence innovation ecosystem to urgently deliver advanced technologies for Australia's national security.

Growing Australia's Critical Technology Industries

Critical technologies are key to driving Australia's future prosperity. The Government is providing \$101.2 million, to support the growth of critical technologies, including quantum and artificial intelligence (AI) technologies. This will support a Critical Technologies Challenge Program, beginning with a focus on quantum computing. It will also extend the National AI Centre and its role supporting responsible AI usage, and will create an Australian Centre for Quantum Growth to connect and amplify Australia's quantum ecosystem.

Through these targeted investments, the Government will accelerate the adoption and diffusion of critical technologies across the economy, helping Australian businesses innovate in their business operations and develop new products.

National Cultural Policy

The *National Cultural Policy – Revive*: a place for every story, a story for every place is a 5-year plan to renew and revive Australia’s arts, entertainment, and cultural sector. Backed by \$286.0 million in dedicated funding, *Revive*’s centrepiece is the establishment of Creative Australia, the Government’s new principal arts investment and advisory body.

Building on *Revive*, a further \$535.3 million will support the 9 National Collecting Institutions (including the National Library of Australia and the National Gallery of Australia), to preserve and promote Australian arts, culture, and heritage. In addition, ongoing incentives for the film industry will support economic activity, jobs and local businesses in the film and television industry.

Supporting small business

Innovative and hardworking small businesses are a key foundation of the economy, and the Government is making it easier for small businesses to continue their critical role in securing Australia’s future prosperity.

Small and medium business investment

The Government is improving cash flow and reducing compliance costs for small businesses by providing a \$20,000 instant asset write-off. Small businesses with aggregated annual turnover of less than \$10 million will be able to immediately deduct eligible depreciating assets costing less than \$20,000, which are first used or installed ready for use between 1 July 2023 and 30 June 2024. The \$20,000 threshold will apply on a per asset basis, so small businesses can instantly write off multiple assets. The \$20,000 instant asset write-off is estimated to provide around \$290.0 million in cash flow support for small businesses over the forward estimates.

A new Small Business Energy Incentive will complement the \$20,000 instant asset write-off. It will help small and medium businesses complete energy saving upgrades and reduce their power bills. Up to 3.8 million small and medium businesses with aggregated annual turnover of less than \$50 million will have access to a bonus 20 per cent tax deduction for the cost of eligible depreciating assets, from 1 July 2023 until 30 June 2024. The Small Business Energy Incentive will be available for up to \$100,000 of total expenditure on eligible assets.

This incentive is estimated to provide \$310.0 million in tax relief, helping pay for upgrades like electrifying heating and cooling systems, installing batteries, and switching to energy-saving electrical goods such as efficient fridges and induction cooktops. At a time when small businesses are working to bounce back from challenging economic conditions, this incentive will help them lay the foundations for their future growth and build their resilience to energy price shocks.

Reducing the time small businesses spend doing taxes

The Government is delivering on its election commitment to reduce the time small businesses spend doing taxes through carefully targeted measures – saving small businesses both time and money which is better spent on growing their business.

These measures will make interactions with the ATO quicker and cheaper. The measures will allow more time for small businesses to amend tax returns, trial ATO independent reviews of audits for an expanded population of small businesses, and reduce the use of cheques. Unnecessary duplication of paperwork for Single Touch Payroll lodgments will be eliminated by allowing employers to provide their tax agents with authority to act on their behalf for extended periods.

In addition, the Budget will also fund an additional 5 tax clinics from 1 January 2025, with at least 2 of these additional clinics delivered through TAFEs. Expanding free clinics to TAFEs, which have a strong presence in regional areas, will assist small businesses who do not currently have easy access to professional tax assistance.

Small business cyber security program

The Budget provides \$23.4 million to support small businesses to build resilience to cyber threats. Small and medium businesses are the target of 60 per cent of cybercrime, which is now costing Australia more than \$33.0 billion in reported losses per year. The Cyber Wardens program will address this vulnerability by equipping small businesses with the foundational skills they need to improve cyber safety. This program will be delivered by the Council of Small Business Organisations Australia and will support more than 15,000 small businesses.

Investing in a stronger, more productive and safer digital future

Data and digital transformation continue to present new opportunities for governments, businesses, communities, and households to change the way Australians live and work. This Budget ensures Australians are at the forefront of the digital economy while protecting them from the potential risks of the digital transformation. The Government is investing more than \$2.0 billion in 2023–24 in digital and ICT to deliver easy, accessible, and secure services for people and businesses.

Consumer Data Right

The Government is continuing its investment in the Consumer Data Right (CDR) with \$88.8 million to support the CDR in banking, energy and the non-bank lending sectors, progress the design of action initiation and undertake a cyber security uplift. This provides Australian consumers, both individuals and small businesses, with a more secure way to safely share data online. The CDR gives consumers an enhanced ability to control and benefit from the sharing of their data. The CDR will empower consumers to make better informed decisions and find better prices from everyday utilities to the most competitive home loans for their circumstances.

Protecting Australians against scams

Harnessing the benefits of the digital economy also increases the risks of some consumer harms. Australians are losing billions of dollars each year to scams, with the scale of loss increasing as scammers use sophisticated emerging technology to make scams harder to identify. The Government has responded by strengthening scam detection and disruption measures, including providing \$58.0 million to deliver on its commitment to establish a National Anti-Scam Centre. It will commit \$17.6 million to take down investment scam and phishing websites, and \$10.9 million to launch and maintain an Australian SMS Sender ID Registry to help prevent scams imitating key industry or government brand names in text message headers.

Expanding Digital ID

Australia's identity system is critical national infrastructure that enables a wide range of services across the economy. This system includes solutions such as Digital ID, which can provide a secure, voluntary and convenient way to verify a person's identity online, while minimising collection of their personal information. The Government is investing \$26.9 million in 2023–24 to sustain and develop the next stage of the Digital ID program. This will help increase consumer protection, reduce the chances of fraud occurring, improve efficiency, and make it easier for people to access services online.

Digital systems that drive better care

Improving the use of data and digital technology is a key pillar of the Government's vision to strengthen Medicare. Modernising Australia's digital health system will improve the coordination of care and lead to better patient outcomes. The Government is providing \$325.7 million to establish the Australian Digital Health Agency as an ongoing entity, securing its role as the steward of the nation's digital health infrastructure. The Government will also invest \$429.0 million to maintain and enhance the My Health Record system and \$69.7 million for other digital health initiatives. The Government has provisioned funding to the next Digital Health Intergovernmental Agreement with all states and territories.

Investing in people and their skills

The strength of Australia's economy both today and into the future is built on a well-trained workforce. This Budget makes investments to give Australians access to the skills and training opportunities they need for rewarding work, and ensure Australia has the skilled workforce needed for critical industries and high-quality services.

Expanding access to quality training

The Government is delivering on its commitment from the Jobs and Skills Summit to improve apprenticeship support services, increase the diversity of the apprentice workforce and drive up apprenticeship completion rates. The Government is consulting on a redesign of the program which aims to improve access to secure and rewarding jobs, and address industry needs through apprenticeship pathways. Reforms are aimed at removing barriers

for women seeking a career in higher paid trade occupations and strengthening supports for apprentices with disability, First Nations apprentices, and apprentices in remote areas. These aspiring apprentices – who typically have lower completion rates – will have access to personalised support and mentoring from commencement through to completion of their apprenticeship. Past program experience shows that apprentices who receive support services like mentoring are more likely to complete their apprenticeship.

The Government is expanding access to foundation skills training. The redesigned foundation skills program delivers on the Government's commitment at the Jobs and Skills Summit, and will ensure all Australians 15 years and over can access training to develop the language, literacy, numeracy and digital skills required to successfully participate in work, education and society.

The Australian Skills Guarantee ensures 1 in 10 workers on major Government-funded construction and ICT projects will be an apprentice or trainee, and it will start to address long-term structural problems of gender inequality in apprenticeships. It will set national targets for women apprentices and trainees working on these projects, and a further target for women in trade roles. Targets for women apprentices in construction will increase annually. This will more than double participation for women in apprenticeships and traineeships, and triple participation in trade apprenticeships, on Skills Guarantee construction projects by 2030.

To strengthen and reform the VET sector over the long term, the Government and states and territories are negotiating a new 5-year National Skills Agreement to commence from 1 January 2024. The new Agreement will ensure a responsive VET sector that is able to provide the right training for critical and emerging industries, and it will provide additional support for priority groups including women and First Nations Australians. The Government is providing funding for 300,000 TAFE and vocational education training places to become fee-free. This will assist students with cost-of-living challenges and enable them to gain the skills that employers need.

Teacher Workforce Action Plan

In addition to the \$328.0 million committed in the October Budget to address teacher shortages, the Government will contribute a further \$9.3 million to help attract, train and retain teachers as part of implementation of the National Teacher Workforce Action Plan. This includes additional assistance for early career teachers and guidance to support delivery of changes to the national curriculum. This is on top of previously announced initiatives including more university places, scholarships and a campaign to raise the status of the profession.

Support for the Early Childhood Education and Care Workforce

This Budget is investing \$72.4 million to support the skills and training of workers in the early childhood education and care sector. This includes \$34.4 million to support educators to undertake professional development and \$37.9 million to provide financial assistance for educators to complete their practicum requirements for a Bachelor or postgraduate degree



Statement 2: Economic Outlook

Global growth is set to slow considerably in 2023. High inflation, sharply rising interest rates, and a tightening in financial conditions associated with recent banking sector strains are all weighing on activity. These factors are expected to more than offset the boost from the earlier-than-anticipated reopening of China's economy, following the lifting of pandemic restrictions from December 2022 onwards.

Global growth is expected to slow from 3.4 per cent in 2022 to 2 $\frac{3}{4}$ per cent in 2023, before a modest pick-up to 3 per cent in 2024 as inflation eases and financial conditions improve. Growth over the next 2 years is expected to be the weakest in over 2 decades, excluding the Global Financial Crisis and the pandemic. The global outlook remains highly uncertain with the balance of risks firmly tilted to the downside. Recent banking sector stress has added to the elevated risk of recession in some advanced economies.

The Australian economy is not immune from these global economic challenges, but it is well placed to navigate them. The unemployment rate is holding near 50-year lows of 3.5 per cent, wages growth has picked up, and national income is being supported by elevated commodity prices, which are flowing through to higher export revenues. These factors have helped to deliver solid growth in 2022–23.

While the Australian economy is expected to outperform all major advanced economies, global and domestic headwinds will be a drag on activity in 2023–24. High inflation and the rise in interest rates are squeezing households and weighing on dwelling investment. A rebound in services exports is helping to offset the slightly faster downturn in domestic demand than anticipated at the October Budget, with real GDP growth unchanged at 1 $\frac{1}{2}$ per cent in 2023–24. Employment growth is expected to moderate as the economy slows, but to a lesser extent than expected at the October Budget. The unemployment rate is projected to remain low by historical standards, rising modestly to 4 $\frac{1}{4}$ per cent by the June quarter of 2024 and 4 $\frac{1}{2}$ per cent by the June quarter of 2025.

Economic growth is expected to strengthen in 2024–25 as inflation returns to target and positive real wage growth continues. The economy is forecast to expand by 2 $\frac{1}{4}$ per cent in 2024–25 and 2 $\frac{3}{4}$ per cent in 2025–26. The continued recovery in population growth and an associated increase in investment in new housing will reinforce the expected rebound.

Inflation has peaked and begun to moderate. While still uncomfortably high, inflation outcomes have been less severe than in Europe, the UK and US. Domestic inflation peaked at 7.8 per cent in the December quarter of 2022, fell to 7.0 per cent in the most recent quarter, and is expected to return to the inflation target in 2024–25. The global price shocks and supply constraints that contributed to the surge in inflation over the past year are easing, although oil prices remain above pre-COVID levels and market rents are expected to remain elevated.

The Government's measures to deliver cost-of-living relief directly reduce the CPI in 2023–24, and are not expected to add to broader inflationary pressures in the economy. These measures are expected to reduce inflation by $\frac{3}{4}$ of a percentage point in 2023–24.

Nominal wage growth has picked up and is expected to build to 4 per cent in 2023–24, its fastest pace since 2009. The pace is then projected to ease to $3\frac{1}{4}$ per cent in 2024–25 as the labour market softens and administered wage outcomes normalise. There is no evidence of a wage-price cycle developing and inflation expectations remain well-anchored. The lift in wages growth has been supported by the Fair Work Commission determinations on the minimum wage and will be assisted further by the Aged Care Work Value Case.

With inflation moderating and wages picking up, positive real wage growth is expected to return in early 2024. This is slightly earlier than anticipated in October, largely due to the reduction in inflation from the Government's Energy Price Relief Plan. Responsible and targeted cost of living relief, indexation of government allowances and pensions and the potential impact of the Annual Wage Review decision will also support many low-income households.

There are significant risks to the economic outlook. Further tightening in global monetary policy in response to more persistent global inflation or a deterioration in financial conditions could trigger a more pronounced slowing in the world economy. This would spill over to commodity prices, consumer and business confidence and real activity. Uncertainty also remains about the ongoing impacts of Russia's invasion of Ukraine. Domestic inflation could be more persistent, which would dampen household spending through further reductions in real incomes and higher-for-longer interest rates. Consumer spending could also soften more than anticipated if households become more cautious in the face of the current cost-of-living pressures.

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Statement 2: Economic Outlook

Outlook for the international economy

Outlook for global growth

Elevated core inflation, sharp rises in interest rates and tighter financial conditions are all expected to constrain growth in advanced economies in 2023 to well below the pre-pandemic average. These pressures will more than offset the boost from the earlier-than-anticipated reopening of China's economy and unexpected resilience to date in advanced economies, most notably in the United States and euro area.

Global growth is expected to slow from 3.4 per cent in 2022 to 2 $\frac{1}{4}$ per cent in 2023. A modest pick up to 3 per cent is then expected in 2024, as inflation and financial conditions begin to ease. Overall, growth over 2023 and 2024 is projected to be the weakest 2 years in over 2 decades, excluding the Global Financial Crisis and the pandemic. The earlier-than-anticipated reopening of China's economy has led to an upgrade in Major Trading Partner growth by $\frac{1}{4}$ of a percentage point to 3 $\frac{1}{4}$ per cent in 2023. Australia's growth is expected to exceed all major advanced economies in 2023 (Chart 2.1).

The full effect of the rapid tightening in monetary policy has yet to flow through the global economy. Growth in some advanced economies has been surprisingly resilient, including the United States, but there are clear signs that higher interest rates are weighing on demand, particularly in the housing sector. Financial market participants anticipate policy rates have now peaked in the United States and are expected to fall over the course of the year (Chart 2.2). However, central banks are yet to signal that an easing in monetary policy is appropriate in 2023.

Recent bank collapses in the United States have added additional uncertainty to the outlook. There is potential for further disruption as the economy and financial sector continue to adjust to higher interest rates. Swift and coordinated regulatory responses have helped to avert a broader systemic financial shock, allowing financial markets to stabilise. Nevertheless, stresses have exposed vulnerabilities in parts of the global banking system, heightened investor risk aversion and generated tighter financial conditions for households and firms. This will weigh on growth, particularly in the United States and Europe.

The outlook for growth in advanced economies remains highly uncertain with risks firmly weighted to the downside. Financial conditions could deteriorate once again if markets become concerned about the health of financial institutions. The rapid rise in interest rates could also lead to a sharper slowdown in investment and consumer spending (and therefore growth) than currently anticipated. This outcome would be further compounded if inflation in advanced economies proves more persistent, requiring a more sustained tightening in monetary policy than currently expected.

Offsetting these developments in advanced economies has been the improved outlook for growth in China following its rapid transition from zero-COVID policy settings over December 2022 and January 2023. The removal of activity restrictions led to a strong

rebound in activity in the March quarter, driven by greater household consumption of services. This recovery has led to an upgrade to China's forecast growth to 5¾ per cent in 2023, comfortably above the Chinese authorities' 5 per cent target. This has also led to an upgrade in Major Trading Partner growth by ¼ of a percentage point to 3¼ per cent in 2023.

The reopening of China's economy has been accompanied by supportive policy settings. Fiscal support introduced last year is still flowing into infrastructure investment. There are also tentative signs China's property market may now be improving following the introduction of policy support for developers in late 2022. Households in China have responded positively to the reopening of the economy, although weak consumer confidence remains a key downside risk for the outlook.

Growth in Other East Asia and India will slow in 2023 due to tighter monetary policy and high inflation. Additionally, the slowing of advanced economies will crimp growth in export-driven economies of Other East Asia. However, China's reopening will support activity across the region, with Asia expected to outperform the global average over the forward estimates.

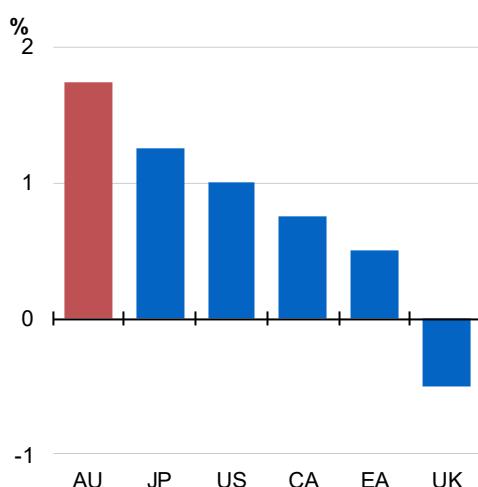
Table 2.1: International GDP growth forecasts^(a)

	Outcome		Forecasts (Calendar Years)	
	2022	2023	2024	2025
Australia	3.6	1 ¾	1 ½	2 ¾
China	3.0	5 ¾	4 ½	4 ½
India	6.7	5 ½	6 ¼	6 ¾
Japan	1.0	1 ¼	¾	1
United States	2.1	1	¾	2 ¼
Euro area	3.5	½	1	1 ¾
United Kingdom	4.1	-½	½	2 ¼
Other East Asia (b)	4.4	3 ¼	4	4 ¼
Major trading partners	3.0	3 ¼	3 ¼	3 ½
World	3.4	2 ¾	3	3 ½

- a) World and Other East Asia growth rates are calculated using GDP weights based on purchasing power parity (PPP). Growth rates for major trading partners are calculated using Australian goods and services export trade weights.
- b) Other East Asia comprises Indonesia, Malaysia, the Philippines, Thailand, Vietnam and Singapore, along with Hong Kong, South Korea and Taiwan.

Source: National statistical agencies, IMF, Refinitiv and Treasury.

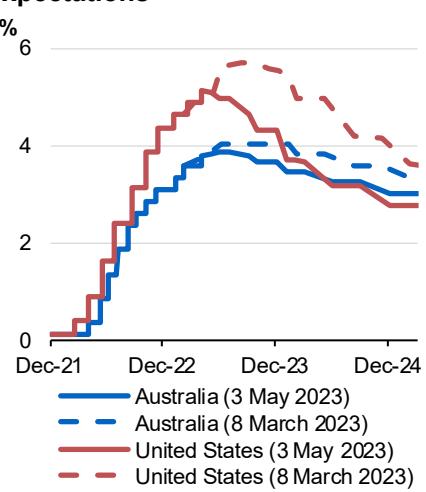
Chart 2.1: 2023 growth forecasts



Source: Treasury.

Note: AU is Australia. JP is Japan. US is United States. CA is Canada. EA is euro area. UK is United Kingdom.

Chart 2.2: Market-implied policy rate expectations



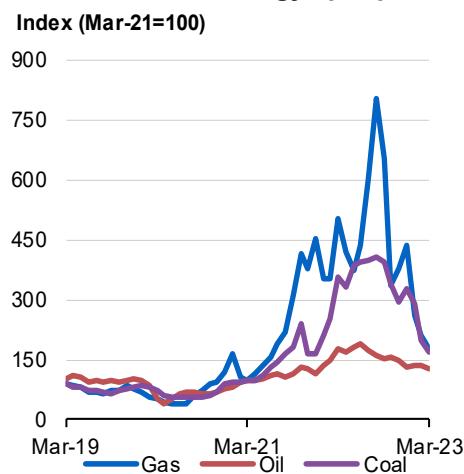
Source: Bloomberg.

Note: Derived from OIS market pricing

Outlook for global inflation

Inflation in advanced economies is expected to gradually decline over 2023 and 2024. Food and energy inflation is expected to subside as commodity markets continue to adjust to Russia's invasion of Ukraine (Chart 2.3). Broader pandemic-induced supply and demand dynamics are also rebalancing, which is reflected in the easing of supply chain bottlenecks for goods and falling global shipping prices (Chart 2.4). Nevertheless, in some countries, including the US, inflation is proving relatively sticky and is not expected to return to target until 2025.

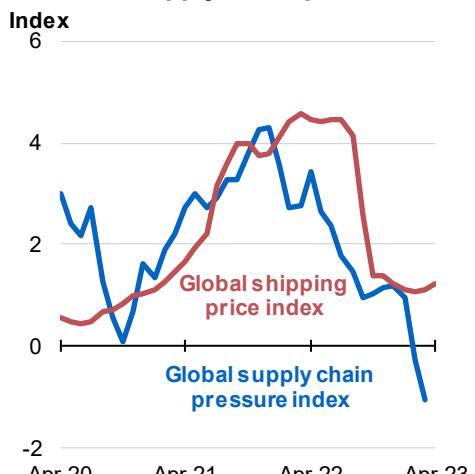
Chart 2.3: Global energy spot prices



Source: IMF and Refinitiv.

Note: Oil prices include Brent, WTI and Dubai Fateh. Gas prices include European, Japanese and American prices. Coal prices include Australian and South African prices.

Chart 2.4: Supply chain pressures

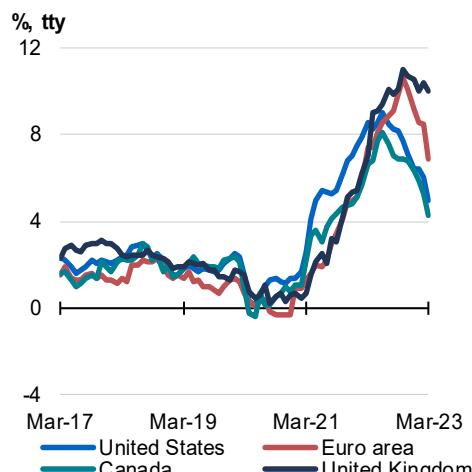


Source: Federal Reserve Bank of New York, Harper Petersen & Co and Refinitiv.

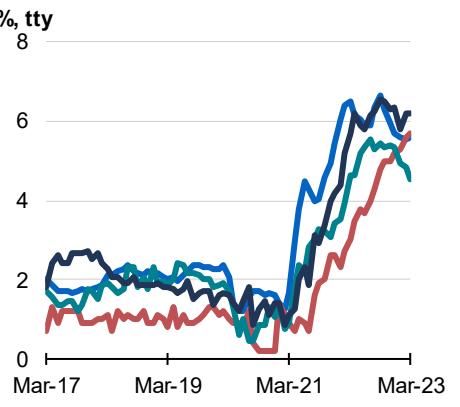
Note: Global shipping price index is the HARPEX container shipping index, which is in nominal terms. The long-term average index value for supply chain pressures is zero.

Core inflation remains more persistent than headline inflation (Chart 2.5 and 2.6). There are signs core inflation has moderated in the United States and Canada, but in the euro area and United Kingdom the pass through of sharper energy price inflation has limited any moderation. Strong services inflation is being led by inflation in travel services, as the industry struggles to meet the sharp recovery in demand. Services categories exposed to earlier goods price inflation, such as motor vehicle insurance and repair and food-related services, are also contributing.

Labour markets have remained tight in many countries, with unemployment rates at or below pre-pandemic levels. This has driven elevated wages growth, which is contributing to stronger services inflation. However, the risk of a wage-price spiral in advanced economies is receding, as the pace of wage growth has moderated in some countries, including the US and Canada.

Chart 2.5 Headline inflation

Source: Refinitiv, US Bureau of Labor Statistics, Statistics Canada, Eurostat and Office of National Statistics United Kingdom.

Chart 2.6 Core inflation

Source: Refinitiv, US Bureau of Labor Statistics, Statistics Canada, Eurostat and Office of National Statistics United Kingdom.

Oil prices are well below the levels seen over 2022, despite the recent announcement of quota cuts by OPEC+. Limited inflows of Russian piped natural gas and the need to build LNG trade infrastructure in the US and Europe means the global gas market will remain structurally tight until around 2026. In the meantime, natural gas will remain vulnerable to weather-related price spikes, particularly during the northern hemisphere winter. Gas and thermal coal prices are likely to move together in response to these demand side shocks, as electricity generators switch fuel sources to minimise costs.

China is the most notable exception to the current period of elevated global inflation. There are few signs of a broad-based pick-up in consumer prices, with inflation remaining below the government's target of around 3 per cent. Chinese export prices moderated in early 2023, consistent with easing supply chain pressures.

Global policy and financial conditions

Policymakers globally continue to use a range of tools to bring down inflation while balancing growth, cost-of-living pressures, and financial stability considerations. Monetary policy has been the main tool deployed to slow demand and bring down inflation. Many countries have used targeted fiscal policies to offset the impact of elevated cost-of-living pressures on their most vulnerable households. More recently financial regulators have acted swiftly to address bank failures, backstopped by central banks' liquidity actions, to stem the risk to the broader financial system.

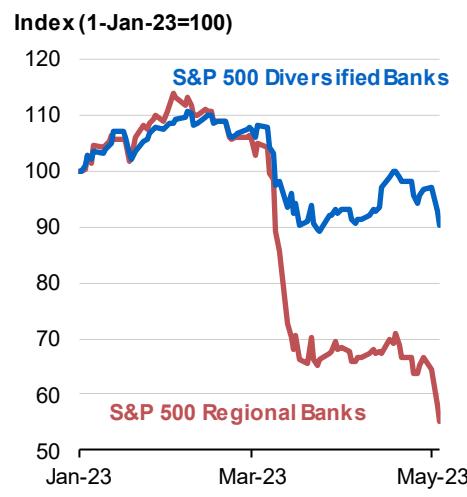
After a period of synchronised rapid interest rate hikes, many central banks have now slowed the pace of tightening. Some, including the Bank of Canada and Bank of Korea, have paused rate hikes to assess the economic impact of their cumulative increase. The

most significant exceptions to the tightening of macroeconomic policy globally are China and Japan, where monetary policy remains accommodative.

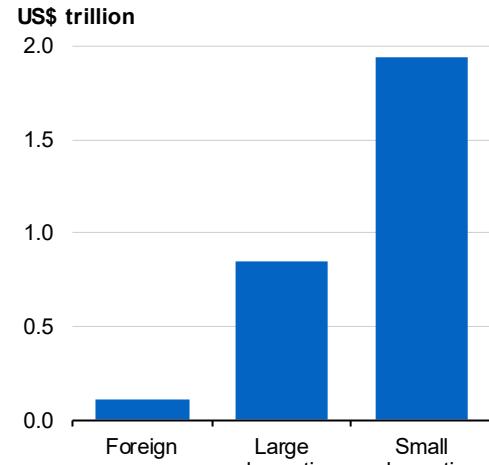
Market volatility and measures of financial market stress have increased since March triggered by the collapse of two US regional banks and concerns about the long-term viability of Credit Suisse which was ultimately resolved through a government-facilitated takeover by UBS. In early May the US government also facilitated the sale of another US regional bank, First Republic. Global policy makers' swift and coordinated response to these events, which included protection of depositors and the provision of liquidity by central banks, mitigated broader systemic impacts.

While most large US and European banks' share prices have stabilised, prices for many mid-sized and smaller banks remain well below earlier levels (Chart 2.7). Sentiment among investors and deposit holders also remains fragile and commercial real estate exposure is seen as another potential source of vulnerability, especially among small banks who hold the majority of outstanding commercial real estate loans in the US (Chart 2.8).

In emerging market and developing countries, the combination of higher borrowing costs and the slowing in growth is generating debt distress. In April, the IMF highlighted that over 50 per cent of low-income developing countries are either in or at high risk of government debt distress, and about 25 per cent of emerging market economies are at high risk. Limited fiscal space could curtail policy options for these countries and contribute to further instability in the global economy.

Chart 2.7: S&P 500 US bank indexes

Source: Bloomberg.

Chart 2.8: Commercial real estate loans in the US by type of lender

Source: United States Federal Reserve and Refinitiv.

Note: Large domestic banks are the top 25 US-chartered banks ranked by US assets. Small domestic banks hold around 29 per cent of all US bank assets. Data covers the week ending 19 April 2023.

Key risks to the international outlook

The international outlook remains highly uncertain, with the balance of risks firmly tilted to the downside. There remains an elevated risk of recession across major advanced economies. An immediate and potentially significant downside risk to the global economy is an escalation of the recent banking sector stress (Box 2.1).

These events have complicated the task of central banks in setting monetary policy. Most central banks have acknowledged the tightening in financial conditions due to the recent bank failures may limit the extent of further increases in policy rates. However, the extent and impact of this tightening in financial conditions is highly uncertain and difficult to quantify, increasing the risk that central banks over- or under-estimate the amount of additional monetary policy tightening required to bring inflation sustainably back to target.

While headline inflation is expected to continue to fall, core inflation may remain more persistent than expected. Additionally, energy and food markets remain vulnerable to extreme weather events, which have become more common, and to an escalation of Russia's invasion of Ukraine. Either event could require tighter monetary policy and a larger increase in unemployment if the associated higher prices flow through to core inflation or increase inflation expectations.

There are also upside risks to growth. If the banking sector stress remains contained and the flow of credit is not materially impacted, this could see stronger outcomes for investment, consumer spending and labour markets. Additionally, in some countries, such as the US, wage growth is moderating whilst employment growth remains robust. If this trend continues, inflation may be able to return to target without the economy slowing as much as currently expected.

Outlook for major trading partners

China's economy is forecast to grow by 5¾ per cent in 2023 and 4½ per cent in 2024 and 2025. The sudden removal of strict COVID-19 containment measures led to a strong rebound in the services sector in the March quarter of 2023 (Chart 2.9), as consumption of services picked up. There are also early signs of an improvement in China's property sector following the policy support introduced in late 2022, which will flow through to dwelling construction. With Chinese consumer confidence still fragile, the rebound in consumption over the rest of the year is expected to moderate.

Near-term risks to the Chinese economy are broadly balanced. A faster-than-expected slowing of global demand may lead to further falls in exports and weaker growth. Alternatively, a quicker-than-expected recovery in domestic consumption or property investment could strengthen and accelerate the rebound.

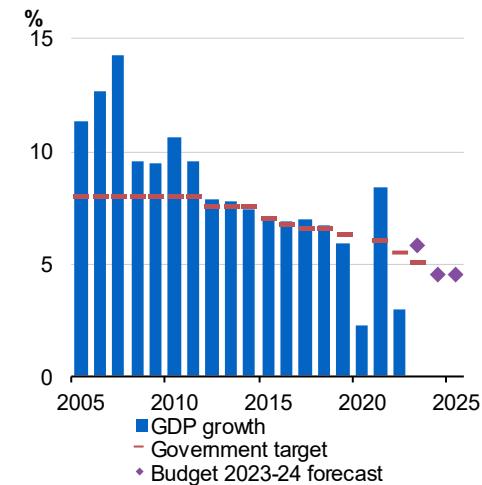
The 2023 growth target of "around 5 per cent" announced at the National People's Congress in March is the lowest in China's recent history (Chart 2.10). The target is likely to be easily exceeded this year as the economy benefits from the rebound out of pandemic restrictions. However, growth above 5 per cent will be more difficult to achieve in future years due to structural pressures, including demographic trends and slowing productivity growth.

Chart 2.9: China Services Purchasing Managers' Index



Source: Bloomberg and National Bureau of Statistics, China.

Chart 2.10: Chinese GDP growth forecasts



Source: Refinitiv, Treasury and National sources.

The **United States** economy is forecast to grow by 1 per cent in 2023, $\frac{3}{4}$ per cent in 2024 and $2\frac{1}{4}$ per cent in 2025. The cumulative effects of monetary policy tightening and tighter credit conditions due to banking sector stresses are expected to see US growth slow sharply over the remainder of 2023, with a recession remaining a risk. This follows unexpectedly solid growth in late 2022 and early 2023, underpinned by still firm employment growth and the inflation-indexed increase in income tax brackets. Weakness in interest rate-sensitive components of domestic demand, including housing and commercial property investment, will lead the slowdown and in turn flow through to slower employment, income and consumption growth.

The US Congress will need to raise the Federal government debt ceiling later this year to avoid disruption to day-to-day government activities. In January 2023 the US Treasury enacted extraordinary measures to avoid a technical default after reaching its debt ceiling. If action by Congress to raise or suspend the debt ceiling is delayed this could generate volatility in financial markets, which could weigh on credit flows and broader economic activity.

The **euro area** economy is forecast to grow by $\frac{1}{2}$ per cent in 2023, 1 per cent in 2024 and $1\frac{3}{4}$ per cent in 2025. Activity was flat in the December quarter of 2022 and growth was weak in the March quarter of 2023 as uncertainty and high inflation weighed on household consumption. Despite growth stalling, this outcome was stronger than the expected economic contraction, with milder than expected winter temperatures and significant fiscal packages buffering the impact of the earlier energy price shock.

High inflation continues to weigh heavily on the outlook, with core inflation higher than the beginning of 2023. The European Central Bank has responded by continuing to raise interest rates at its recent policy meetings.

Vulnerabilities in the European financial system were exposed in March when Credit Suisse customers and investors became concerned about its long-term viability, forcing a government-facilitated takeover by UBS. Uncertainty continues to be high as other European banks face increased scrutiny over their exposures. This financial sector stress will likely weigh on growth by impairing the flow of credit and undermining confidence. As such, growth is expected to remain weak in 2023. Beyond 2023, a pick-up is expected as moderating inflation generates an improvement in real household incomes and allows some mild easing in policy interest rates.

Growth in **Japan** is expected to be 1¼ per cent in 2023, ¾ per cent in 2024 and 1 per cent in 2025. Growth in 2023 will be supported by record levels of fiscal support and a recovery in services consumption following the pandemic, as consumer confidence, although depressed, continues to improve. The resolution of global supply chain constraints is expected to support Japanese manufacturing, particularly in the auto industry.

Monetary policy will likely remain accommodative and support growth, with inflationary pressures limited compared to other economies. Annual wage negotiations for 2023 delivered the largest pay increase in multiple decades, but they only cover a small portion of Japan's workforce.

Growth is expected to slow in 2024 as base effects dissipate and fiscal policy becomes less expansionary. Japan remains vulnerable to recessionary risks in the United States and euro area, which would reduce Japan's export volumes and dampen business investment.

The **United Kingdom** economy is forecast to contract by ½ per cent in 2023, before growing by ½ per cent in 2024 and 2¼ per cent in 2025. Growth slowed substantially over 2022, with the economy only narrowly escaping a technical recession in the second half of the year as high energy prices held back consumption. Economic activity is expected to contract across 2023 as the impacts of monetary tightening continue to build, household purchasing power remains weak and increases in personal and company taxes take effect. As inflation moderates, improvements in real household incomes and some easing of financial conditions are expected to lead to a pick-up in growth over 2024 and 2025.

Risks are tilted to the downside and the United Kingdom economy is vulnerable to being adversely affected by financial sector stress. Domestic inflationary pressures and wage growth have continued to be strong, and markets expect further interest rate hikes from the Bank of England. Nevertheless, inflation is expected to return to target as energy inflation subsides and a period of weak growth sees supply and demand rebalance.

The economies of **Other East Asia** are forecast to grow by 3¼ per cent in 2023, 4 per cent in 2024 and 4¼ per cent in 2025. Growth will slow in 2023 due to tighter monetary policy and high inflation. Partially offsetting this will be the benefits from China's reopening, including increased international tourism. In contrast, the slowing of advanced economies in 2023 will weigh on export demand. Risks remain tilted to the downside with the region vulnerable to the uncertain global outlook, elevated inflation and high interest rates.

India's economy is forecast to grow by 5½ per cent in 2023, followed by 6¼ per cent in 2024 and 6¾ per cent in 2025. While growth is expected to slow in 2023, India will remain one of

the fastest growing major economies. Growth has been resilient in recent quarters but momentum has slowed as the pandemic rebound has faded. Elevated inflation and higher interest rates are likely to weigh on domestic demand in the near term, while strong government investment is expected to be a key source of growth.



Box 2.1: Global financial stress scenario

The Budget economic outlook incorporates a moderate tightening in global financial conditions arising from recent instability in the global banking system. To assess the uncertainty around the forecasts, Treasury has also modelled the impact of an escalation of global financial sector stress on the global and Australian economies.

The scenario assumes there are further failures of small financial institutions internationally. Financial authorities contain the fallout and quarantine the affected institutions, limiting contagion and preserving the sound functioning of the global financial system. Nonetheless, further instability leads to a significant deterioration in investor sentiment, additional tightening in global credit conditions and negative impact on global consumer and business confidence.

While not immune to the effects of global financial instability, the Australian banking system is well-placed to absorb shocks emanating from overseas. Australia's unquestionably strong prudential requirements, introduced in January 2023, exceed international standards in several areas. As a result, Australian banks have strong capital positions and liquidity coverage.

Nonetheless, in the scenario additional global investor uncertainty is expected to impact the Australian economy. Financial and other asset prices fall, and heightened investor risk aversion contributes to a material tightening in domestic financial conditions. Reduced household and business confidence would slow consumption and investment and contribute to weaker employment growth. Weaker global activity would also weigh on demand for Australian exports.

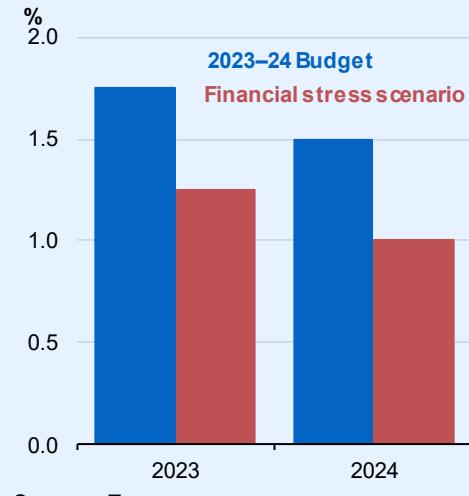
In the scenario, global growth in both 2023 and 2024 slows to 2 per cent rather than $2\frac{3}{4}$ per cent and 3 per cent, respectively, in the forecasts. Australian growth would slow to $1\frac{1}{4}$ per cent in 2023 and 1 per cent in 2024, around $\frac{1}{2}$ of a percentage point lower than in the forecasts (Chart 1). The Australian unemployment rate rises somewhat more quickly and to a higher level than in the forecasts, reaching a rate of $5\frac{1}{4}$ per cent in June 2025 rather than $4\frac{1}{2}$ per cent (Chart 2).

Growth in Australia would likely prove more resilient compared with other advanced economies that are more directly exposed to the banking sector failures. A more severe shock that affects the core of the global financial sector, similar to developments during the Global Financial Crisis, would have a more severe impact on the world economy and Australia.

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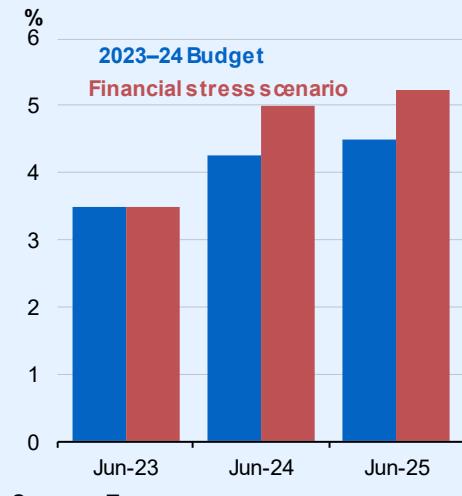
Box 2.1: Global financial stress scenario (continued)

Chart 1: Annual GDP growth, Australia



Source: Treasury.

Chart 2: Unemployment rate, Australia



Source: Treasury.

Outlook for the domestic economy

The Australian economy has shown resilience to global headwinds, supported by a post-pandemic rebound in household spending, strong employment growth and a pick-up in wages. National income is also being supported by elevated commodity prices. Real GDP growth is expected to be 3¼ per cent in 2022–23.

But the economy is not immune to the global slowdown and there are clear signs that domestic demand is responding to higher interest rates and other cost-of-living pressures. This slowing was expected in the October Budget, but has materialised slightly earlier than anticipated, with consumers and the housing sector most exposed. This is being offset by a stronger than expected rebound in service exports following the reopening of international borders. Overall, the near-term outlook for real GDP growth is unchanged from the October Budget, slowing to 1½ per cent in 2023–24, and then strengthening to 2¼ per cent in 2024–25 (Chart 2.11).

Inflation peaked at the end of 2022 and is now moderating. Supply constraints and the impact of Russia’s invasion of Ukraine have begun to subside and the Government’s Energy Price Relief Plan is expected to further reduce inflation in 2023–24. This should see inflation return to the RBA’s target band in 2024–25, although cost-of-living pressures will remain a near term weight on households.

Financial markets and market economists now expect the cash rate to remain at 3.85 per cent until early 2024, before gradual cuts back to 3 per cent by June 2025. This is slightly above expectations at the October Budget, which will put a further drag on consumption and dwelling investment activity once the backlog of work is completed in the near term. Both have been downgraded since the October Budget.

Business investment is expected to support activity, underpinned by the strong pipeline of work and a need to add capacity to meet the level of demand. Adding to the recovery in services exports, mining and rural export volumes are forecast to recover after weather-related disruptions. Spending on goods imports and overseas travel by Australians is expected to moderate, in line with more subdued domestic demand.

The tight labour market has persisted but is expected to gradually soften in response to slowing demand. Employment growth will be supported by stronger migration, with a projected increase of 1 per cent in 2023–24. This is ¼ of a percentage point stronger than the October Budget. The unemployment rate is expected to increase modestly from a near 50-year low of 3.5 per cent to 4¼ per cent by the June quarter of 2024, and 4½ per cent in the June quarter of 2025. Even with this modest rise, the unemployment rate is expected to remain low by historical standards. The labour force participation rate is expected to fall slightly to 66¼ per cent in the June quarter of 2025, but remain at high levels.

The strength of recent labour market outcomes is flowing through to wages, with growth projected to reach 4 per cent in 2023–24, its fastest pace since 2009. The Fair Work Commission’s forthcoming Minimum Wage Determination and the Aged Care Work Value Case are also assumed to contribute strongly to wages growth in the near term. Wage

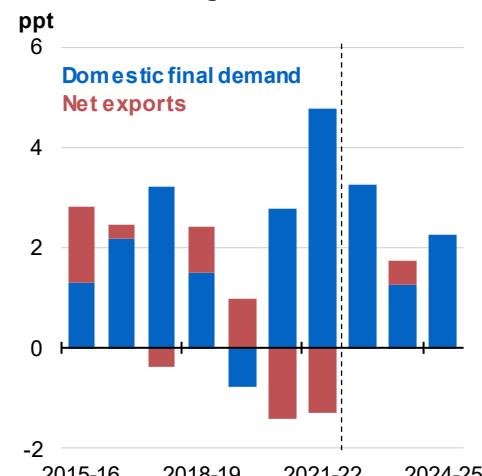
growth is expected to remain robust at 3½ per cent in 2024–25, materially faster than the outcomes achieved in the decade prior to the pandemic. This pick-up in wages growth remains consistent with inflation returning to the target band in 2024–25.

The combination of stronger nominal wages growth and easing inflation is supporting an earlier and stronger return to real wage growth. Annual real wage growth is now expected to resume in early 2024, for the first time since early 2021 and slightly ahead of the October Budget forecasts. By the June quarter of 2024, real wages are expected to grow by ¾ per cent, helping to drive the recovery in domestic activity through 2024–25 (Chart 2.12).

There are downside risks to the economic outlook. A key risk is a potential worsening of global financial conditions, which could impact confidence and global growth. Were this to materialise, lending conditions in Australia would tighten, households could become more cautious and businesses could delay investment decisions.

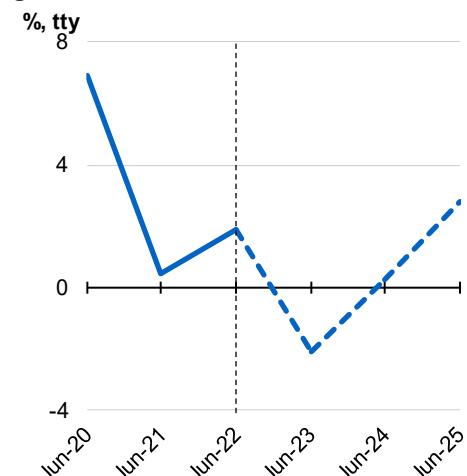
More persistent global inflation than currently anticipated could result in tighter global monetary policy, which would further slow global growth, and dampen confidence and export earnings. Domestically, the ongoing cost-of-living pressures may see households reduce their spending more than is anticipated. Any additional persistence in inflation that keeps interest rates higher for longer would further heighten this risk.

Chart 2.11: Domestic and net export contribution to growth



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Chart 2.12: Real disposable income growth



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Table 2.2: Domestic economy – detailed forecasts^(a)

	Outcomes	Forecasts		
	2021-22	2022-23	2023-24	2024-25
Real gross domestic product	3.7	3 1/4	1 1/2	2 1/4
Household consumption	3.7	5 3/4	1 1/2	2 1/2
Dwelling investment	2.9	-2 1/2	-3 1/2	-1 1/2
Total business investment ^(b)	6.1	3	2 1/2	2
<i>By industry</i>				
Mining investment	8.4	0	2	1 1/2
Non-mining investment	5.4	4	2 1/2	2
Private final demand ^(b)	4.3	4	1	2 1/4
Public final demand ^(b)	6.5	1 3/4	1 1/2	2
Change in inventories ^(c)	0.1	0	0	0
Gross national expenditure	5.1	3 1/4	1	2 1/4
Exports of goods and services	-0.3	8	6	3 1/2
Imports of goods and services	7.0	9	4	3 1/2
Net exports ^(c)	-1.3	0	1/2	0
Nominal gross domestic product	11.0	10 1/4	1 1/4	2 1/2
Prices and wages				
Consumer price index ^(d)	6.1	6	3 1/4	2 3/4
Wage price index ^(d)	2.6	3 3/4	4	3 1/4
GDP deflator	7.0	7	- 1/4	1/4
Labour market				
Participation rate (per cent) ^(e)	66.6	66 1/2	66 1/4	66 1/4
Employment ^(d)	3.6	2 1/2	1	1
Unemployment rate (per cent) ^(e)	3.8	3 1/2	4 1/4	4 1/2
Balance of payments				
Terms of trade ^(f)	11.9	1 1/2	-13 1/4	-8 3/4
Current account balance (per cent of GDP)	2.0	3/4	-2 1/2	-3 1/2
Net overseas migration ^(g)	184,000	400,000	315,000	260,000

- a) Percentage change on preceding year unless otherwise indicated.
- b) Excluding second-hand asset sales between the public and private sector.
- c) Percentage point contribution to growth in GDP.
- d) Through-the-year growth rate to the June quarter.
- e) Seasonally adjusted rate for the June quarter.
- f) Key commodities are assumed to decline from elevated levels over four quarters to the end of the March quarter of 2024: the iron ore spot price is assumed to decline from a March quarter 2023 average of US\$117 to US\$60/tonne; the metallurgical coal spot price declines from US\$342 to US\$140/tonne; the thermal coal spot price declines from US\$260 to US\$70/tonne; and the LNG spot price declines from US\$16 to US\$10/mmBtu. All bulk prices are in free-on-board (FOB) terms.
- g) Net overseas migration is forecast to continue at 260,000 in 2025–26 and 2026–27.

Note: The forecasts for the domestic economy are based on several technical assumptions. The exchange rate is assumed to remain around its recent average level – a trade-weighted index of around 60 and a \$US exchange rate of around 67 US cents. Interest rates are informed by the Bloomberg survey of market economists. World oil prices (Malaysian Tapis) are assumed to remain around US\$87/barrel. Population growth is forecast to be 2.0 per cent in 2022–23, 1.7 per cent in 2023–24 and 1.5 per cent in 2024–25.

Source: ABS Australian National Accounts: National Income, Expenditure and Product; Balance of Payments and International Investment Position, Australia; National state and territory population; Labour Force Survey, Australia; Wage Price Index, Australia; Consumer Price Index, Australia; unpublished ABS data and Treasury.

Box 2.2: Population

The pandemic resulted in the first net outflow of overseas migration from Australia since World War II. The rebound in temporary migration following the reopening of Australia's international borders was initially slow but has recently started to recover at a faster rate. This has resulted in an upgrade in the forecast level of population, even though the total number of temporary migrants arriving in Australia is not expected to make up for the loss in migration during the pandemic for some time.

Population growth is now expected to be 2.0 per cent in 2022–23 and 1.7 per cent in 2023–24, upgraded from 1.4 per cent in those years in the October Budget. Net overseas migration is forecast to be 400,000 in 2022–23 and 315,000 in 2023–24, reflecting the one-off catch up from the pandemic. This strength in migration and population growth is expected to be temporary, with migration forecast to largely return to normal patterns from 2024–25.

Even with this stronger near-term outlook, total net overseas migration is not expected to catch up to the level forecast prior to the pandemic until 2029–30. By the time border restrictions were relaxed at the end of 2021, net overseas migration was cumulatively almost 500,000 lower than expected prior to the pandemic. On current forecasts, net overseas migration will still be cumulatively 315,000 lower than pre-pandemic forecasts by June 2023 and 215,000 lower by June 2024.

Notwithstanding the recovery in net overseas migration, the total population is still expected to be 750,000 people (2.5 per cent) smaller in June 2031 compared with pre-pandemic forecasts. This is attributable to a lower fertility assumption, which was updated in early 2020 to better reflect long-running trends.

The reopening of international borders has seen a rapid recovery in the stock of international students, skilled temporary visa holders and working holiday makers in 2022–23. Second and third-year students who were studying online during the pandemic have been returning, in addition to those arriving in Australia to begin their studies. At the same time, very low temporary migrant arrivals during the pandemic now means fewer departures – those who did not arrive cannot now leave. Strong labour market conditions and increased eligibility for temporary visas with work rights are also supporting higher levels of temporary migration.

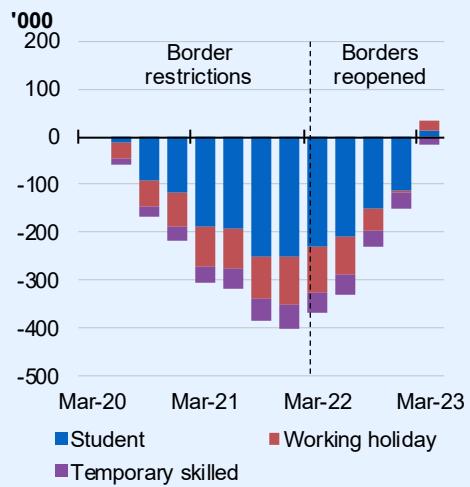
From 2023–24, arrivals of temporary migrants are expected to return to normal levels. It will take more time for departures to return to normal because of the low arrivals during the pandemic. As such, the elevated forecast for net overseas migration in 2023–24 is largely driven by fewer temporary migrants departing Australia than usual, rather than a greater number of people arriving.

Once the temporary catch-up effect from the pandemic subsides, net overseas migration is expected to return to more normal levels, falling back towards historical trends of 235,000 per year, which is the assumed level into the medium term.

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Box 2.2: Population (continued)

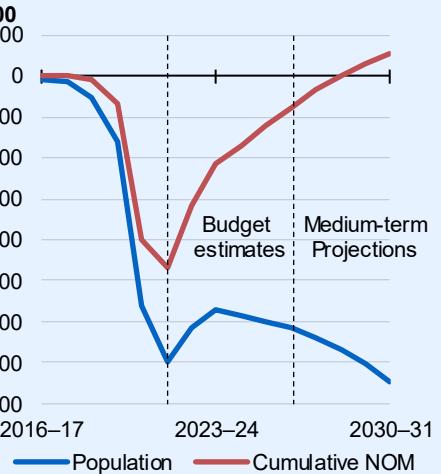
Chart 1: Selected temporary visas, changes since 31 March 2020



Source: Department of Home Affairs, Temporary entrants visa holders.

Note: Selected visas are a subset of those that contribute to net overseas migration.

Chart 2: Difference in population between 2019–20 MYEFO and 2023–24 Budget



Source: Treasury.

Note: Population is expected to be lower than in the 2019–20 MYEFO because of a lower fertility assumption.

Household consumption

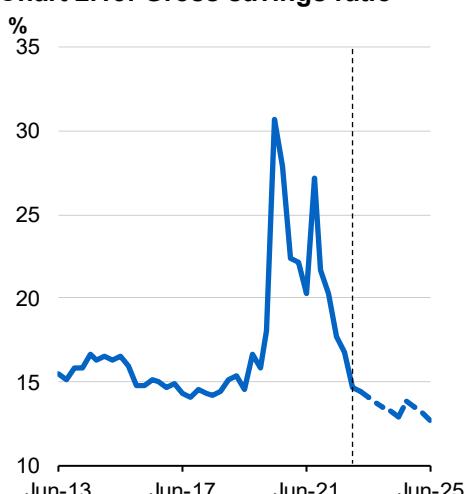
Household consumption growth is expected to slow from 5¾ per cent in 2022–23 to 1½ per cent in 2023–24. A strong post-pandemic rebound in services spending, including pent-up demand for international tourism supported consumption over 2022.

The cumulative impact of cost-of-living pressures and higher interest rates is now constraining household budgets. Recent data indicates household spending has slowed over the March quarter of 2023, and high interest rates (including the roll off of fixed-rate mortgages) will increasingly weigh on household budgets and spending over the year ahead. To maintain consumption in the face of these pressures, many households will be required to save less of their income. This is expected to see the savings ratio fall below its pre-pandemic level (Chart 2.13).

Household consumption growth is expected to rebound in 2024–25, growing by 2½ per cent (Chart 2.14). The pick-up will be driven by continued growth in household disposable income as wages lift and inflation subsides. Mirroring current spending patterns, the recovery is expected to be driven by the more cyclical components of household spending.

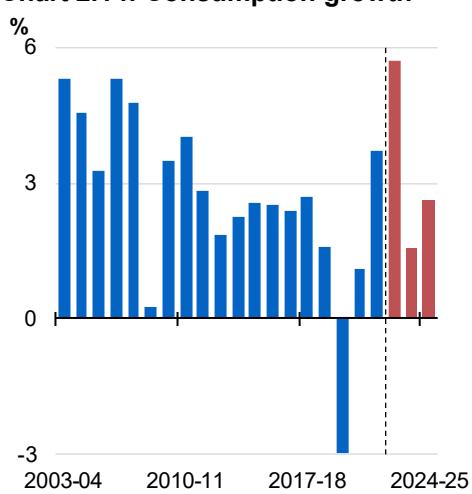
There remains significant uncertainty around how sensitive aggregate household consumption will be to current conditions. Households that built up significant buffers through the pandemic may choose to support their spending in the near term through a lower savings rate. However, a significant number of households are facing more acute budget pressures. Those with minimal savings, high debt or high rent are more vulnerable and may have to reduce discretionary spending.

Chart 2.13: Gross savings ratio



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Chart 2.14: Consumption growth



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Dwelling investment

A significant pipeline of projects currently underway is supporting dwelling investment, with the sector working through the tail end of recent strong demand, supply chain delays and disruption due to floods in 2022 (Chart 2.15). As work is completed and the impact of earlier interest rate hikes and house price declines flow through the system, activity is expected to contract by 3½ per cent in 2023–24.

The downturn in activity is expected to extend into 2024–25, with a further 1½ per cent decline anticipated, before recovering strongly over 2025 and onwards. The ongoing rebound in net overseas migration, strong rental yields, expected lower interest rates and a reduction in building input costs are expected to drive the recovery, particularly in medium and high-density housing. Government initiatives to boost supply will also assist in supporting investment in new dwellings.

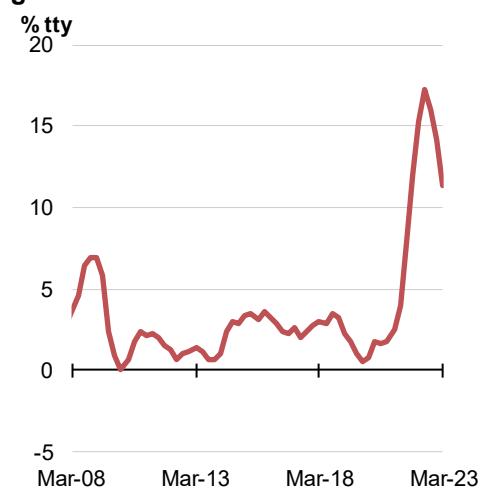
There is some downside risk to the near-term outlook associated with the weak financial position of a number of builders, due to elevated construction and financing costs. However, as capacity constraints ease, these pressures are expected to moderate (Chart 2.16).

Chart 2.15: Real value of residential work yet to be done



Note: Nominal pipeline of residential work is deflated by dwelling prices.

Chart 2.16: House building input price growth





Business investment

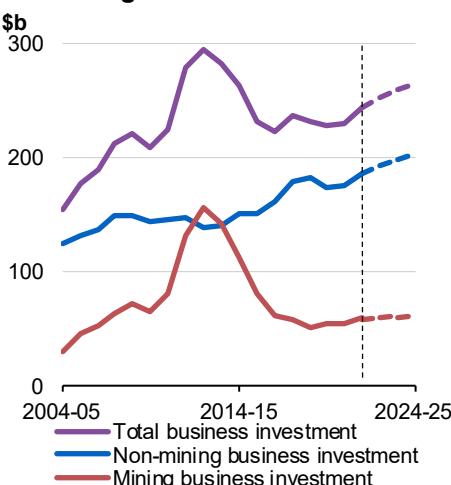
The outlook for business investment remains relatively positive, despite weakening domestic demand and the tightening in financial conditions (Chart 2.17 and 2.18). A large pipeline of construction projects will underpin the near term, and strong business balance sheets and high levels of capacity utilisation will support investment over 2023–24 and 2024–25.

Investment is expected to grow by 3 per cent in 2022–23. As overall demand in the domestic and global economy softens, momentum is expected to ease in 2023–24 and 2024–25, growing by 2½ per cent and 2 per cent, respectively. The possibility that firms may delay or cancel projects in response to elevated input costs and ongoing domestic and global headwinds remains a downside risk.

Non-mining investment is expected to be the main driver of growth in business investment over the coming years, increasing by 4 per cent in 2022–23, 2½ per cent in 2023–24 and 2 per cent in 2024–25. Ongoing upgrades to machinery and equipment and continued expenditure on construction projects is driving growth throughout these years.

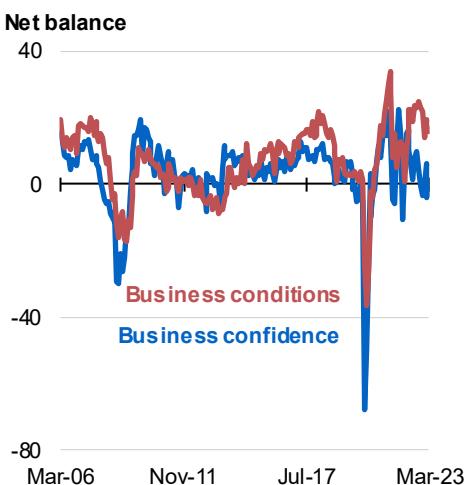
Despite high commodity prices, mining investment is forecast to be flat in 2022–23 before growing modestly over the rest of the forecast period, by 2 per cent in 2023–24 and 1½ per cent in 2024–25. The outlook primarily reflects expenditure to maintain existing resource production capacity along with a modest number of new LNG and metal ore projects.

Chart 2.17: Total, mining and non-mining business investment



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Chart 2.18: Business confidence and conditions



Source: NAB Monthly Business Survey.

Public final demand

Following elevated health and related spending during the pandemic, growth in new public final demand is forecast to moderate over the forecast period. Increases in government spending are not expected to be a significant driver of GDP growth, with expenditure forecast to increase by 1¾ per cent in 2022–23 and 1½ per cent in 2023–24.

Public investment activity will remain solid as state and federal governments work through a large pipeline of public infrastructure projects. However, progress and projected delivery is anticipated to be at a slower pace than previously expected in the October Budget due to sustained capacity constraints in the sector.

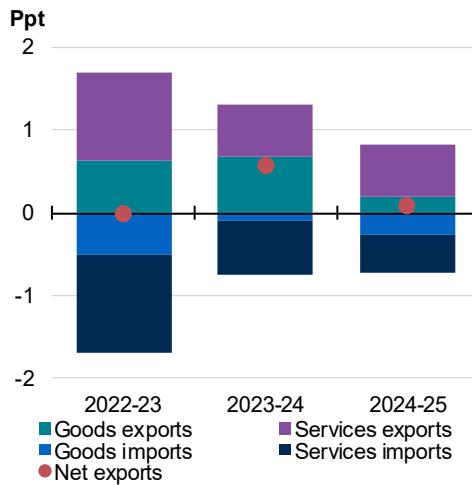
Net exports

Net exports are expected to make a flat contribution to GDP growth in 2022–23, an upgrade from the October Budget. Net exports are then expected to add ½ of a percentage point to growth in 2023–24 before moderating in 2024–25 (Chart 2.19). The moderation over the period reflects slowing growth in exports, particularly for goods, alongside steady growth in imports.

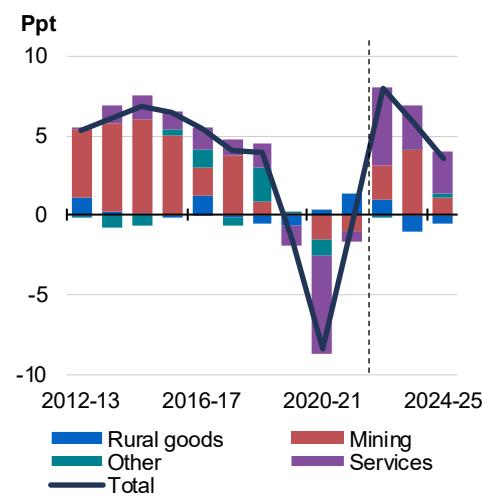
Exports are forecast to grow by 8 per cent in 2022–23 and 6 per cent in 2023–24. This would be the fastest period of export growth since the early 2000s (Chart 2.20). Exports will be supported by the recovery in tourism and international education, following the prolonged period of international border closures during the pandemic. A recovery in mining exports following weather disruptions and favourable seasonal conditions which are supporting rural exports will also contribute. Export growth is expected to slow to 3½ per cent by 2024–25, as growth in mining and services exports moderates.

International education exports are now expected to reach pre-pandemic levels in 2024, a year earlier than the October Budget. An earlier-than-assumed reopening of China's borders and stronger student arrival projections from key source countries have been reflected in an upgrade to international education exports.

Imports are forecast to increase by 9 per cent in 2022–23, led by the ongoing recovery of services imports as Australians travel overseas in higher numbers. Growth in capital goods imports will be underpinned by continued strength in business investment. In 2023–24, goods imports growth is expected to soften in line with weaker domestic demand, before an acceleration in 2024–25 as domestic spending recovers.

Chart 2.19: Contribution to GDP growth

Source: ABS Balance of Payments and International Investment Position, ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Chart 2.20: Contribution to exports growth

Source: ABS Balance of Payments and International Investment Position and Treasury.

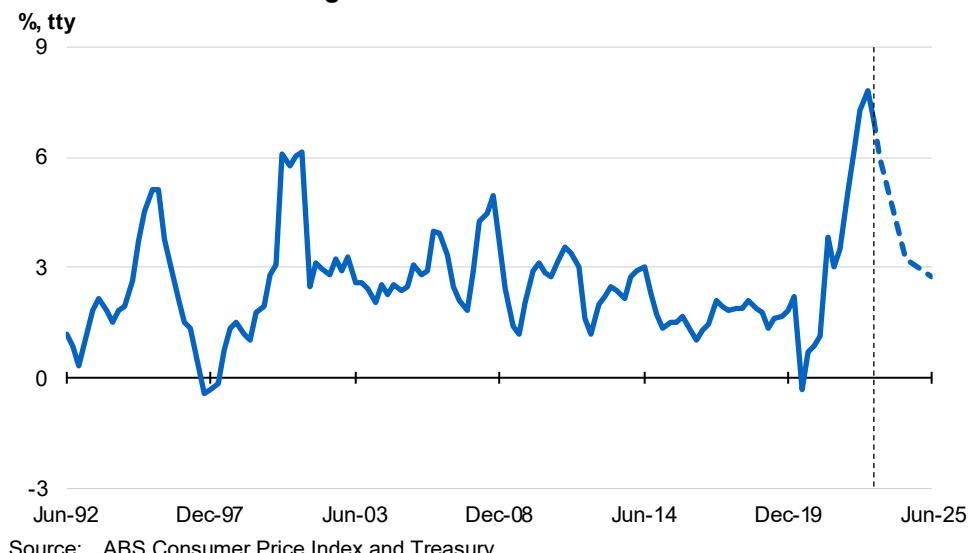
Note: 'Other' includes exports of non-commodity goods and additive differences due to rebasing of volume change measures.

Inflation

As expected, inflation in Australia peaked in late 2022 and has begun to moderate. Annual inflation fell from 7.8 per cent through the year to the December quarter of 2022 to 7 per cent in the March quarter of 2023. Inflation is expected to return to the RBA target band in 2024–25 (Chart 2.21). The global price shocks and supply constraints that contributed to the large increase in inflation over the past year are easing. The Government's Energy Price Relief Plan is expected to significantly lower inflation in 2023–24 by around $\frac{3}{4}$ of a percentage point. High goods inflation is giving way to a pick-up in services inflation in some areas, including rents. Over the medium term, the impact of temporary price shocks is expected to ease, keeping inflation in the RBA's target band.

Global and one-off supply factors played a significant role in the recent inflation spike, and these are expected to dissipate. Supply disruptions associated with the pandemic and Russia's invasion of Ukraine saw the cost of imported goods rise steeply over 2022, reversing the trend of weak or declining import prices prior to the pandemic. Some of these supply factors are starting to wane, with recent data suggesting import prices have eased considerably, causing a decline in some goods prices (Chart 2.22).

Chart 2.21: Headline CPI growth



Source: ABS Consumer Price Index and Treasury.

Spillovers from Russia's invasion of Ukraine resulted in very high wholesale energy prices, which have compounded temporary domestic electricity market disruptions associated with sustained under-investment in the energy transformation over the last decade. Energy price rises directly contributed around $\frac{1}{2}$ of a percentage point to annual inflation in December 2022. Broader domestic supply disruptions have also contributed to high inflation. This includes the impact of 2022's flood events, which damaged fresh produce and added to existing delays and cost pressures in residential construction (Chart 2.23).

While severe, the high inflation episode in Australia is proving to be less pronounced than in Europe, the UK and US. This may partly reflect important structural differences between the economies. Growth in the supply of labour due to a strong increase in the participation rate helped Australia avoid the widespread labour shortages and unsustainable wage growth seen in some other countries over the past 2 years. In December 2022, the Government also took action to limit further impacts of global energy prices caused by Russia's invasion of Ukraine on domestic energy prices.

In the near term, annual inflation is expected fall to 6 per cent over the year to the June quarter of 2023. This slight upgrade since the October Budget reflects broad-based price pressures in recent CPI outcomes. Inflation is then projected to moderate to $3\frac{1}{4}$ per cent to the June quarter of 2024, which is lower than the October Budget, and to $2\frac{3}{4}$ per cent to the June quarter of 2025.

The downgrade in 2023-24 is linked to government policy interventions to directly ease cost-of-living pressures, and these measures are not expected to add to broader inflationary pressures in the economy. The Government's Energy Price Relief Plan is expected to reduce headline inflation by $\frac{3}{4}$ of a percentage point by the June quarter of 2024. Further relief includes increased rental assistance payments and lowering the cost of some medicines.

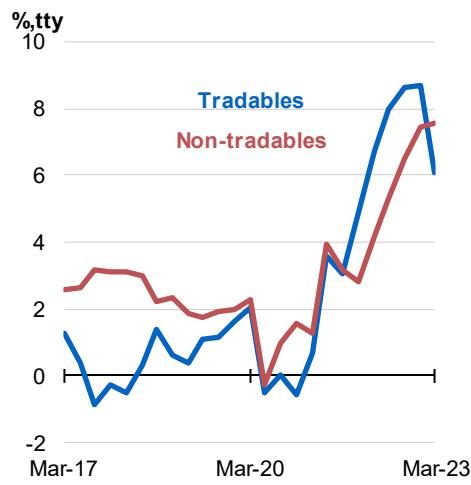
Average rental costs are expected to pick up in the next few years as increases in advertised rents flow through to existing lease agreements when they are renewed. The rental market is currently very tight, with national vacancy rates at near record lows of around 1 per cent and advertised rents growing at over 10 per cent as of April 2023. Demand has increased sharply, driven by a fall in average household size through the pandemic (some of which may reverse) and the reopening of international borders. Conversely, material and labour constraints affecting the residential construction sector have limited the capacity for housing supply to keep up with growing demand. The Government's decision to increase Commonwealth Rent Assistance will help support the most vulnerable households with these pressures, and along with other measures to boost the supply of housing will help reduce pressures on rents and inflation.

The Government's Energy Price Relief Plan is expected to reduce inflation by $\frac{3}{4}$ of a percentage point in 2023–24, including the expected impact of electricity rebates (Box 2.3). Average national retail electricity prices are now forecast to rise by around 10 per cent in 2023–24, which is much lower than the earlier estimate of 36 per cent without the Government's intervention. Households eligible for electricity bill relief will generally face smaller price increases. Retail gas prices are now forecast to increase by 4 per cent in 2023–24 compared to the October Budget forecast of 20 per cent.

Energy prices in 2024–25 are highly uncertain. Based on the limited information currently available, Treasury has assumed that energy prices will not contribute materially to inflation in 2024–25. Wholesale electricity futures trading to date imply a small decline in retail electricity prices assuming other factors remain constant. The unwinding of rebates will increase retail prices, and further upward pressure could materialise if global energy markets remain structurally short and as new regulated network determinations take effect. Given the current uncertainty, it is assumed that electricity prices grow in line with CPI inflation in 2024–25.

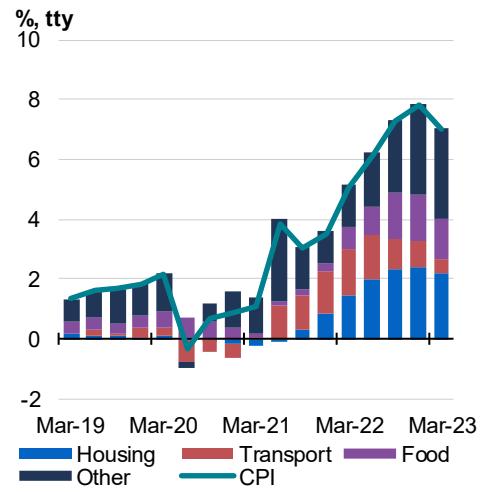
There is significant uncertainty surrounding the outlook for inflation. Recent global supply shocks are unwinding as expected, but further shocks cannot be ruled out. The extent to which households adjust consumption patterns in response to cost-of-living pressures also presents a risk to the inflation outlook.

Chart 2.22: Tradables and non-tradables inflation



Source: ABS Consumer Price Index and Treasury.

Chart 2.23: Inflation components



Source: ABS Consumer Price Index and Treasury.

Note: Contributions prior to September 2022 are back-cast using 2022 CPI expenditure weights.

Box 2.3: Impact on inflation of interventions in domestic energy markets

In December 2022, the Government introduced the Energy Price Relief Plan to shield Australians from the worst impacts of the extraordinary energy price increases that were projected for 2022–23 and 2023–24. The intervention temporarily caps wholesale gas and coal prices and provides targeted energy bill relief for households and small businesses. It also announced a mandatory Code of Conduct for wholesale gas sales to ensure Australian households and businesses have access to gas at reasonable prices, and to establish a more level playing field for negotiations between gas producers and customers.

The intervention was in response to extreme increases in international wholesale energy prices in 2022, associated with Russia's invasion of Ukraine. At their peak, energy prices were more than double their level in March 2021, with global gas and coal prices rising 8 and 4-fold, respectively. Despite being a net exporter of gas and coal, these international prices further disrupted local price dynamics, driving significant increases in the costs of wholesale electricity generation.

From the end of January 2022 to the release of the October Budget, wholesale electricity futures contract prices for states in the National Electricity Market (NEM) increased by between 172 per cent and 226 per cent. Following the Government announcement of energy market intervention, futures contract prices declined. Since the release of the October Budget and the end of April 2023, these prices fell by between 36 per cent and 43 per cent across states in the NEM (Chart 1).

East coast wholesale gas spot prices reached unprecedented levels, peaking at \$50 per gigajoule or 5 times pre-invasion levels of around \$10 per gigajoule. Wholesale gas prices have declined significantly since the intervention and have now settled at levels close to those traded prior to the invasion in early 2022.

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Box 2.3: Impact on inflation of interventions in domestic energy markets (continued)

Chart 1: ASX Energy 2023–24 financial year base load futures contract



Source: ASX Energy.

The Government's measures are expected to directly reduce inflation by $\frac{3}{4}$ of a percentage point in 2023–24. This comprises the impact of both gas and coal price caps and the up to \$3 billion in electricity bill relief, jointly funded by the Commonwealth and state and territory governments. Retail electricity price increases in 2023–24 are expected to be around 25 percentage points lower than was expected at the time of the Government's announcement. Retail gas price increases in 2023–24 are expected to be around 16 percentage points smaller than expected prior to the Government's intervention.

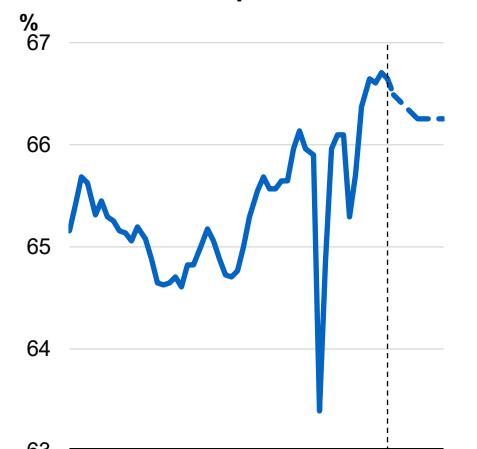
The labour market

The demand for labour is proving to be resilient to the recent softening of household consumption. Strong employment growth has kept the unemployment rate close to its near-50 year low and has encouraged many more (often marginalised) workers to join the labour force. The employment-to-population ratio and the participation rate are near record highs. These conditions have lifted prospects for cohorts who traditionally face barriers to employment. The youth unemployment rate has fallen below 8 per cent and women's participation is at a record high.

Skills and labour shortages remain present in some sectors and regions, but an increase in labour supply from higher migration will help businesses find workers and alleviate specific shortages in the near term. Employment growth has been upgraded to 2½ per cent in 2022–23, before moderating to 1 per cent growth in both 2023–24 and 2024–25 as the economy slows. The participation rate is expected to fall slightly from its recent record highs to be 66¼ per cent in the June quarter of 2025, but remain above its pre-Covid level, reflecting the structural trend of higher women's and older worker participation (Chart 2.24).

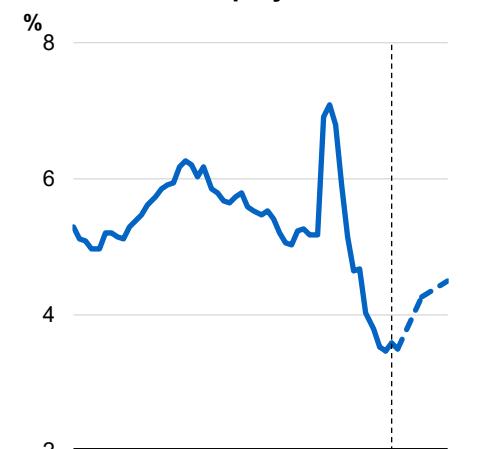
The unemployment rate is expected to remain at 3½ per cent in the June quarter of 2023. As economic growth moderates, the unemployment rate is forecast to rise modestly to 4¼ per cent by the June quarter of 2024 and 4½ per cent by the June quarter of 2025, but to still remain lower than pre-pandemic levels and by historical standards (Chart 2.25). The resilience of labour demand means the rise in the unemployment rate is expected to be more gradual, and to peak slightly later, than expected in the October Budget.

Chart 2.24: Participation rate



Source: ABS Labour Force Survey and Treasury.

Chart 2.25: Unemployment rate



Source: ABS Labour Force Survey and Treasury.

Nominal wage growth has picked up over the recent quarters and is expected to build further. There are no signs of a wage-price spiral developing and medium-term inflation

expectations remain well anchored. Growth in the Wage Price Index (WPI) is expected to reach 3½ per cent through the year to the June quarter of 2023 and 4 per cent through the year to the June quarter of 2024 (Chart 2.26). This would be the fastest nominal wage growth since 2009 and remains consistent with inflation returning to target in 2024-25. As the labour market moderates and inflation eases, growth in nominal wages is forecast to settle at 3¼ per cent through the year to the June quarter of 2025.

The lift in wages growth is being supported by the Fair Work Commission determinations on the minimum wage and Aged Care Work Value Case, which will increase the relative wages of low-paid workers. These decisions are expected to add around an additional ½ of a percentage point to wage growth in 2023–24, and provide support for Australia’s low paid workers who are disproportionately impacted by price increases for essential goods and services. As a technical assumption, Treasury has assumed that the forthcoming FWC determination adopts a similar approach to last year.

The acceleration in wage growth also reflects the lagged effect of the current tight labour market. Market sensitive individual agreements have been the biggest contributor to the pick-up in aggregate wages to date, but momentum is expected to wane as the labour market eases (Chart 2.27). A lift in public sector wages growth and the re-negotiation of multi-year enterprise bargaining agreements will partially offset this. Broader measures of wages that include bonuses, which tend to be more responsive to labour market conditions, are expected to see a more pronounced cycle.

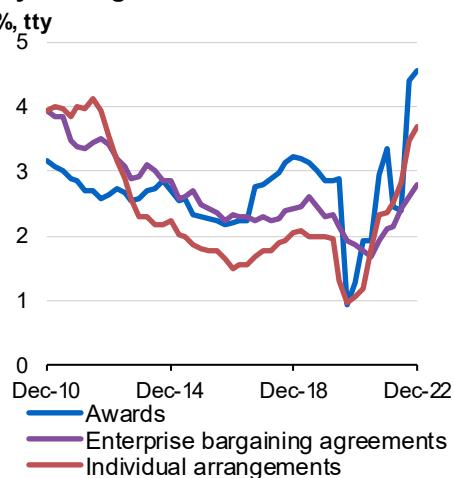
With inflation moderating and wages picking up, positive annual real wage growth is expected to return by early 2024, increasing to ¾ per cent the June quarter of 2024. This is slightly earlier than anticipated, and an upgrade from the October Budget.

Chart 2.26: WPI growth



Source: ABS Wage Price Index and Treasury.

Chart 2.27: WPI growth by method of pay-setting



Source: ABS Wage Price Index.

Aggregate wage growth would be expected to be stronger if labour market outcomes were more robust than forecast, the large administered wage increases assumed for 2023–24 continue into future years or enterprise bargaining wage increases are larger than anticipated.

Outlook for the terms of trade

Australia's terms of trade, the ratio of export to import prices, are expected to increase by 1½ per cent in 2022–23, after rising by 11.7 per cent the year before, to reach its highest level on record. The terms of trade have been supported by strong global demand and tight global supply for Australia's key mining and rural commodity exports.

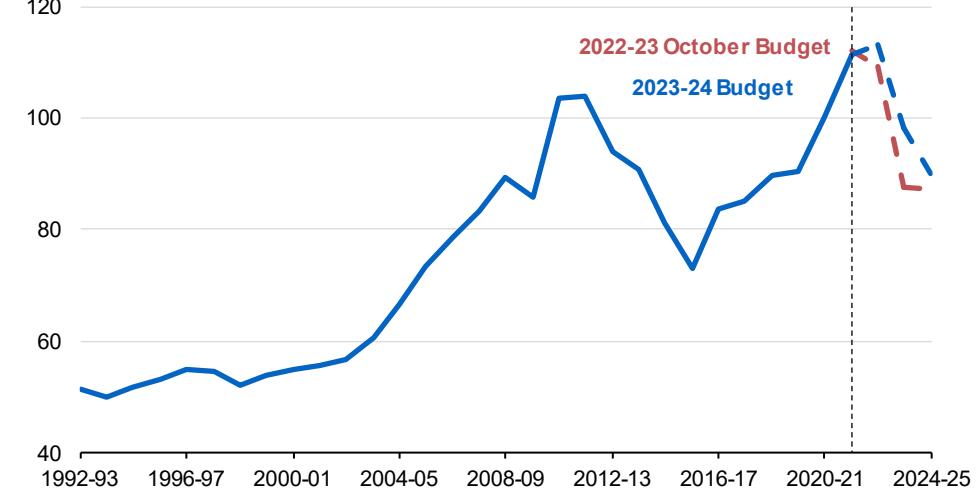
The terms of trade are forecast to decline sharply in 2023–24, driven by an assumption that bulk commodity prices return to their long-run anchors over 4 quarters (Chart 2.28). At the October Budget, commodity prices were assumed to reach their long-term levels over 2 quarters. This has now been extended to 4 quarters to better balance the risks around the near-term outlook for commodity prices.

The long-term price levels for iron ore, metallurgical coal, thermal coal and LNG spot prices have also been increased modestly to take account of recent developments in commodity markets, inflation in the mining industry and updated assessments of long-run supply and demand fundamentals. The commodity price assumptions remain conservative and at the lower range of market forecasts (Box 2.4).

The adjustment to long-term price assumptions contributes to a higher long-run level for the terms of trade relative to the October Budget, although the impact of the longer-term US-dollar price has been partially offset by an appreciation in the Australian dollar against the US dollar. Overall, the terms of trade are 2¼ per cent higher at the end of the detailed forecast period compared with the October Budget.

Chart 2.28: Terms of trade

Index (2020-21=100)



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Box 2.4: Commodity prices

Treasury forecasts reflect a technical assumption that commodity prices return to their long-term fundamental level within the detailed forecast period. The glide path and long-term anchors are reviewed ahead of each budget update. The individual glide paths have been adjusted 12 times since 2016–17. Long-term price assumptions, specifically for metallurgical coal, were last adjusted in the 2021–22 MYEFO.

A series of significant and interrelated shocks have affected global commodity markets in recent years.

In early 2022, Russia’s invasion of Ukraine precipitated a shift in global commodity supply, including a significant reduction in global gas supply and forced restructuring of global oil trade flows.

Major weather disruptions in key producing regions, including for coal production in Australia and iron ore production in Brazil, reduced both the level and reliability of non-Russian supplies to global commodity markets.

The global economy has also experienced a sustained period of cost inflation that has increased production costs across the global mining sector. Input prices for the Australian coal sector, for example, have increased by around 15 per cent since 2021. Strong cost inflation has built in a materially higher cost base across the industry that is expected to result in structurally higher prices over the medium term.

Treasury has undertaken analysis and consulted widely with market and industry participants to understand the implications of these shocks for commodity prices in both the short- and long-term. There is broad consensus that the supply shocks associated with Russia’s invasion of Ukraine and Brazilian iron ore production issues will take some time to fully resolve. Energy prices in particular are expected to remain both elevated and volatile until additional LNG capacity comes online in the mid-2020s.

Consistent with the findings of this work, Treasury has updated the technical assumptions for the 2023–24 Budget to ensure they remain appropriate, fiscally prudent and reflect prevailing conditions (Table 1).

The period over which iron ore, metallurgical coal, thermal coal and LNG spot prices are assumed to return to long-term levels has been extended from 2-quarters to 4-quarters.

The long-term prices at which iron ore, metallurgical coal, thermal coal and LNG are expected to settle over the forecast period have been increased modestly.

Treasury has extended the period over which prices return to their long-term anchors to better reflect ongoing price pressures associated with current market disruptions. But this adjustment period remains highly conservative relative to market views, to account for the downside risk of sharp price corrections, such as the 50 per cent fall in thermal coal prices over the first 2 months of 2023.

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Box 2.4: Commodity prices (continued)

Table 1: Commodity price assumptions

	2023-24 Budget	2022-23 October Budget	Market range		
	<u>Long-run price*</u>	Adjustment period	<u>Long-run price*</u>	Adjustment period	Real long-run price estimates^
Iron ore	US\$60	4-quarters	US\$55	2-quarters	60-92
Metallurgical coal	US\$140	4-quarters	US\$130	2-quarters	140-200
Thermal coal	US\$70	4-quarters	US\$60	2-quarters	70-175
LNG	US\$10	4-quarters	US\$9	2-quarters	10-16

* All assumptions refer to spot prices. Iron ore – 62% Fe, free-on-board; Metallurgical coal – premium-hard low-vol, free-on-board; Thermal coal – Newcastle 6000kcal, free-on-board; LNG – Argus North East Asia.

^ 2028–2030 price horizon. Prices in real 2022–23 dollars (base year varies across contacts).

Treasury has revised higher the long-term price assumptions to reflect the higher cost environment and an updated assessment of long-run supply and demand fundamentals (Chart 1, 2, 3 and 4). There is a wide range of forecasts for long-run prices, which reflects the high degree of uncertainty around how demand and supply will evolve. Demand for resources and energy is uncertain and depends on many factors including China's maturing economy, the pace of industrialisation in India and South-East Asia, as well as the effect of climate policy. Long-run supply is also difficult to predict given uncertainty around project execution and investment plans.

Treasury's revised assumptions are at the bottom-end of the market range, and therefore remain conservative relative to broader market views. The changes are expected to reduce the likelihood and magnitude of nominal GDP and revenue upgrades in future Budget updates.

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Box 2.4: Commodity prices (continued)

Commodity price assumptions

Chart 1: Iron ore



Chart 2: Metallurgical coal

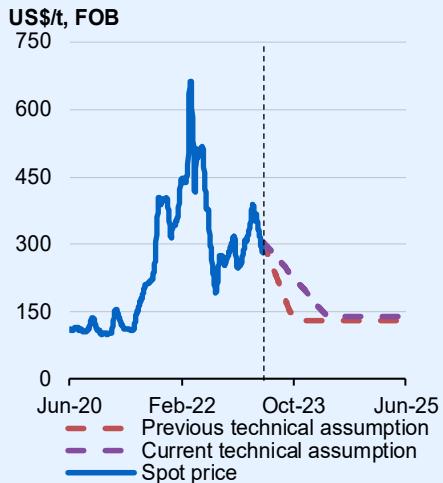


Chart 3: Thermal coal

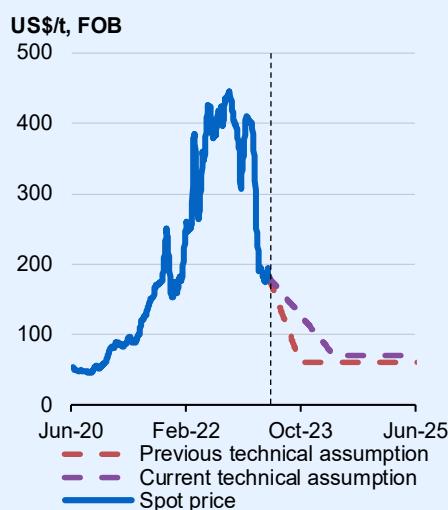
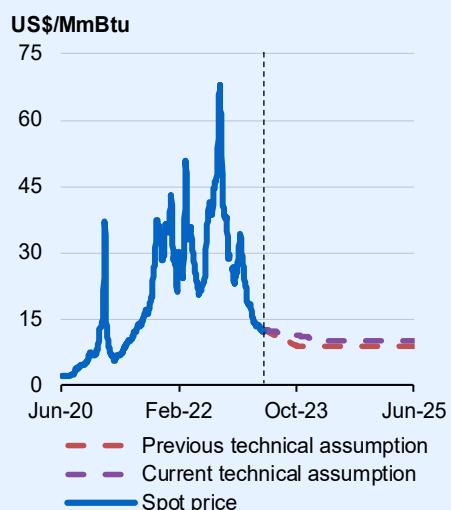


Chart 4: LNG



Note: Spot price data are presented as a 5-day moving average and are expressed in Free-on-Board (FOB) terms, which exclude the cost of freight. Calculations made by Treasury are based on confidential proprietary data from Argus Media under licence. Argus Media shall not be liable for any loss or damage arising from any party's reliance on, or use of, the data provided or the Treasury's calculations.

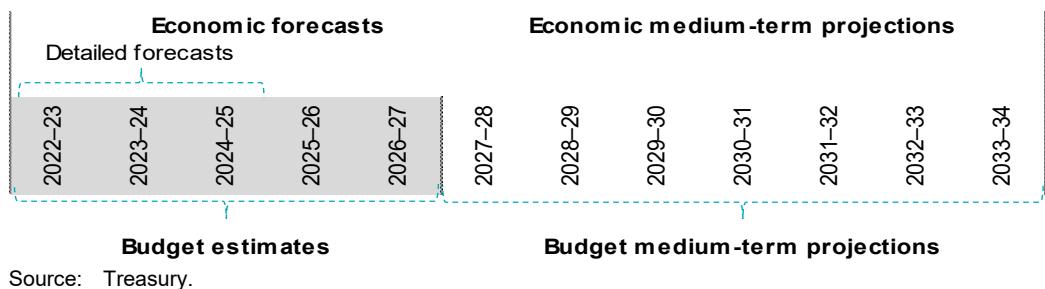
Outlook for nominal GDP growth

Nominal GDP is forecast to grow strongly by 10¼ per cent in 2022–23. The strength of the labour market, pick up in nominal wages growth, an elevated terms of trade from higher commodity prices and stronger growth in domestic prices are all contributing to this strong growth. Nominal GDP growth is then expected to slow to 1¼ per cent in 2023–24 due to the assumed decline in commodity prices, which is offset by ongoing strength in domestic prices and growth in output. Solid output growth is expected to underpin nominal GDP growth of 2½ per cent in 2024–25.

Medium-term projections

The fiscal aggregates in the Budget are underpinned by forecasts of economic activity over the Budget estimates period and projections over the medium term (Chart 2.29).

Chart 2.29: Medium-term projection period



Source: Treasury.

Treasury uses a macroeconometric model of the Australian economy for its forecasts and projections beyond the detailed forecast horizon of 2024–25. The model informs how the economy returns to its trend level of long-run output, known as potential GDP, following short-term fluctuations of the business cycle.

Potential GDP is estimated based on an analysis of trends for population, productivity, and participation. Overall changes in these trends have resulted in the level of potential GDP over the projection period being upgraded compared with the October Budget. Potential GDP growth is projected to average 2½ per cent per annum over the 2027–28 to 2033–34 projection period, unchanged from the October Budget.

Since the October Budget, both population and participation estimates have been upgraded. The population (aged over 15) has been revised up by 1½ per cent and the trend participation rate has been revised up by 1¼ per cent by 2032–33. This is in addition to an upward revision in the trend participation rate of ½ of a per cent in the October Budget.

Population growth is expected to be stronger in the near term than in the October Budget, reflecting stronger net overseas migration due to the one-off catch up from the pandemic following prolonged border closures (Box 2.2). This strength in migration and population growth is expected to be temporary, with migration forecast to largely return to normal

patterns from 2024–25. Higher growth in the near term increases the size of the population across the medium term, compared to the October Budget. However, even with this upgrade, the level of population is still expected to remain below pre-pandemic forecasts over the medium term.

The upgraded trend participation rate reflects the younger age structure of the additional migrant population, as well as increases in predicted participation rates. Full-time participation rates have been increased for men aged 35–54 years and women aged 30–44 years to better capture trends in recent years. These trends will reflect a variety of factors, including migrants lifting participation rates within age-sex cohorts, and an array of societal trends and enabling policies, including increased educational attainment and increased access to child care and paid parental leave arrangements that strengthen workforce attachment.

More recent data has also flowed through to upward revisions to part-time participation rates for those aged 25–29 years. This may again reflect influences such as trends in migration and educational attainment.

By 2032–33, these forecast revisions increase the size of the labour force by 2.7 per cent compared to the October Budget. Of this, approximately 1.5 percentage points of the upgrade can be attributed to the increase in total population and 0.5 percentage points of the upgrade can be attributed to a change in age demographics. Migrants are younger than the resident population on average and have a higher participation rate. The upward revisions to participation rates for prime working age men and women increases the labour force by 0.7 per cent.

The changes to population and participation imply that there is a larger workforce available to produce goods and services over the medium term, increasing potential GDP. The unemployment rate settles at Treasury's Non-Accelerating Inflation Rate of Unemployment (NAIRU) assumption of 4¼ per cent by the June quarter 2027 and remains at that rate over the medium-term projection period.

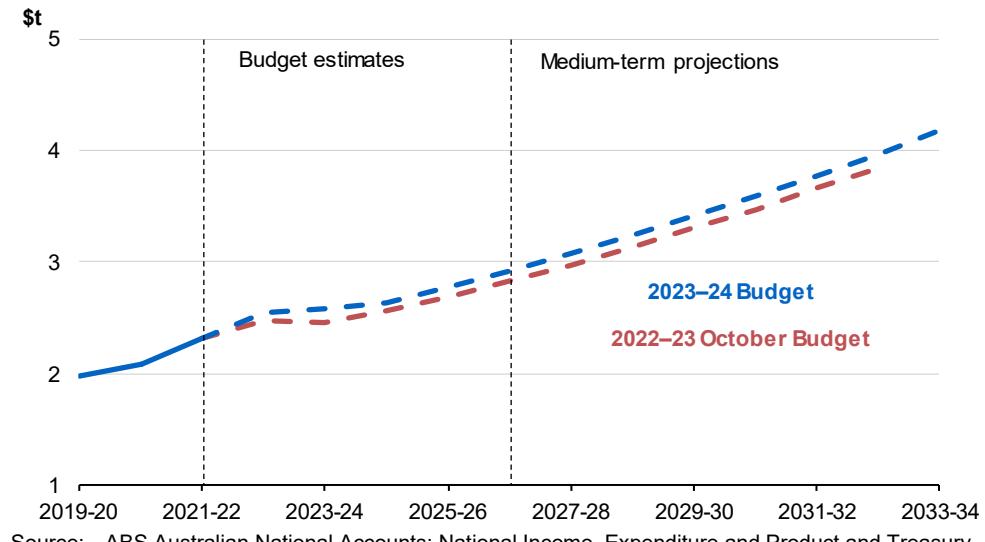
The upgrade in the size of the workforce has been partially offset by a lower estimated level of trend productivity in the near term. Relatively weak productivity growth was evident prior to the pandemic and this has likely been exacerbated by COVID-19 related adjustments. In the long run, underlying productivity is assumed to grow at 1.2 per cent per annum, which is around the average growth rate in labour productivity over the last 20 years.

Domestic price growth converges over time to the midpoint of the RBA's inflation target band of 2.5 per cent. The terms of trade are projected to remain around their 2024–25 level over the medium term, with key commodity prices being at levels consistent with their long-term fundamentals. Nominal wage growth converges to around 3¾ per cent, reflecting the outlook for labour productivity growth and inflation.

The level of nominal GDP over the projections is higher than the October Budget, reflecting the combination of a higher domestic price level, stronger commodity export

price assumptions and a higher level of potential GDP (Chart 2.30). The revision to commodity price anchors is responsible for a small share of the total upgrade.

Chart 2.30: Projected nominal GDP



Source: ABS Australian National Accounts: National Income, Expenditure and Product and Treasury.

Statement 3: Fiscal Strategy and Outlook

The Government's responsible economic and fiscal management is delivering a stronger, and more sustainable fiscal position. A budget surplus is now forecast in 2022–23, ahead of most major advanced economies, with smaller deficits and lower debt in each year of the forward estimates, compared to October. It achieves this while providing targeted cost of living relief, investing in a stronger, more secure economy, sharing opportunities in our society, and dealing with a legacy of unfunded programs.

The Government is returning most of the improvements in tax receipts to the budget. 87 per cent of tax upgrades in the past 2 Budgets are being returned (82 per cent in this Budget). The tax upgrades returned in each of the past 2 Budgets have been among the strongest on record. The Government's spending restraint has limited real payments growth to an average 0.6 per cent over 5 years from 2022–23 to 2026–27.

Returning revenue upgrades and spending restraint delivers a significant improvement in the fiscal outlook. The underlying cash balance is now expected to be in surplus in 2022–23, an improvement of \$41.1 billion since October, and \$82.1 billion since coming to government. This extraordinary fiscal turnaround sees the Australian Government forecast a surplus budget before most of the major advanced economies. A deficit of \$13.9 billion (0.5 per cent of GDP) is expected in 2023–24, a \$30.1 billion improvement on the October Budget. Over 5 years from 2022–23 to 2026–27, there is a cumulative improvement in the underlying cash balance of \$125.9 billion.

Tax receipts, excluding new policies and GST, have been revised up by \$114.2 billion over 5 years from 2022–23 to 2026–27. Almost 60 per cent of the upgrade occurs in 2022–23 and 2023–24, reflecting a strong labour market, a pick-up in wage growth, and ongoing high commodity prices. The strength of tax receipts is expected to moderate from 2024–25 as economic growth slows, labour market conditions ease and as commodity prices return to long-run levels.

The Budget addresses legacy issues inherited from the previous Government while delivering responsible and targeted cost of living relief. To help offset additional spending, the Government has identified \$32.5 billion of budget improvements, bringing the total over the 2 budgets to \$61.0 billion. This avoids fiscal policy adding to inflationary pressures while they are at their highest.

Since the October Budget, the fiscal position has improved across the medium term. The deficit is now projected to be just 0.2 per cent of GDP in 2033–34. Lower deficits delivered in the Budget reduce the need to borrow and so gross debt peaks sooner, in 2025–26, and lower than projected in October.

Structural challenges persist over the next decade. The medium-term outlook remains under pressure from fast-growing payments, including interest, the NDIS, defence, health and aged care. The Government is taking meaningful steps to reduce the structural deficit, including through moderating growth in NDIS spending and a fairer, more sustainable tax system.

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Statement 3: Fiscal Strategy and Outlook

Since the October Budget, there has been a substantial improvement in the fiscal outlook. This is a direct outcome of the Government's strategy of returning revenue upgrades to the budget, while also delivering responsible and targeted cost of living relief, investing in a stronger, more secure economy, spreading opportunity and securing essential services.

The Government has also identified \$32.5 billion in budget improvements, including \$17.8 billion in spending reprioritisations over the 5 years to 2026–27.

The underlying cash balance is expected to be a surplus of \$4.2 billion (0.2 per cent of GDP) in 2022–23, the first surplus since 2007–08. A deficit of \$13.9 billion (0.5 per cent of GDP) is expected in 2023–24. This is \$30.1 billion lower than expected in October. The underlying cash balance has improved by \$125.9 billion over 5 years from 2022–23 to 2026–27.

Lower deficits delivered in the Budget reduce the need to borrow and, as a result, gross debt peaks sooner and debt is lower than projected in October. Gross debt is now forecast to peak at 36.5 per cent of GDP in 2025–26, five years earlier than the 46.9 per cent of GDP peak forecast in the October Budget for 2030–31.

Table 3.1 presents estimates and projections of the key budget aggregates.

Table 3.1: Australian Government general government sector budget aggregate

	Actual 2021–22 \$b	Estimates						Total(a) \$b	Projections 2033–34 % of GDP
		2022–23 \$b	2023–24 \$b	2024–25 \$b	2025–26 \$b	2026–27 \$b			
Underlying cash balance	-32.0	4.2	-13.9	-35.1	-36.6	-28.5	-109.9		
Per cent of GDP	-1.4	0.2	-0.5	-1.3	-1.3	-1.0			-0.2
Receipts	584.4	635.6	668.1	671.2	700.9	735.1	3,411.0		
Per cent of GDP	25.3	25.0	25.9	25.4	25.2	25.2			26.3
Tax receipts	536.6	588.1	616.3	614.3	647.8	680.7	3,147.2		
Per cent of GDP	23.2	23.1	23.9	23.3	23.3	23.3			24.4
Non-tax receipts	47.8	47.5	51.9	56.9	53.1	54.4	263.8		
Per cent of GDP	2.1	1.9	2.0	2.2	1.9	1.9			1.9
Payments(b)	616.3	631.4	682.1	706.3	737.5	763.6	3,520.9		
Per cent of GDP	26.7	24.8	26.5	26.8	26.6	26.1			26.4
Gross debt(c)	895.3	887.0	923.0	958.0	1,015.0	1,067.0			
Per cent of GDP	38.8	34.9	35.8	36.3	36.5	36.5			32.3
Net debt(d)	515.6	548.6	574.9	620.6	665.2	702.9			
Per cent of GDP	22.3	21.6	22.3	23.5	24.0	24.1			19.9
Net interest payments(e)	15.0	12.7	13.4	15.2	21.3	20.0	82.5		
Per cent of GDP	0.6	0.5	0.5	0.6	0.8	0.7			0.8

- a) Total is equal to the sum of amounts from 2022–23 to 2026–27.
- b) Equivalent to cash payments for operating activities, purchases of non-financial assets and principal payments of lease liabilities.
- c) Gross debt measures the face value of Australian Government Securities (AGS) on issue.
- d) Net debt is the sum of interest-bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).
- e) Net interest payments are equal to the difference between interest payments and interest receipts. The increase in 2025–26 primarily reflects a Treasury Indexed Bond maturing in that year (details can be found in Statement 7: Debt Statement).

Economic and Fiscal Strategy

The Government's Economic and Fiscal Strategy is making the economy and budget stronger, more resilient and more sustainable over the medium term (Box 3.1). The Strategy is consistent with the requirements of the *Charter of Budget Honesty Act 1998*, with progress reviewed each budget update.

Box 3.1: The Government's Economic and Fiscal Strategy

The Government's Economic and Fiscal Strategy will make the economy more resilient and put the budget on a more sustainable footing over time.

The strategy is focused on the objectives of strong, inclusive and sustainable economic growth, full employment, growing real wages, ensuring women's economic participation and equality, and improving living standards for all Australians.

The Government will improve the budget position in a measured way, consistent with the overarching goal of reducing gross debt as a share of the economy over time. This approach enables fiscal policy to respond to changes in economic conditions to support macroeconomic stability, including in times of high inflation.

These objectives will be achieved by investments that grow the economy and expand productive capacity, and budget discipline that restrains spending growth and enhances the quality of spending. The budget will be improved in a manner consistent with the objective of maintaining full employment, while continuing to deliver essential services.

Putting the budget on a more sustainable footing will ensure the Government has the fiscal buffers to withstand economic shocks and better manage the fiscal pressures from an ageing population and climate change.

These commitments will be underpinned by the following elements:

- Allowing tax receipts and income support to respond in line with changes in the economy and directing the majority of improvements in tax receipts to budget repair.
- Limiting growth in spending until gross debt as a share of GDP is on a downwards trajectory, while growth prospects are sound and unemployment is low.
- Improving the efficiency, quality and sustainability of spending.
- Focusing new spending on investments and reforms that build the capability of our people, expand the productive capacity of our economy, and support action on climate change.
- Delivering a tax system that funds government services in an efficient, fair and sustainable way.

Delivering on the Economic and Fiscal Strategy

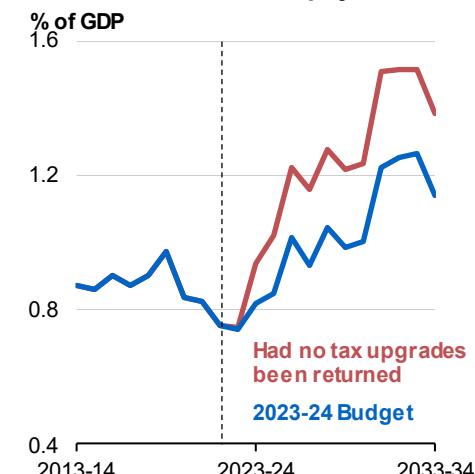
This Budget delivers on the Government's Economic and Fiscal Strategy by:

- Returning to the budget a cumulative 87 per cent of tax receipt upgrades (excluding GST) from estimates variations over the forward estimates across this and the October Budget, including 82 per cent in this Budget.
 - Returning upgrades over the past 2 Budgets will avoid \$83 billion in interest payments over the 12 years to 2033–34 (Chart 3.1). It also means gross debt as a share of GDP will be 7.1 percentage points lower in 2033–34 (Chart 3.2).
- Supporting budget repair through responsible, calibrated improvements to spending and strengthening the fairness and integrity of the tax system. Together with improvements from the October Budget, the Government has identified \$61.0 billion in budget improvements, \$32.5 billion in this Budget.
 - This Budget has identified \$17.8 billion in spending reprioritisations over the 5 years to 2026–27. This brings the total to \$39.8 billion across 2 budgets.
- Limiting growth in payments, with real payments growth expected to average 0.6 per cent a year over the 5 years from 2022–23 to 2026–27.
 - This compares to an average spending growth of around 4.0 per cent prior to the Global Financial Crisis (2000–01 to 2007–08) and 2.2 per cent prior to the pandemic (2011–12 to 2018–19).

This combination of returning tax receipt upgrades and spending restraint means that fiscal policy is not adding to inflationary pressures (Box 3.2) and is supporting budget repair and long-term fiscal sustainability.

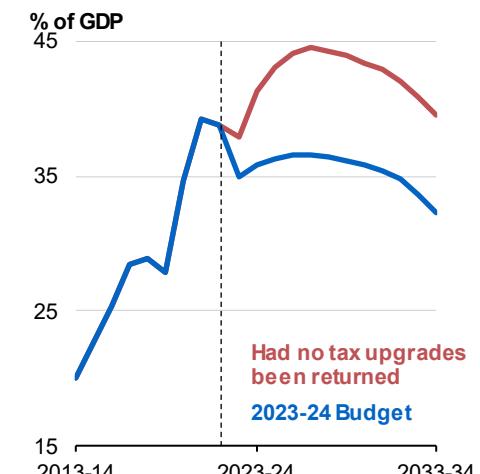
- Since the 2022 Pre-Election Fiscal Outlook (PEFO), the underlying cash balance has improved by a cumulative \$125 billion (2.4 per cent of GDP) over the two years to 2023–24.
- Gross debt is now expected to peak at 36.5 per cent of GDP in 2025–26, 10.4 percentage points lower and 5 years earlier than at the October Budget. It will then reduce to 32.3 per cent of GDP by the end of the medium term.

Chart 3.1 Total interest payments



Source: Treasury, AOFM.

Chart 3.2: Gross debt



Source: Treasury, AOFM.

Box 3.2: Fiscal and monetary policy in a period of high inflation

The peak in inflation appears to have passed in Australia. Annual inflation has fallen from its peak of 7.8 per cent over the year to the December quarter 2022 to 7.0 per cent over the year to the March quarter 2023. Inflation is expected to moderate further, driven by easing global price shocks and supply constraints and supported by policy measures such as the Energy Price Relief Plan. Inflation is expected to return to the target band in 2024–25.

In response to above-target inflation, the Reserve Bank of Australia has embarked on its sharpest tightening cycle since the introduction of inflation targeting in 1993. The cash rate has increased by a cumulative 375 basis points since May 2022. Monetary policy is known to operate with long and variable lags, meaning the full effects of policy tightening are yet to flow through the economy. Increases to the cash rate since May 2022 will contribute to a slowing in economic growth in 2023–24, and help return supply and demand in the economy to a more sustainable balance.

Fiscal policy plays an important role in managing business cycles alongside monetary policy, particularly when supply disruptions are prevalent because it can better target policies to affected sectors and households. It is especially important that fiscal policy not add unnecessarily to aggregate demand when inflationary pressures are acute.

Fiscal policy is working in line with monetary policy to tackle inflation in the near term. The Government has achieved this through its decision to bank 91 per cent of tax windfalls in 2022–23 and 2023–24, over the past 2 budgets. It has also shown spending restraint, by limiting annual real payments growth to 0.6 per cent on average over the 5 years from 2022–23. This has resulted in the cumulative underlying cash balance being \$124.7 billion higher over the two years to 2023–24 than was projected at PEFO.

From 2023–24, the underlying cash balance is forecast to transition back towards its structural deficit position, albeit significantly improved from estimates since the 2022 PEFO, as cyclical factors, such as current high commodity prices, unwind. Restraining spending and returning most revenue upgrades to the budget also helps to ensure the fiscal position is sustainable, with adequate buffers to enable fiscal policy to respond to future crises.

The Government's measures to deliver cost-of-living relief directly reduce the CPI in 2023–24 and are not expected to add to broader inflationary pressures in the economy. These measures are expected to reduce inflation by $\frac{3}{4}$ of a percentage point in 2023–24.

continued on next page

Box 3.2: Fiscal and monetary policy in a period of high inflation (continued)

The Government is acting through targeted, cost-of-living relief to support low-income Australians, including:

- providing direct energy bill relief for households and small businesses
- reducing out of pocket health costs
- supporting Australians most in need through increases to the rate of working age payments and targeted support for single parents
- increasing Commonwealth Rent Assistance maximum rates by 15 per cent.

Fiscal policy can also bring down inflation by growing supply, for example through productivity-enhancing investment or measures that increase the participation rate. These policies take time to expand production. While they won't offer immediate relief to current inflationary pressures, they improve the productive capacity of the economy over time, allowing it to grow more strongly without generating inflationary pressures. They can also make our economy more resilient to future shocks in our supply chain.

The Government is working to expand the productive capacity of the economy including by:

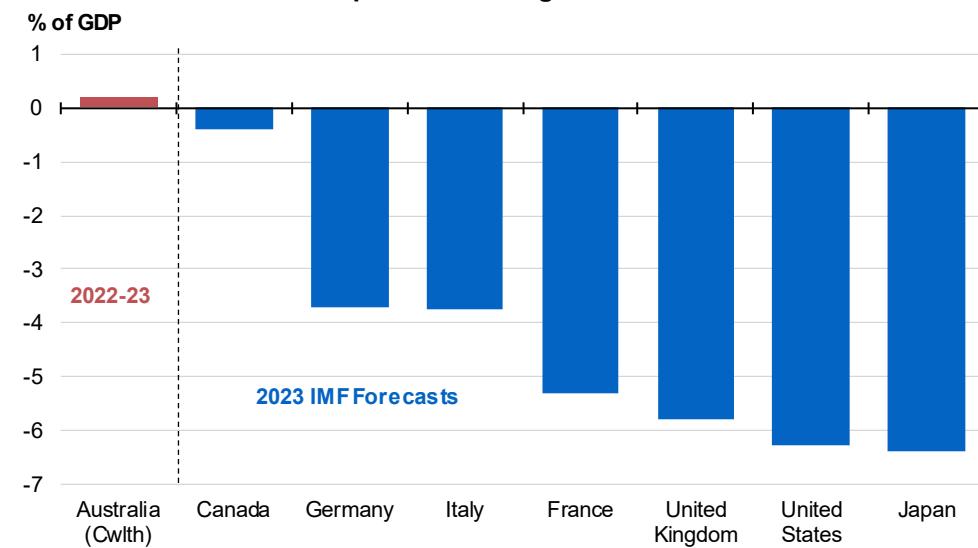
- rebuilding Australia's industrial capability with a focus on priority areas of the Australian economy, including through the National Reconstruction Fund
- supporting the transformation to net zero including through investments to support large scale hydrogen projects to commercialisation through the Hydrogen Headstart
- continuing to improve the sustainability and impact of the Infrastructure Investment Program, and ensuring it is focused on delivering nationally significant land transport infrastructure projects
- improving the affordability of early childhood education and care and expanding Paid Parental Leave
- targeting skilled migration and negotiating a new National Skills Agreement with the states and territories
- supporting competition and innovation through the Consumer Data Right.

Fiscal outlook

Underlying cash balance estimates

The underlying cash balance is estimated to be in surplus by \$4.2 billion (0.2 per cent of GDP) in 2022–23, an improvement of \$41.1 billion compared to the October Budget and \$82.1 billion since the 2022 PEFO. The Australian Government is forecasting a surplus before most of the major advanced economies (Chart 3.3).

Chart 3.3 International comparison of budget balances



Note: Estimates for Australian Commonwealth underlying cash balance have been prepared by Treasury. Overall fiscal balance estimates for other countries are prepared by the IMF on a calendar year basis and include total government fiscal balance (inclusive of state and local net lending). Therefore, care must be taken when trying to reconcile with Treasury Commonwealth estimates (which is exclusive of state and local lending, and calculated on a financial year basis) as they are not directly comparable.

Source: IMF staff estimates contained in the April 2023 Fiscal Monitor and Treasury.

An underlying cash deficit of \$13.9 billion (0.5 per cent of GDP) is forecast for 2023–24, a \$30.1 billion (1.3 percentage points of GDP) improvement since the October Budget, and a \$42.6 billion improvement since the 2022 PEFO.

From 2024–25, the underlying cash deficit is expected to increase before declining to \$28.5 billion (1.0 per cent of GDP) in 2026–27. This reflects the moderation in tax upgrades, along with key spending pressures across the forward estimates. The deficit is lower across all years compared to the October Budget. Over 5 years from 2022–23 to 2026–27, the underlying cash balance improves by a cumulative \$125.9 billion.

Changes in the underlying cash balance over the forward estimates

The improved fiscal outlook since October largely reflects Government decisions to return tax upgrades to budget.

Over the past 2 Budgets, 87 per cent of tax upgrades are being returned (82 per cent this Budget). The tax upgrades returned in each of the past 2 Budgets have been among the strongest on record. In addition to strengthening the structural fiscal position and rebuilding fiscal buffers, this commitment avoids fiscal policy adding to inflationary pressures while they are at their highest.

Payments in 2022–23 have decreased by \$12.7 billion since October. Payments as a share of GDP are lower in every year of the forward estimates, as a result of higher nominal GDP and spending restraint.

Policy decisions since the October Budget have increased the underlying cash deficit by \$20.6 billion over 5 years from 2022–23 to 2026–27. Around one half of policy decisions resolve unfunded legacy issues from the previous Government (\$7.5 billion) or relate to the ongoing pandemic response (\$2.3 billion).

Parameter and other variations since the October Budget have improved the underlying cash balance by \$146.5 billion over 5 years from 2022–23 to 2026–27 (Table 3.3).

Addressing Legacy Issues

Payments of \$2.3 billion in 2023–24 are required to address ongoing legacy issues left by the former Government. Over 5 years from 2022–23 to 2026–27 there are \$7.5 billion in new policy decisions to address legacy issues inherited from the former Government. This includes providing for programs that were underfunded or had terminating funding, including:

- \$1.1 billion over 4 years from 2023–24 (up to \$3.4 billion over 10 years) for investment in Brisbane 2032 Olympic and Paralympic Games venue infrastructure
- \$754.7 million to secure Australia’s digital health infrastructure, including the Australian Digital Health Agency and My Health Record
- \$804.3 million over 4 years from 2023–24 to 2026–27 to sustainably fund Australia’s biosecurity system
- \$535.3 million over 4 years from 2023–24 to 2026–27 to provide financial sustainability to the 9 National Collecting Institutions, including the National Library of Australia and the National Gallery of Australia.

Table 3.2: Reconciliation of general government sector underlying cash balance estimates

	Estimates						Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m		
2022 PEFO underlying cash balance(a)	-77,937	-56,525	-47,093	-42,936	-39,374	-263,864	
Per cent of GDP	-3.4	-2.4	-1.9	-1.6	-1.4		
Changes from 2022 PEFO to 2022–23 October Budget							
Effect of policy decisions(b)	-1,096	747	-2,014	-7,420	*	*	
Effect of parameter and other variations	42,181	11,729	-2,240	795	*	*	
Total variations(c)	41,085	12,476	-4,253	-6,625	-14,575	28,108	
2022–23 October Budget underlying cash balance(c)	-36,851	-44,048	-51,347	-49,561	-53,949	-235,756	
Per cent of GDP	-1.5	-1.8	-2.0	-1.8	-1.9		
Changes from 2022–23 October Budget to 2023–24 Budget							
Effect of policy decisions(b)(d)							
Receipts	125	1,757	5,378	6,413	8,382	22,055	
Payments	1,212	13,779	10,825	8,960	7,867	42,643	
Total policy decisions impact on underlying cash balance	-1,087	-12,022	-5,447	-2,547	515	-20,588	
Effect of parameter and other variations(d)							
Receipts	28,239	44,944	23,020	15,486	18,862	130,551	
Payments	-13,901	2,792	1,284	5	-6,122	-15,941	
Total parameter and other variations impact on underlying cash balance	42,140	42,153	21,736	15,481	24,984	146,492	
2023–24 Budget underlying cash balance	4,202	-13,918	-35,058	-36,627	-28,450	-109,852	
Per cent of GDP	0.2	-0.5	-1.3	-1.3	-1.0		

*Data is not available.

- a) 2026–27 as published in the medium-term projections, pages 10 and 11 of the 2022 PEFO.
- b) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.
- c) 2026–27 as published in the medium-term projections, page 81 of Budget Paper No. 1, *Budget Strategy and Outlook October 2022–23*.
- d) A positive number for receipts improves the underlying cash balance, while a positive number for payments worsens the underlying cash balance.

Primary balance estimates

The primary cash balance adjusts the underlying cash balance to exclude interest payments and interest receipts (as these are largely outside government control in the short term). This is a more representative measure of the Government's current fiscal decisions.

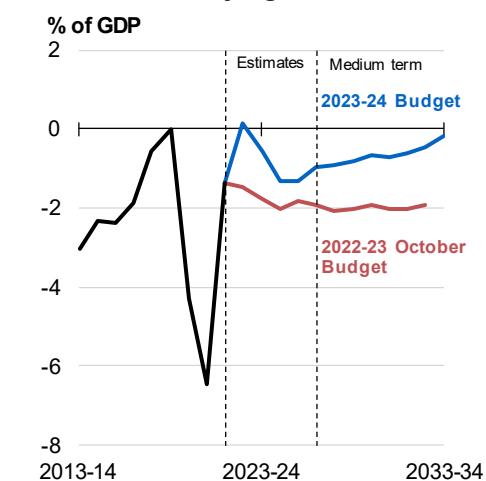
The primary balance is expected to be in surplus by \$16.9 billion (0.7 per cent of GDP) in 2022–23 and broadly balanced in 2023–24, reflecting the improved near-term outlook. Since the October Budget, the primary balance has improved \$40.1 billion in 2022–23 and \$26.9 billion in 2023–24. The underlying cash balance improves more than the primary balance because debt and interest payments (which are excluded from the primary balance calculation) are lower than forecast in the October Budget.

Medium-term projections

The medium-term fiscal outlook has improved considerably since the October Budget. The underlying cash deficit is projected to reach 0.2 per cent of GDP by 2033–34. This reflects the Government’s decision to return higher-than-expected tax receipts to the budget, and the flow-on benefit of lower interest payments.

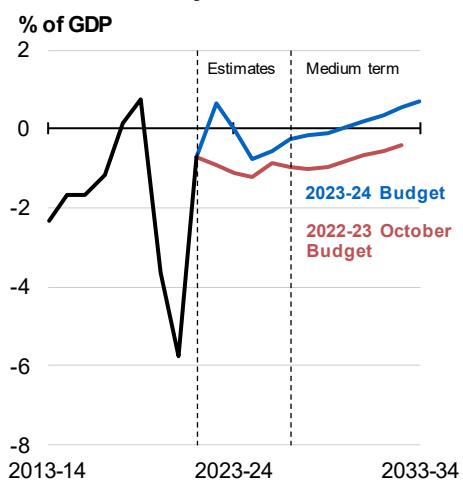
- The underlying cash deficit in 2032–33 is expected to be 0.5 per cent of GDP, 1.5 percentage points smaller than projected at the October Budget (Chart 3.4).
- The primary balance is expected to be in surplus from 2029–30. The primary balance in 2032–33 is expected to be improved by 0.9 percentage point of GDP relative to the October Budget (Chart 3.5).
- As a result, the Government accumulates less debt and pays less interest, with this impact compounding over time. In 2032–33, total interest payments are 0.6 percentage points of GDP lower than projected in the October Budget.

Chart 3.4: Underlying cash balance



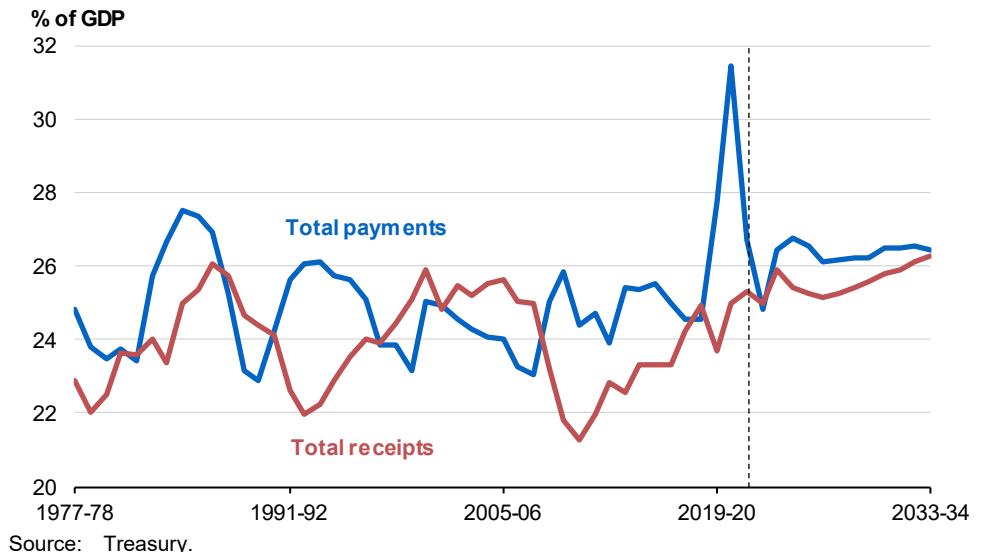
Source: Treasury.

Chart 3.5: Primary cash balance



Source: Treasury.

While improved, the budget remains in underlying cash deficit over the medium term. Payments as a share of GDP are expected to remain elevated above pre-pandemic levels (Chart 3.6).

Chart 3.6: Payments and receipts

Source: Treasury.

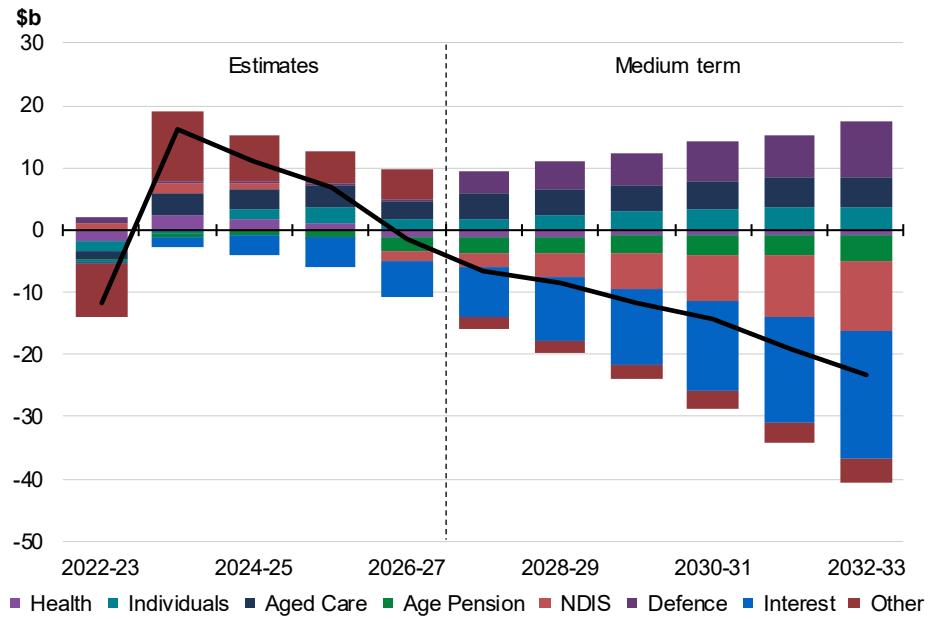
Improvements in the medium-term outlook since the October Budget

The substantial improvement in the medium-term fiscal outlook since the October Budget largely reflects the upwards revision to projected tax receipts, lower interest payments due to lower debt levels and interest rates, and moderation in growth of NDIS costs.

The increase in projected tax receipts reflects stronger employment earnings, that is a result of a larger labour force and higher participation rates. Policy measures that improve the fairness and efficiency of the tax system, such as better targeting superannuation tax concessions and reforms to the Petroleum Resource Rent Tax, are also supporting receipts. Tax receipts as a share of GDP are expected to be 24.2 per cent in 2032–33, 0.1 percentage points higher than projected in October.

Payments as a share of GDP are lower in every year of the forward estimates and across the medium term compared to the October Budget. Payments are expected to be 1.4 percentage points of GDP lower in 2032–33 than in the October Budget. Returning most tax upgrades to the Budget reduces deficits and debt accumulation reducing interest payments. Total interest payments are lower by 0.6 percentage points of GDP in 2032–33. NDIS Commonwealth-funded participant payments are lower by 0.3 percentage points of GDP in 2032–33. (Chart 3.7). Nominal GDP is higher than at October Budget further reducing payments as a share of the economy.

Chart 3.7: Revisions to major payments since the 2022–23 October Budget



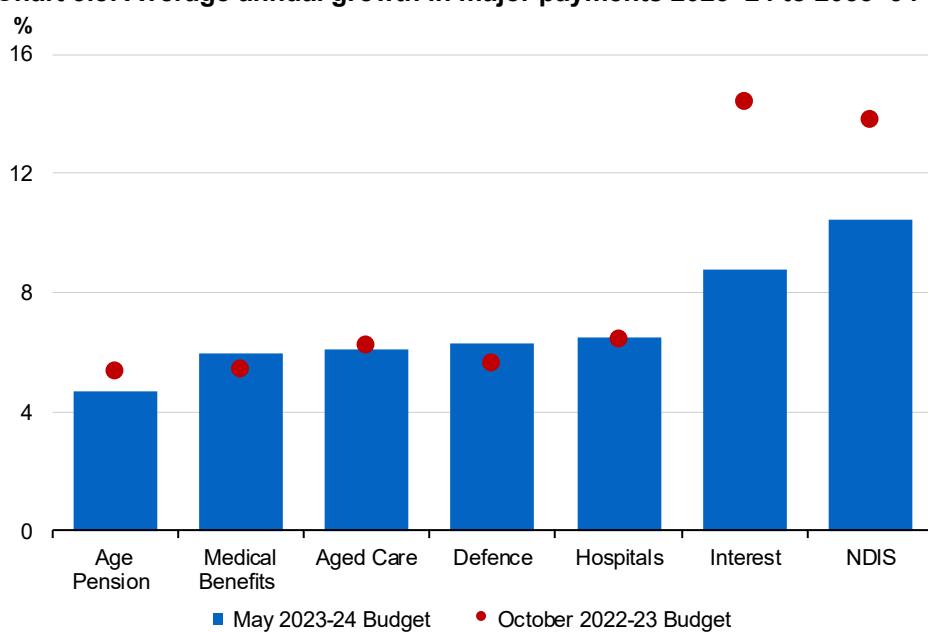
Source: Treasury.

Note: Numbers may differ from estimates presented in *Statement 6: Expenses and Net Capital Investment* due to accounting and classification differences. Interest refers to interest payments on Australian Government Securities. NDIS refers to the Commonwealth's contribution to payments for NDIS participant supports.

Growth of the fastest growing major payment categories over the projections period (2023–24 to 2033–34) is lower overall than at October Budget (Chart 3.8).

- NDIS Commonwealth-funded participant payments growth is expected to average 10.4 per cent over the projections period compared to 13.8 per cent in the October Budget (2022–23 to 2032–33). This reflects the commitment of National Cabinet to an NDIS Financial Sustainability Framework to moderate growth in the Scheme costs over time.
- Interest payments growth is expected to average 8.8 per cent over the projections period compared to 14.4 per cent in the October Budget. This primarily reflects the Government's decision to bank tax receipts upgrades, which has resulted in lower deficits and lower debt, as well as lower assumed yields.
- The Government's commitment to implement the Defence Strategic Review will include increased spending over the medium term, with spending estimated to rise above 2.3 per cent of GDP in 2032–33, based on current GDP projections. Over the next 12 months, Defence is undertaking work to reshape the Defence Integrated Investment Program, in line with the findings and recommendations of the review.

- Hospitals and Medical benefits payments growth are expected to be 6.5 and 6.0 per cent on average, respectively, over the projections period, compared to 6.5 and 5.4 per cent in the October Budget. For Medical benefits, this reflects revised projections for growing demand for health services in the medium term and increased costs of improved medical technology.
- Aged care payments growth is expected to average 6.1 per cent over the projection period compared to 6.2 per cent in the October Budget. This Budget provides similar growth in payments for aged care off a higher base. This reflects the Government's commitment to improve the quality of aged care services and provide funding to support the Fair Work Commission's interim decision in the Aged Care Work Value Case (Box 3.3).

Chart 3.8: Average annual growth in major payments 2023–24 to 2033–34

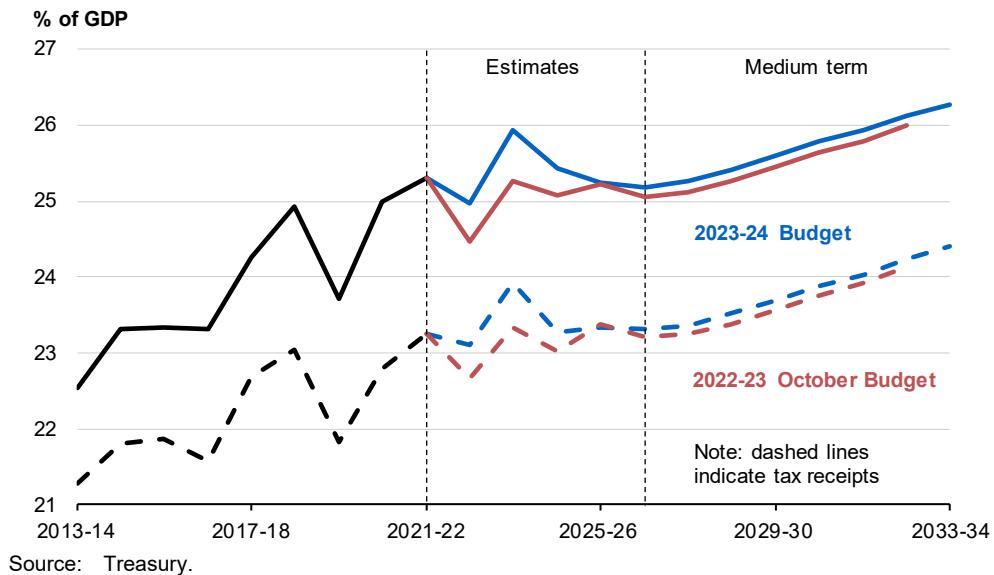
Source: Treasury.

Note: Interest refers to interest payments on Australian Government Securities. NDIS refers to the Commonwealth's contribution to payments for NDIS participant supports. Growth rate at the October Budget from 2022–23 to 2032–33.

Receipts estimates and projections

Total receipts are expected to decrease from 25.9 per cent of GDP in 2023–24 to 25.2 per cent of GDP in 2026–27. This largely reflects tax receipts, which are expected to decrease from 23.9 per cent of GDP to 23.3 per cent of GDP over this period (Chart 3.9).

Chart 3.9: Total receipts



Source: Treasury.

Receipts policy decisions over the forward estimates

Policy decisions in this Budget have increased total receipts by \$1.8 billion in 2023–24 and by \$22.1 billion over 5 years from 2022–23 to 2026–27. Policy decisions have increased tax receipts by \$19.1 billion over 5 years from 2022–23 to 2026–27.

Key tax receipt measures include:

- Extending the Personal Income Tax Compliance Program, extending the GST compliance program, extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program and improving engagement with taxpayers to ensure timely payment of tax. These measures are estimated to increase receipts by \$9.1 billion over the 5 years from 2022–23, partially offset by an associated increase in payments of \$4.4 billion, including GST payments to the states and territories of \$3.4 billion.
- Tobacco Excise – measures to improve health outcomes, increasing tobacco excise each year for 3 years from 1 September 2023 and aligning the treatment of stick and non-stick tobacco tax. This measure is estimated to increase receipts by \$3.3 billion over the 5 years from 2022–23, partially offset by an associated increase in GST payments to the states and territories of \$290 million.

- Amending the Petroleum Resource Rent Tax (PRRT) in response to Treasury's Review of the PRRT Gas Transfer Pricing arrangements. This measure is estimated to increase receipts by \$2.4 billion over the 5 years from 2022–23, partially offset by an associated increase in payments of \$4.4 million.
- Reduce the superannuation tax concessions available to individuals with a total superannuation balance exceeding \$3 million. This measure is estimated to increase receipts by \$950 million over the 5 years from 2022–23, partially offset by an associated increase in payments of \$47.6 million.

Since the October Budget, policy decisions are expected to increase non-tax receipts by \$0.5 billion in 2023–24, and by \$2.9 billion over 5 years from 2022–23 to 2026–27.

This movement includes the expected earnings of the National Reconstruction Fund Corporation, as announced in the 2023–24 Budget measure *National Reconstruction Fund Corporation – establishment*, receipts associated with the 2023–24 Budget measure *Enduring Funding Mechanism for AusCheck*, and receipts associated with the 2023–24 Budget measure *Strengthened and Sustainably Funded Biosecurity System*.

Further details of Government policy decisions are provided in Budget Paper No. 2, *Budget Measures 2023–24*.

Receipts parameter and other variations over the forward estimates

Parameter and other variations have increased total receipts since the October Budget by \$28.2 billion in 2022–23, \$44.9 billion in 2023–24 and by \$130.6 billion over 5 years from 2022–23 to 2026–27.

The increase in total receipts due to parameter and other variations primarily reflects tax receipts, which have been revised up by \$40.7 billion in 2023–24 and by \$115.7 billion over 5 years from 2022–23 to 2026–27. In the near term, tax receipts are supported by a strong labour market and higher commodity prices. Personal income tax is being supported by strong employment growth and an improved outlook for wage growth. Company tax is being supported by commodity prices which have remained higher for longer than projected in the October budget and a longer assumed time for commodity prices to return to long-term levels (see Box 2.4 in *Statement 2: Economic Outlook*). Around one-fifth of the increase in tax receipts reflects the update to assumptions about the path of commodity prices in response to sustained high prices, largely in 2023–24. The upgrades to company tax receipts are expected to moderate by the end of the forward estimates period, as commodity prices are assumed to return to long-term levels.

Since the October Budget, parameter and other variations are expected to increase non-tax receipts by \$4.2 billion in 2023–24, and by \$17.8 billion over the 5 years from 2022–23 to 2026–27. This movement is driven by higher earnings from interest on cash deposits due to the rise in short-term interest rates, higher earnings from the Future Fund and the Australian Government Investment Funds, as well as higher demand for Australian passports.

Further information on expected receipts is provided in *Statement 5: Revenue*. Analysis of the sensitivity of the receipts estimates to changes in the economic outlook is provided in *Statement 8: Forecasting Performance and Sensitivity Analysis*.

Payments estimates and projections

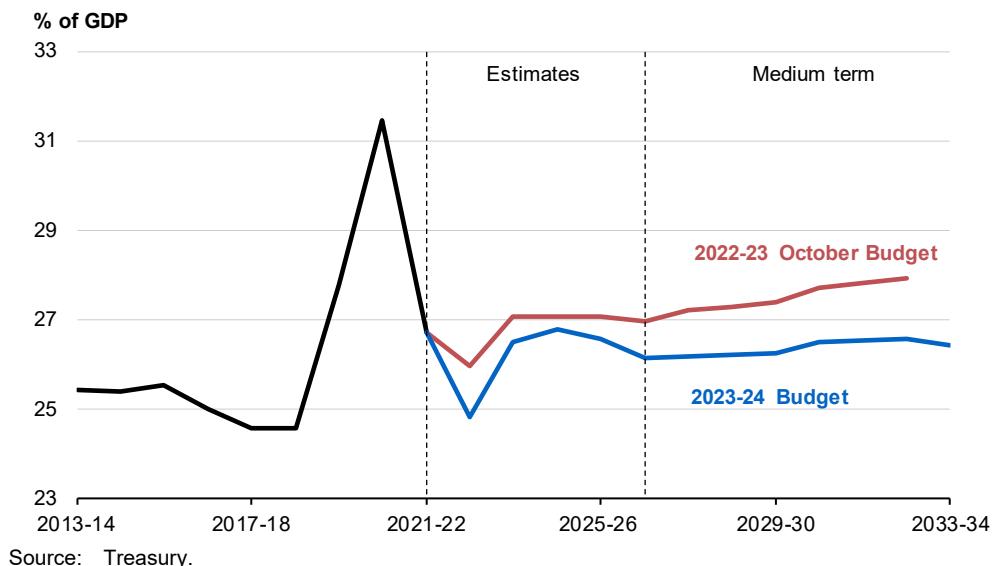
Since the October Budget, total payments have increased by \$16.6 billion in 2023–24 and by \$26.7 billion over 5 years from 2022–23 to 2026–27. Real payments growth is limited to an average 0.6 per cent per year.

Payments, excluding policy decisions, have been revised down by \$13.9 billion in 2022–23, due to lower-than-expected demand for some programs, including COVID-related expenses, and delays in payments arising from capacity constraints.

Payments as a share of GDP is lower in every year of the forward estimates and medium term, compared to the October Budget.

By 2033–34, payments are projected to be 26.4 per cent of GDP (Chart 3.10).

Chart 3.10: Total payments



Source: Treasury.

Payment policy decisions over the forward estimates

New policy decisions since the October Budget have increased total payments by \$13.8 billion in 2023–24 and by \$42.6 billion over 5 years from 2022–23 to 2026–27.

Major policy decisions since the October Budget that have increased payments include:

- funding to strengthen Medicare to provide better access and more affordable care for patients, in response to the *Strengthening Medicare Taskforce Report*, which is expected to increase payments by \$5.7 billion over 5 years from 2022–23
- funding to increase support for people receiving working age payments including the JobSeeker Payment by \$4.9 billion over 5 years from 2022–23
- funding to increase the maximum rates of the *Commonwealth Rent Assistance* payment by 15 per cent to address rental affordability challenges for recipients, which is expected to increase payments by \$2.7 billion over 5 years from 2022–23
- improving support for single parents through the extension of the eligibility for *Parenting Payment (Single)* to support principal carers with a youngest child under 14 years of age, which is expected to increase payments by \$1.9 billion over 5 years from 2022–23
- funding to deliver a targeted energy bill relief and progressing gas market reforms to reduce the impact of rising energy prices on Australian households and businesses, which is expected to increase payments by \$1.5 billion over 4 years from 2022–23
- funding towards strengthening Australia’s biosecurity system, which is expected to increase payments by \$1.0 billion over 4 years from 2023–24.

The Government is also continuing the task of budget repair. Policies to reprioritise funding to enhance the quality of spending include:

- temporarily reducing the residential aged care provision ratio from 78.0 places to 60.1 places per 1,000 people aged over 70 years reflecting the increasing preference of older Australians to remain in their homes, which is expected to decrease payments by \$2.2 billion over 3 years from 2024–25 and redirecting funding to the Government’s commitments on health and aged care
- reinvesting health and aged care funding to deliver new or expanded health and aged care services, which is expected to decrease payments by \$1.7 billion over 4 years from 2023–24.

Payment parameter and other variations over the forward estimates

Parameter and other variations since the October Budget have increased payments by \$2.8 billion in 2023–24 and decreased payments by \$15.9 billion over 5 years from 2022–23 to 2026–27.

This is primarily driven by lower estimates for interest payments on government debt resulting from smaller deficits, and lower estimates for payments related to the Medical Benefits program and lower expected recipient numbers for Family Assistance and Support for Seniors. Offsetting this improvement, in part, are an increase in a range of aged care payments and GST payments to the states.

Major increases in payments from parameter and other variations since the October Budget include:

- payments related to Aged Care Services are expected to increase by \$1.9 billion in 2023–24 and \$13.4 billion over 4 years from 2023–24 to 2026–27, largely due to increased funding for wages as a result of the Fair Work Commission Aged Care Work Value Case, the setting of the Australian National Aged Care Classification price for residential aged care for 2023–24, and updated economic parameters, partially offset by a reduction in the utilisation of Home Care Package funds. The budget impact of this increase is partially offset by funding provisioned in the contingency reserve for the Aged Care Work Value Case outcome in the 2022–23 October Budget.
- payments related to the provision of GST to the states and territories (including Horizontal Fiscal Equalisation (HFE) transition payments), which are expected to increase by \$197 million in 2023–24 and \$10.8 billion over 4 years from 2023–24 to 2026–27, largely reflecting the GST top-up payments arrangement agreed with states and territories, partially offset by an overall increase in GST receipts.
- payments related to the Military Rehabilitation Compensation Acts, which are expected to increase by \$1.1 billion in 2023–24 and \$4.8 billion over 4 years from 2023–24 to 2026–27, largely due to increased staff levels resulting in more claims processed and higher payments to veterans
- payments indexed to the Government’s Wage Cost Indexation (WCI) framework, which are expected to increase by \$242 million in 2023–24 and around \$4 billion over the 4 years from 2023–24 to 2026–27, reflecting a revision to the indexation methodology to ensure it better aligns with economic conditions. The movements in individual payments are reflected in the estimates for these programs.
- payments related to National Partnership Payments – Natural Disaster Relief, which are expected to increase by \$1.8 billion in 2023–24 and \$3.0 billion over 4 years from 2023–24 to 2026–27, due to higher-than-expected spending related to historical disaster events.
- payments related to the NDIS are expected to increase by \$1.8 billion in 2023–24 and \$1.7 billion over 4 years from 2023–24 to 2026–27. The increase over the forward estimates is lower than would have otherwise been expected due to the Government’s investment of \$732.9 million to improve the NDIA’s capability, capacity and systems which will moderate growth in participant support costs from 2023–24.
- payments related to Research and Development Tax Incentives, which are expected to increase by \$176 million in 2023–24 and \$942 million over 4 years from 2023–24 to 2026–27, due to increases in the number and value of expected claims following the reopening of international markets post COVID-19.
- payments relating to Building Skills and Capability, which are expected to increase by \$189 million in 2023–24 and \$440 million over 4 years from 2023–24 to 2026–27, largely due to higher-than-expected demand for the Boosting Apprenticeship Commencements and Completing Apprenticeship Commencements wage subsidies.

Box 3.3: A pay rise for aged care workers

On 21 February 2023, the Fair Work Commission issued a decision on Stage 2 of the Aged Care Work Value Case to provide an interim increase of 15 per cent to modern award minimum wages for many aged care workers, including registered nurses, enrolled nurses, assistants in nursing, personal care workers, home care workers, recreational activity officers, and some head chefs and cooks.

This Budget allocates \$11.3 billion over 4 years from 2023–24 to fund this outcome of the case from 1 July 2023, including:

- \$8.5 billion for residential aged care
- \$2.2 billion for the Home Care Packages Program
- \$310.0 million for the Commonwealth Home Support Programme (see *Budget Paper No. 2, Funding Pay Increases for Aged Care Workers*)
- \$177.9 million over 4 years from 2023–24 for the Transition Care Programme and Short-Term Restorative Care Programme
- \$82.5 million for the Veterans' Home Care Program and Community Nursing services
- \$58.9 million over 4 years from 2023–24 for a targeted indexation boost to funding for the following programs (see *Budget Paper No. 2, Funding Pay Increases for Aged Care Workers*):
 - \$36.7 million over 4 years from 2023–24 for the National Aboriginal and Torres Strait Islander Flexible Aged Care Program
 - \$9.9 million over 4 years from 2023–24 for the Indigenous Employment Initiative
 - \$9.1 million over 4 years from 2023–24 for the Trusted Indigenous Facilitators program
 - \$3.1 million over 4 years from 2023–24 for the Multi-Purpose Services Program
- \$98.7 million to fund historical leave provisions (see *Budget Paper No. 2, Funding Pay Increases for Aged Care Workers*).

More than 250,000 aged care workers will benefit from the increase.

This Budget also includes \$2.7 billion over 4 years from 2023–24 in additional indexation for residential aged care based on advice from the Independent Health and Aged Care Pricing Authority.

Major decreases in payments from parameter and other variations since the October Budget include:

- payments related to the Medical Benefits program are expected to be \$3.5 billion lower in 2022–23 compared to estimates outlined in the 2022–23 October Budget. A significant factor is lower spending on COVID pathology and vaccine administration over the past financial year along with a reduction in demand for services. This has led to an adjustment across the forward estimates. Before taking into account new measures in the 2023–24 Budget, payments related to the Medical Benefits program are expected to be \$2.8 billion lower in 2023–24 and \$10.4 billion lower over the 4 years to 2026–27 compared to previous estimates. In the 2023–24 Budget, the Government is investing \$5.9 billion over 4 years from 2023–24 in the Medical Benefits program through measures aimed at strengthening Medicare, including \$1.5 billion over 4 years from 2023–24 to increase indexation in the Medicare Benefits Schedule.
- payments related to Commonwealth Debt Management, which are expected to decrease by \$1.7 billion in 2023–24 and \$9.9 billion over the 4 years from 2022–23 to 2025–26, largely reflecting lower levels of Australian Government Securities (AGS) on issue.
- payments related to Family Assistance, which are expected to decrease by \$1.0 billion in 2023–24 and \$2.8 billion over 4 years from 2023–24 to 2026–27, largely due to a decrease in Family Tax Benefit recipients and a decrease in average payment rates, reflecting continued strong labour market performance.
- payments relating to Support for Seniors, which are expected to decrease by \$699 million in 2023–24 and \$1.6 billion over 4 years from 2023–24 to 2026–27, largely due to lower than expected Age Pension recipient numbers in 2022–23 which impacts the forward estimates, due to some Australians approaching retirement age choosing to delay their retirement.
- payments relating to Government Schools, which are expected to decrease by \$181 million in 2023–24 and \$1.2 billion over 4 years from 2023–24 to 2026–27, primarily due to a decrease in student enrolments at Government Schools.

Consistent with past budgets, the underlying cash balance has been improved by regular draw down of the conservative bias allowance. Details in *Statement 6: Expenses and Net Capital Investment*.

Table 3.3: Reconciliation of general government sector payments estimates^(a)

	Estimates					Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m	
	626,470	641,714	662,277	686,836	718,320	3,335,617
2022 PEFO payments^(b)						
Changes from 2022 PEFO to 2022–23 October Budget						
Effect of policy decisions ^(c)	2,506	1,711	5,980	12,673	*	*
Effect of parameter and other variations	15,105	22,064	25,929	29,075	*	*
Total variations^(d)	17,611	23,775	31,909	41,748	43,503	158,546
2022–23 October Budget payments^(d)	644,080	665,489	694,187	728,584	761,823	3,494,164
Changes from 2022–23 October Budget to 2023–24 Budget						
Effect of policy decisions ^(c)	1,212	13,779	10,825	8,960	7,867	42,643
Effect of parameter and other variations	-13,901	2,792	1,284	5	-6,122	-15,941
Total economic parameter variations	-387	640	3,060	5,881	*	*
<i>Unemployment benefits</i>	-65	-591	323	861	*	*
<i>Prices and wages</i>	7	494	1,544	2,901	*	*
<i>Interest and exchange rates</i>	447	1,060	1,016	1,019	*	*
<i>GST payments to the States</i>	-776	-323	177	1,100	*	*
Interest payments on AGS	-340	-1,694	-3,224	-4,661	*	*
Program specific parameter variations	-5,196	401	-778	-1,099	*	*
Other variations ^(e)	-7,977	3,444	2,226	-116	*	*
Total variations	-12,689	16,571	12,109	8,965	1,745	26,702
2023–24 Budget payments	631,392	682,060	706,296	737,549	763,569	3,520,865

*Data is not available.

- a) A positive number for payments worsens the underlying cash balance.
- b) 2026–27 as published in the medium-term projections, pages 10 and 11 of the 2022 PEFO.
- c) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.
- d) 2026–27 as published in the medium-term projections, pages 90 and 91 of Budget Paper No. 1: Budget Strategy and Outlook October 2022–23.
- e) Includes changes in the conservative bias allowance component in the Contingency Reserve and impacts of changes in program payments for a range of reasons including movement of funds and re-profiling.

Headline cash balance estimates

The headline cash balance adjusts the underlying cash balance to include net cash flows from investments in financial assets for policy purposes. For example, Clean Energy Finance Corporation loans and equity investments in the NBN reduce the headline cash balance but not the underlying cash balance. Table 3.4 provides further details of differences between the underlying and headline cash balance estimates.

A headline cash deficit of \$19.7 billion is estimated in 2023–24, compared to an estimated deficit of \$50.7 billion in the October Budget. The headline cash balance weakens to an estimated deficit of \$41.3 billion (1.4 per cent of GDP) in 2026–27. The lower headline cash balance compared to the October Budget is primarily driven by the improvement in the underlying cash balance.

Estimates for total net cash flows from investments in financial assets for policy purposes increased by \$0.3 billion over 4 years from 2022–23 to 2025–26 compared to the October Budget. This is primarily driven by increased estimates for HELP loan repayments, partly offset by increased loans and investments for Clean Energy Finance Corporation (primarily reflecting Rewiring the Nation), the National Reconstruction Fund, and the National Housing Finance and Investment Corporation.

Table 3.4: Reconciliation of general government sector underlying and headline cash balance estimates

	Estimates						Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m		
2023–24 Budget underlying cash balance	4,202	-13,918	-35,058	-36,627	-28,450	-109,852	
<i>plus Net cash flows from investments in financial assets for policy purposes(a)</i>							
Student loans	-2,495	-3,468	-4,372	-4,576	-4,697	-19,608	
NBN loan(b)	875	5,500	0	0	0	6,375	
NBN investment	-328	-748	-1,016	-308	0	-2,400	
Trade support loans	-137	-149	-157	-147	-136	-726	
CEFC loans and investments	-344	-975	-2,564	-4,713	-4,702	-13,298	
Northern Australia Infrastructure Facility	-743	-1,016	-1,074	-961	-841	-4,635	
NRFC loans and investments	0	-354	-448	-849	-1,935	-3,586	
Australian Business Securitisation Fund	-434	-355	-251	-151	-202	-1,393	
Structured Finance Support Fund	295	260	69	71	0	695	
Drought and rural assistance loans	-244	-203	-178	-117	268	-474	
Official Development Assistance - Multilateral Replenishment	-128	-135	-142	-195	-170	-770	
National Housing Finance and Investment Corporation	-60	-198	-652	-521	540	-891	
COVID-19 Support for Indonesia — loan	100	100	100	100	100	500	
Financial Assistance to Papua New Guinea — loan	-678	111	111	111	111	-234	
Net other(c)	-7,368	-4,163	-3,546	-2,959	-1,140	-19,176	
Total net cash flows from investments in financial assets for policy purposes	-11,689	-5,795	-14,120	-15,215	-12,804	-59,623	
2023–24 Budget headline cash balance	-7,487	-19,713	-49,178	-51,842	-41,255	-169,475	

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.

b) This financial profile represents the actual repayments for 2022–23. As the loan agreement between the Government and NBN Co allows some flexibility in relation to the timing of the repayment, the remaining amount is included in 2023–24.

c) Net other includes amounts that have not been itemised for commercial-in-confidence reasons.

The Government's balance sheet

The balance sheet measures the value of the Government's assets and liabilities. Changes in the balance sheet reflect movements in the underlying cash balance, additional balance sheet commitments, and market valuation effects including from changes in yields (Box 3.5).

Different balance sheet metrics measure different groupings of assets and liabilities.

- **Gross debt** measures the face value of Australian Government Securities (AGS) on issue. This is the amount that the Government pays back to investors at maturity, independent of fluctuations in market prices.
- **Net debt** is measured at market value and incorporates specific financial assets and liabilities and provides a broader measure of the financial obligations of the Government than gross debt.
- **Net financial worth** is the sum of all financial assets less all financial liabilities. The assets of the Future Fund and the public sector superannuation liability that the Future Fund will finance are included in net financial worth.
- **Net worth** is the sum of all assets less all liabilities. It includes non-financial assets such as buildings and plant, equipment, and infrastructure.

Further information on definitions is available in *Statement 10: Australian Government Budget Financial Statements*.

Gross debt estimates and projections

The Government's responsible budget management is supporting lower debt than at the October Budget in each year of the forward estimates and medium term.

Gross debt is estimated to be 35.8 per cent of GDP (\$923.0 billion) in 2023–24, \$81 billion lower than the estimate of 40.8 per cent of GDP (\$1 trillion) at the October Budget. This primarily reflects improvements in the underlying cash balance. The gross debt to GDP position also benefits from lower yields compared to October and from upgrades to nominal GDP.

In line with the Economic and Fiscal Strategy, the Government is on track to stabilise and reduce gross debt as a share of the economy. Gross debt is now projected to peak at 36.5 per cent of GDP in 2025–26, 10.4 percentage points lower and 5 years earlier than at the October Budget, before declining to 32.3 per cent by 2033–34 (Chart 3.11).

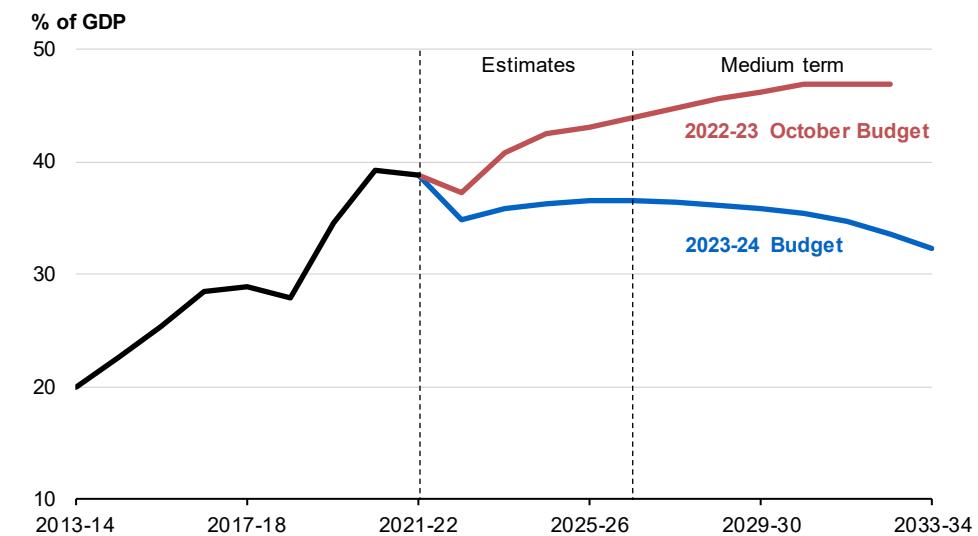
The cost of servicing Government debt has decreased since the October Budget, driven by the reduction in debt and, to a lesser extent, lower yields. Over the forward estimates, bond yields are assumed to remain fixed at a recent average of daily spot rates at the time of the Budget update. Since October, the assumed weighted average cost of borrowing for future

issuance of Treasury Bonds has decreased from 3.8 to 3.4 per cent. This remains significantly above the 2.2 per cent at PEFO. Lower yields since October have been driven by some moderation in expectations for inflation and future cash rates.

Interest payments are estimated to be 0.8 per cent of GDP in 2023–24 before rising to 1.3 per cent of GDP by 2032–33. This is 0.1 and 0.6 percentage points lower than the October Budget, respectively. This reflects lower deficits and lower yields on government debt.

As part of its debt issuance task, the Australian Office of Financial Management will be issuing green bonds from 2024 (Box 3.4).

Chart 3.11: Gross debt



Source: Australian Office of Financial Management, Treasury.

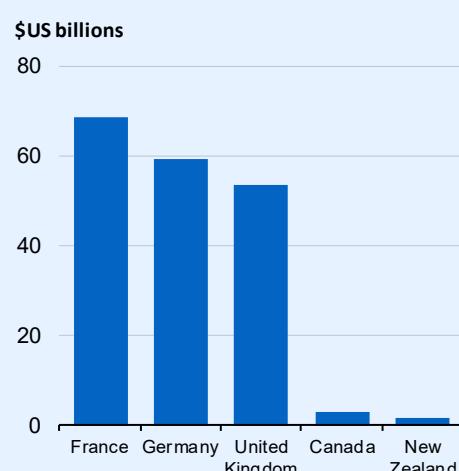
Statement 8: Forecast Performance and Sensitivity Analysis contains information on the impact on interest payments and gross debt if the future trajectory for yields is higher or lower than assumed. *Statement 7: Debt Statement* contains further information on yield assumptions and interest payments.

Box 3.4: Green bonds

The Australian Government will commence issuing green bonds from mid-2024. Australian Government green bonds will be fixed income bonds that provide financing for specific government programs with positive climate change and environmental outcomes. Green bonds provide investors the opportunity to support public projects that contribute to climate change and environmental objectives. The issuance of sovereign green bonds will support Australia's broader green capital market to mature and scale. Green bonds will not impact the total stock of Government debt as they displace issuance of normal bonds.

The international market for sovereign green bonds is substantial and growing. Over 40 countries now issue green bonds, including Canada, New Zealand and the United Kingdom. Sovereign green bonds remain a relatively small proportion of issuers' debt portfolios (Chart 3.12 and 3.13).

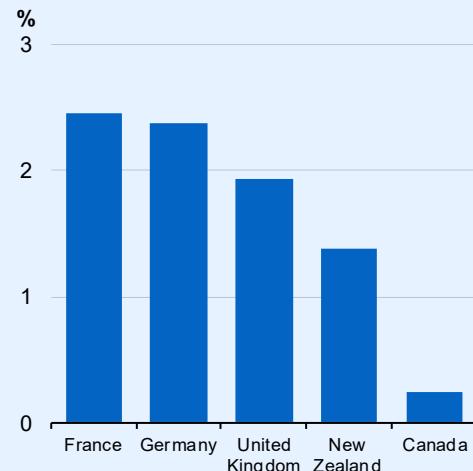
Chart 3.12: Sovereign green bonds



Source: Bloomberg

Note: Sovereign green bonds issuance, exchange rates as at 28 April 2023

Chart 3.13: Green bonds as a percentage of debt on issue



Source: Bloomberg

Note: Debt on issue refers to the total outstanding nominal debt on issue by the central government

Green bonds form part of the Government's Sustainable Finance Strategy, which will set out measures to develop transparent and credible green finance markets. It complements the greater transparency around climate-related spending provided later in this statement, which is consistent with the International Capital Market Association's (ICMA) Green Bond Principles. Together, these activities will increase transparency around climate outcomes, which will encourage more green capital in Australia.

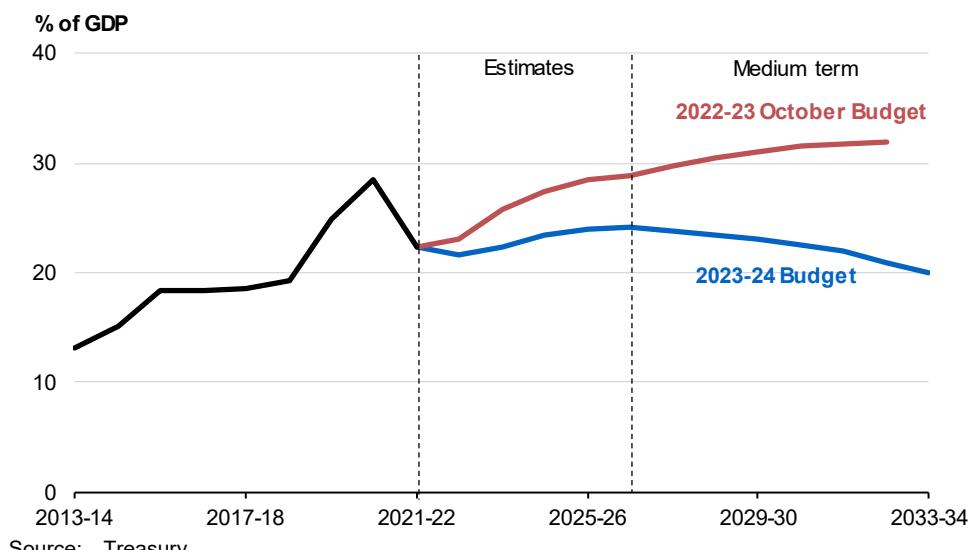
Net debt estimates and projections

Net debt is estimated to be 22.3 per cent of GDP (\$574.9 billion) in 2023–24 (Table 3.6); lower than the estimate of 25.8 per cent of GDP (\$634.1 billion) at the October Budget. The improvement since the October Budget primarily reflects the Government's decreased borrowing requirement resulting from improvements in the underlying cash balance, partly offset by an increase in the market value of existing debt.

- Yields have fallen since October, making the fixed income stream from existing bonds relatively more attractive to investors. This increases the market value of existing bonds and hence net debt.

Net debt remains lower than estimated at the October Budget across each year of the forward estimates and the medium term. Net debt is projected to be 19.9 per cent of GDP in 2033–34 (Chart 3.14).

Chart 3.14: Net debt



Further information on gross debt and net debt estimates across the forward estimates is provided in *Statement 7: Debt Statement*.

Box 3.5: Leveraging the Government's balance sheet for growth

The Government is investing to build a stronger economy through government financed investment vehicles and government investment funds.

- Government financed investment vehicles partner with the private sector. Their purpose is to unlock private investment for projects that deliver public value and a financial return to taxpayers. For the private sector, government co-investment can reduce the risk of early-stage investments and provide certain, often concessional, long-term capital.
- Government investment funds invest to generate commercial returns as a revenue stream to fund policy objectives.

The Government has established new investment vehicles to support growth in key parts of the economy. For example:

- The National Reconstruction Fund is a \$15 billion fund that will partner with the private sector to provide loans, equity and guarantees to projects in 7 priority areas of the economy: renewables and low emissions technologies; medical science; transport; value-add in the agriculture, forestry and fisheries sectors; value-add in resources; defence capability; and enabling capabilities.
- Rewiring the Nation will provide \$20.0 billion in concessional debt and equity financing to invest in transmission projects. It will invest in priority grid-related projects through the Clean Energy Financial Corporation (CEFC) to fast-track the decarbonisation of the electricity sector and take advantage of our abundant renewable energy resources needed to power the next stage of the energy transition. Investments in the electricity grid are critical to bringing low-cost renewable energy to consumers as part of the net zero transition.

The Government is also establishing a new Investment Fund – the Housing Australia Future Fund (HAFF) to boost the supply of, and better facilitate private investment into, social and affordable housing.

- The HAFF will provide sustainable funding to increase the supply of social and affordable housing and help address pressures in the housing market. The Government will use returns from the HAFF to deliver 30,000 social and affordable homes over 5 years and provide funding of \$330 million for acute housing needs. The HAFF funding will also mobilise institutional investment for social and affordable housing, helping to boost total investment into the sector.

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Box 3.5: Leveraging the Government's balance sheet for growth (continued)

By attracting capital to national priority areas, such as clean energy, and social and affordable housing, these investments will build productivity, improve supply chain resilience, and increase economic growth.

The Government is cognisant of the need to manage market risks associated with funds and investment vehicles. The Government is committed to effective, efficient, and transparent management of its assets and will establish a new centralised oversight function for investment vehicles within the Department of Finance.

This will enhance transparency and accountability around the use of the Government's balance sheet.

The Government borrows to finance new investments. Acquisition of financial assets for policy purposes adds assets to the balance sheet, offsetting debt issuance in net financial worth, but increasing gross debt.

Returns from government investments are expected to cover or exceed borrowing costs over the long term, improving the budget bottom line (Chart 3.15). Target returns vary across different entities in line with their differing policy objectives.

The Future Fund can make long-term investments and is not being drawn down in the immediate future. It has achieved an average annual return of 7.7 per cent per annum since inception in 2006. This is above its average target return of 7.0 per cent, and well above the government's average borrowing costs over the period. The Future Fund Board of Guardians also manages the investments for all other Government Investment Funds. Other funds, such as the Medical Research Future Fund (MRRF), have more frequent drawdown requirements and invest in assets with higher liquidity and lower risk, but also with lower returns.

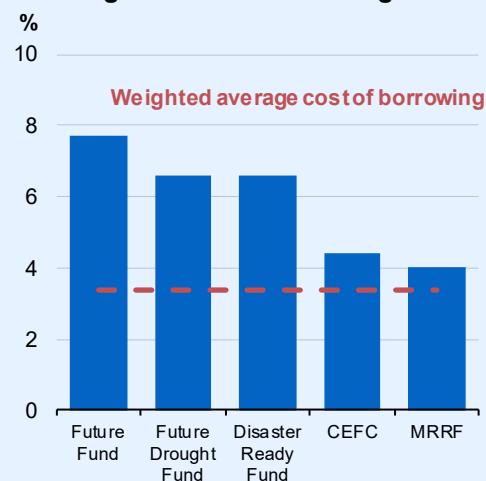
Government financed investment vehicles have financial and policy objectives. Investment vehicles that have been more recently established, or that are investing in more early-stage projects, may not see strong returns in the short term.

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Box 3.5: Leveraging the Government's balance sheet for growth (continued)

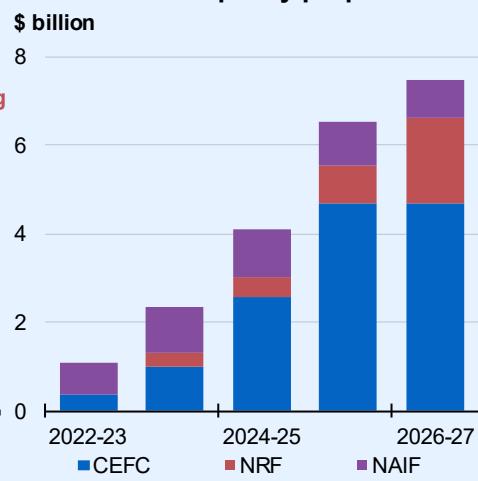
Government financed investment vehicles invest over many years, avoiding pressure on current inflation. Most investments will occur after 2024–25, when inflationary pressures are expected to ease (Chart 3.16).

Chart 3.15: Investment returns versus government borrowing cost



Source: Future Fund, Treasury, CEFC.
Note: Investment returns are cumulative annual returns since inception.

Chart 3.16: Net cash flows from investments for policy purposes

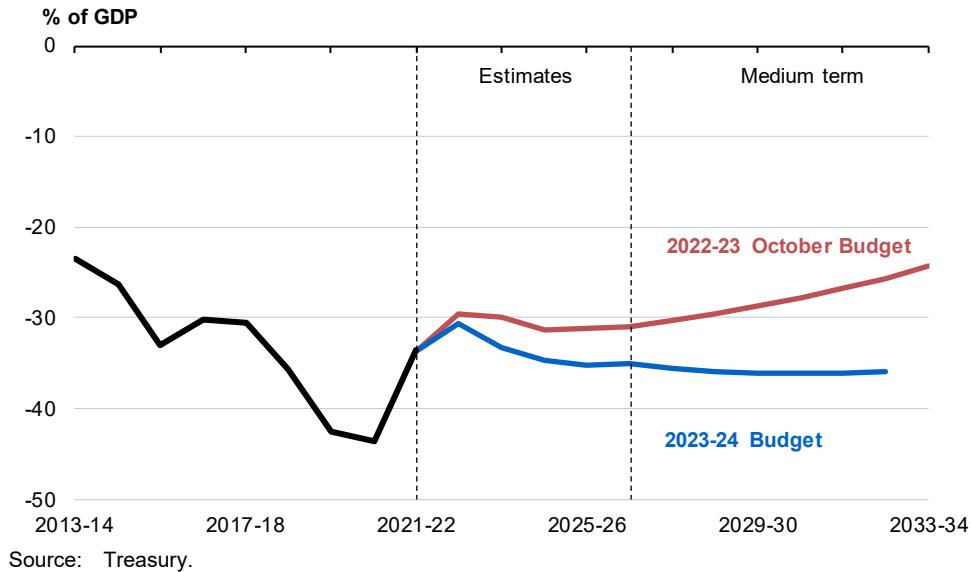


Source: Treasury.
Note: NAIF is the Northern Australia Infrastructure Fund.

Net financial worth and net worth estimates and projections

Net financial worth is estimated to be -30.0 per cent of GDP (-\$772.6 billion) in 2023–24 (Table 3.6), compared with the estimate of -33.2 per cent of GDP (-\$817.0 billion) at the October Budget.

Net financial worth is projected to deteriorate to -31.3 per cent of GDP in 2024–25 before improving over the medium term (Chart 3.17).

Chart 3.17 Net financial worth

Source: Treasury.

Net worth is estimated to be -21.7 per cent of GDP (-\$559.1 billion) in 2023–24 (Table 3.5), compared with the estimate of -24.4 per cent of GDP (-\$600.6 billion) at the October Budget. Net worth is projected to deteriorate to -23.0 per cent of GDP by in 2025–26 before improving over the medium term.

The improvement in net worth and net financial worth over the forward estimates largely reflects the Government's decreased borrowing requirement resulting from improvements in the underlying cash balance, partly offset by an increase in the market value of existing debt.

Table 3.5: Australian Government general government sector balance sheet aggregates

	Actual 2021–22 \$b	Estimates				
		2022–23 \$b	2023–24 \$b	2024–25 \$b	2025–26 \$b	2026–27 \$b
Financial assets	569.7	559.9	590.7	595.5	621.5	651.1
Per cent of GDP	24.7	22.0	22.9	22.6	22.4	22.3
Non-financial assets	194.0	203.9	213.5	222.2	226.9	235.5
Per cent of GDP	8.4	8.0	8.3	8.4	8.2	8.1
Total assets	763.6	763.8	804.2	817.7	848.4	886.7
Per cent of GDP	33.1	30.0	31.2	31.0	30.6	30.4
Total liabilities	1,345.4	1,310.6	1,363.3	1,420.5	1,487.2	1,554.0
Per cent of GDP	58.3	51.5	52.9	53.8	53.6	53.2
Net worth	-581.8	-546.9	-559.1	-602.8	-638.8	-667.3
Per cent of GDP	-25.2	-21.5	-21.7	-22.8	-23.0	-22.8
Net financial worth(a)	-775.7	-750.7	-772.6	-825.0	-865.7	-902.8
Per cent of GDP	-33.6	-29.5	-30.0	-31.3	-31.2	-30.9
Gross debt(b)	895.3	887.0	923.0	958.0	1,015.0	1,067.0
Per cent of GDP	38.8	34.9	35.8	36.3	36.5	36.5
Net debt(c)	515.6	548.6	574.9	620.6	665.2	702.9
Per cent of GDP	22.3	21.6	22.3	23.5	24.0	24.1
Total interest payments	17.4	18.8	21.1	22.4	28.2	27.1
Per cent of GDP	0.8	0.7	0.8	0.8	1.0	0.9
Net interest payments(d)	15.0	12.7	13.4	15.2	21.3	20.0
Per cent of GDP	0.6	0.5	0.5	0.6	0.8	0.7

- a) Net financial worth equals total financial assets minus total liabilities.
- b) Gross debt measures the face value of Australian Government Securities (AGS) on issue.
- c) Net debt is the sum of interest bearing liabilities (which includes AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).
- d) Net interest payments are equal to the difference between interest payments and interest receipts. The increase in 2025–26 primarily reflects a Treasury Indexed Bond maturing in that year (details can be found in Statement 7: Debt Statement).

Fiscal impacts of climate change

Climate change presents significant risks and opportunities for Australia's economy, regions, industries, and communities. Achieving Australia's emissions reduction commitments and realising the opportunities that accompany the transition will require significant investment by governments and the private sector. Uncertainty around the magnitude and timing of the physical impacts of climate change and the global transition to net zero emissions translates to uncertainty about the fiscal impacts of climate change.

The economic and climatic changes brought about by climate change will have fiscal impacts. For example, the new industries and jobs emerging from the net zero transformation will impact the structure of the economy and, in turn, the tax base. Extreme weather events are also expected to occur with increased severity and frequency, which will increase demand for disaster relief payments and infrastructure repairs, as discussed in Box 3.6. Statement 3 of the 2022-23 October Budget outlined the drivers and nature of these fiscal impacts in detail, as well as the climate-related spending being undertaken by the Australian Government to respond to climate change.

The 2023-24 Budget continues this practice by transparently reporting \$4.6 billion in new climate-related expenditure. This is further to the historic \$24.9 billion in new climate-related spending announced in the October 2022-23 Budget and is additional to ongoing climate-related expenditure initiated prior to these budgets. The Government's approach to reporting climate-related spending is informed by the climate-reporting practices of international peers and is presented within the context of international best practice, as well as contributing to work underway to strengthen transparency in future budgets.

Box 3.6: Physical Impacts of Climate Change

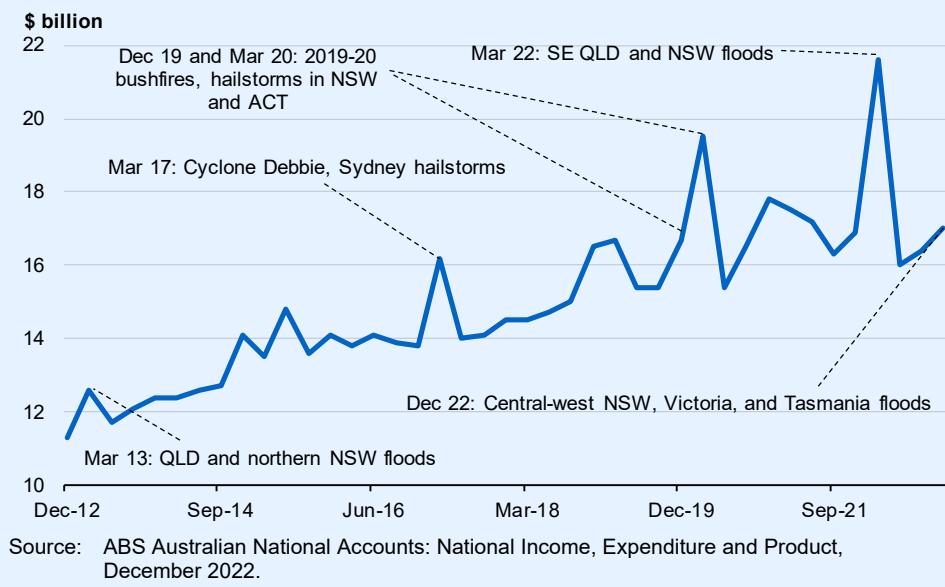
Global warming continues to change Australia's weather and climate, and over the course of this century these trends will all drive changes in Australia's economy – with respect to both its size and structure. This includes impacts on human health, biodiversity, the location and movement of populations, the types of structures we live in, and the ability of individuals to work.

For instance, labour productivity and hours worked are expected to decline as temperatures increase, particularly for employees who work outdoors such as in agriculture, construction and manufacturing. Agricultural yields are expected to decline with climate change. The increased frequency and severity of natural disasters will also lead to reductions in output through disruptions to economic activity and destruction of property and infrastructure.

Insurance claims from the flood events of February–March 2022 were the highest in history due to a natural disaster, causing \$5.9 billion in insured damages as of April 2023 according to the Insurance Council of Australia. The ABS shows high non-life insurance claims due to natural disaster events (Chart 3.18).

Since July 2022, the Government has provided \$1.5 billion to individuals through the Australian Government Disaster Recovery Payment and Disaster Recovery Allowance. From 2023–24, the Government is providing up to \$200 million a year over the next 5 years through the Disaster Ready Fund to support communities to strengthen their resilience against natural disasters.

Chart 3.18: Non-life insurance claims over time



Climate spending

The Government is committed to improving the transparency of public money committed to climate action. It recognises the importance of identifying, disclosing, and tracking climate spending in improving Australia's response to climate change and aligning with international efforts.

Accounting for climate related spending comprehensively is challenging as it cuts across many portfolios, ranging from energy to health. Existing budget systems also do not readily facilitate reporting climate-related spending on established programs. The Government is currently improving budget processes to facilitate more comprehensive reporting of climate-related spending, including existing measures.

This Budget continues the approach published in the October 2022–23 Budget, and updates on the further work underway to support improvements in future budgets. In particular, it analyses international best practices for defining what spending is climate spending, and clarifies how Australia's approach will be consistent with the framework used to support the Governments' issuance of Green Bonds. This approach will evolve over time as the Government works with and learns from reporting entities and partners around the world.

The climate-related spending approach in this Statement also complements the Government's reporting of its expenditure on related endeavours, such as the over \$40 billion commitment on transforming Australia into a renewable energy superpower, as presented in *Budget Statement 1 Box 1.1*.

International frameworks and approaches

International organisations and countries have been working to develop green budgeting – an approach to fiscal management that aims to improve the alignment between policymaking and climate and environmental objectives (Box 3.7). Australia's approach to reporting climate-related spending aims to align with and progress that work, and demonstrates Australia's commitment to international climate leadership.

The OECD, IMF and European Commission have jointly proposed the Green Budgeting Framework. Consistent and comprehensive reporting of green expenditure is a core building block of the framework, as it underpins accountability and strategic decision making. The Framework proposes classifying budget measures according to their green (climate and environmental) impacts, and assessing their connection to meeting relevant policy goals, such as countries' Nationally Determined Contributions (NDCs) to emissions reduction.

Box 3.7: International approaches to green classification

Several countries and organisations have developed approaches, each with different scopes and levels of detail.

New Zealand has established a Climate Emergency Response Fund (CERF), which allocates spending towards initiatives that support its climate objectives. Their Budget reports CERF expenditure, disaggregated by sector over a four-year outlook period. The approach separates pre committed spending and new spending and operating and capital expenditure.

Canada reports climate and environment spending in its budget for the current and four-year forward estimates. It provides aggregate climate spending under its 2030 Emissions Reduction Plan and divides its climate and environment spending into four categories across climate mitigation, energy, nature and building capability.

The European Commission has developed the European Union (EU) taxonomy for sustainable activities. EU member states and private entities use the framework to identify whether an economic activity is sustainable and meets the ‘do no significant harm’ principles.

International progress on green budgeting is also occurring alongside work in sustainable finance, classifying green spending in the private sector. The International Capital Market Association (ICMA) has developed the Green Bond Principles framework. It aims to support bond issuers and investors by setting out the required transparency, accuracy and integrity of information disclosed at a high level.

Australia’s classification approach

Australia’s initial approach builds on international best practice and will evolve over time as Australia and other countries’ contributions to green classifications mature.

Australia has started with a focus on climate spending; similar to the approach taken by New Zealand. Broader environmental or sustainability spending is not within scope at this stage.

The framework used in this Budget has four core categories, which clarify the types of expenditure which qualify for inclusion (Box 3.8). In assessing whether spending qualifies as climate-related, Australia adopts the relevant climate-related elements of the International Capital Market Association’s (ICMA) Green Bond Principles framework. The reporting of climate-related spending in the budget process will be complementary with the framework accompanying the future release of Australian green bonds.

Box 3.8: Defining and categorising climate spending

Climate action is used as the broadest term to describe anything the Government does to address climate change. Climate action is currently divided into four sub-categories for spending that is contributing towards:

- Reducing emissions in Australia's energy system and broader economy.
- Adapting to climate impacts and building climate and disaster resilience, spending to support Australia manage the physical impacts of climate change.
- International climate engagement, spending to support how we engage through international fora and with other jurisdictions.
- Governance and institutions, investing in the capabilities of Government to ensure it effectively delivers on its objectives and enable a national approach on climate change.

These categories provide a simple to understand framework for why each measure has been classified as contributing to climate action. These categories are expected to evolve over time as Australia's approach to climate spending transparency matures. Policies may contribute to multiple climate or non-climate objectives; spending is classified into the most appropriate category based on its primary purpose. Some policies may contribute indirectly to climate objectives; these have not been included in the current approach.

Indirect benefit example

Health system funding supports responses to the health effects of climate change, such as more extreme heat days. It also supports services for existing health conditions. There are different ways the spending could be classified, the whole amount, none, or a proportion could be classified as climate-related expenditure.

In this Budget, spending with only an indirect contribution to climate action is excluded. If there is a specific program in health related to climate impacts, that would be counted (for example the October 2022–23 Budget measure: National Health and Climate Strategy).

Table 3.6: Australia's climate reporting framework

Australian Climate Action Category	Australian Definition
Reducing emissions in Australia's energy system and broader economy.	<p><i>Spending that supports emissions reduction and climate driven economic transition within Australia.</i></p> <p>Aligned elements in ICMA framework:</p> <p>Renewable energy – Including production, transmission, and manufacturing renewable products.</p> <p>Energy efficiency – Including buildings, energy storage, smart grids, and products.</p> <p>Pollution prevention and control – Including emissions control, and waste to energy.</p> <p>Clean transportation – Including electric, hybrid, public, rail, non-motorised, multi modal transportation, and infrastructure for clean vehicles.</p>
Adapting to climate change and improving climate and disaster resilience	<p><i>Spending that supports better management of the physical impacts of climate change including adaptation, improving climate resilience, and reducing our vulnerability.¹</i></p> <p>Aligned elements in ICMA framework:</p> <p>Creating Climate Resilience – Including adapting to and building resilience against the physical impacts of climate change, such as improving infrastructure to handle increased severe weather.</p> <p>Sustainable management of living natural resources – Including sustainable agriculture, fishery, aquaculture, forestry, and climate smart farm inputs such as biological crop protection or drip-irrigation.</p> <p>Sustainable Water Management – Including sustainable infrastructure, sustainable urban drainage systems and other forms of flooding mitigation.</p> <p>Climate Change Information – Including information support systems, such as climate observation and early warning systems.</p>
International climate leadership	<i>Spending that fits into the above transformation and adaption categories but is primarily targeted overseas. Including international partnerships and involvement in forums and initiatives².</i>
Building Australian Government climate capability	<i>Spending that enables the Government to better act on climate change, supporting the categories above.</i>

-
- 1 Note: disaster response funding is not included where it does not reduce the underlying risk e.g. demand driven disaster response payments.
- 2 Note: this must be sufficiently identifiable. General Official Development Assistance (e.g. for disaster response) is currently not in scope.

New climate spending measures

Table 3.7 sets out \$4.6 billion in climate-related spending commitments in this Budget to climate action out to 30 June 2030. This is further to the \$24.9 billion of climate-related spending committed in the October 2022–23 Budget. Classification of spending is informed by the climate reporting framework defined in Table 3.6 above. The total commitment outlines spending, balance sheet and tax expenditure measures and therefore presents a broader view than the impact on the underlying cash balance.³

Climate spending overlaps with the Government’s investment of over \$40 billion in Australia’s plan to become a renewable energy superpower, outlined in *Budget Statement 1: Box 1.1*. However, these figures relate to a different scope of activities.

Climate related budget commitments include measures that build Australia’s economy, such as investments in renewable energy, as well as those that support adaptation, such as flood warning infrastructure. Of the four categories in Australia’s climate reporting framework, the emissions reduction category and selected items from the government capability and international categories of Table 3.7 contribute to the estimate of Australia’s investment in becoming a renewable energy superpower. Spending on adaption is not included.

In addition to these components, the Government’s investment in becoming a renewable energy superpower also includes broader investments in the net zero economic transformation, such as investments in critical minerals.

Reporting new climate spending measures supports transparency around the fiscal impacts of climate change. However, it does not provide a complete summary of climate action.

Non-financial measures such as reforms to the Safeguard Mechanism are not captured. Measures that may contribute to climate action but have a different primary purpose (or indirect benefit) are not included.

Australia’s approach to reporting climate action commitments is a separate and independent framework to the established functional expense tables in *Budget Statement 6: Expenses*, which aligns with international standards. These cannot be combined for analysis of government spending.

This summary focuses specifically on new climate-related commitments in this Budget. The Government is developing an approach to presenting transparent spending information on existing spending commitments. This will provide a more holistic view of the total amount of Government spending, not just what is new in each budget.

³ Tax expenditures, while included in climate-related spending in this Budget, were not included in the October 2022–23 Budget table on climate spending.

Table 3.7: Key climate-related spending measures – 2022–23 to 2029–30

	(\$m)
Total^(a)	4,552.2
Reducing emissions in Australia's energy system and broader economy	3,968.4
Hydrogen Headstart ^(b)	2,007.6
Household Energy Upgrades Fund - establishment ^(c)	1,343.1
Small Business Support – Small Business Energy Incentive ^(d)	314.2
National Net Zero Authority	83.2
Supporting a Stronger and More Sustainable Agriculture Sector	61.7
Guarantee of Origin ^(e)	58.0
Working with the Australian Resources Industry on the Pathway to Net Zero ^(f)	26.3
Ensuring the Supply of Reliable, Secure and Affordable Energy ^(g)	18.1
Independent Review of Australian Carbon Credit Units – initial response	18.1
Reducing Transport Emissions ^(h)	15.7
Growing Australia's Critical Technologies Industries - Powering Australia Industry Growth Centre	14.8
ACT Sustainable Household Scheme	7.5
Powering the Regions Fund - final design ⁽ⁱ⁾	0.0
Capacity Investment Scheme	nfp
Extending the clean building managed investment trust withholding tax concession ^(j)	*
Adapting to climate change and improving climate resilience	544.2
Natural Heritage Trust – project funding – Climate-Smart Agriculture ^(k)	302.1
Flood Warning Infrastructure Network Remediation ^(l)	194.1
National Climate Adaptation and Risk Program	28.0
Partnering to Implement the National Soil Action Plan	20.0
Re-establishing our international climate leadership	17.9
Comprehensive Sustainable Finance Agenda	17.9
Building Australian Government climate capability	21.8
Capturing Australia's Emissions Reduction Data – additional funding	21.8
a) This table summarises the Government's key climate-related spending commitments in this Budget to 30 June 2030, this presents a broader view than the impact on the underlying cash balance. Some measures extend beyond 30 June 2030 or include both initial and ongoing funding to 30 June 2030. This means the spending commitment presented in this table may differ from the measure set out in Budget Paper No. 2, Budget Measures 2023–24. Measures may not add due to rounding.	
b) The figure for this measure includes funding beyond 2030, this represents the total funding commitment as the time period is not for publication.	
c) This measure contains \$1.0 billion in funding for concessional loans.	
d) This measure includes \$310.0 million cost in receipts and \$4.2 million in payments.	
e) This measure is partially offset from the Strategic International Partnerships Investment Stream, costs are also expected to be partially recovered through cost recovery arrangements over time.	
f) This includes the components – Partner with Queensland to reduce emissions, and review offshore petroleum and greenhouse gas storage activities.	
g) This includes the components – Australian Energy Regulator: for new legislated functions that will support Australia's energy transformation and reduce emissions.	
h) This total will differ to the Budget Paper No. 2 measure as it nets out the funding re-purposed from the Driving the Nation Fund in the 2022–23 October Budget to avoid double reporting climate spending.	
i) This measure allocates funding from the Powering the Regions in detail. This funding was already reported in the October 2022–23 Budget.	
j) This measure is estimated to result in an unquantifiable decrease in receipts over 5 years from 2022–23.	

- k) Funding for this measure is drawn from the Natural Heritage Trust. This is already provisioned into the Budget bottom line and so does not impact the Underlying Cash Balance (UCB) as shown in Budget Paper No. 2, Budget Measures 2023–24. Table 3.7 captures broader government commitments than the impact on the UCB. This measure was not included in October 2022–23.
 - l) This total will differ to the Budget Paper No. 2 measure as it only includes funding to 30 June 2030; the measure commits funding over 10 years from 2023–24 (and ongoing funding from 2032–33).
-

Appendix A: Other fiscal aggregates

Accrual aggregates

Accrual accounting records income and costs at the time they are incurred. Cash accounting records income and costs at time of associated actual cash flow. Differences in estimates arise where there is a difference between the timing of an activity and the associated cash flow.

Net operating balance estimates

The net operating balance is an accrual measure, reflecting revenue minus expenses. It excludes the fiscal impact of the Commonwealth's net new capital expenditure.

The net operating balance is expected to be a deficit of \$3.7 billion (0.1 per cent of GDP) in 2023–24 (Table 3.8), compared to an expected deficit of \$33.0 billion in the October Budget.

Fiscal balance

The fiscal balance is the accrual equivalent of the underlying cash balance and equals the net operating balance plus net new capital investment.

The fiscal balance is expected to be a deficit of \$14.1 billion (0.5 per cent of GDP) in 2023–24 (Table 3.8), compared to an expected deficit of \$44.9 billion in the October Budget.

Table 3.8: Australian Government general government sector accrual aggregates

	Actual		Estimates					Total(a)
	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27		
	\$b	\$b						
Revenue	596.4	653.8	680.4	677.3	713.7	748.2	3,473.4	
Per cent of GDP	25.8	25.7	26.4	25.7	25.7	25.6		
Expenses	623.0	644.8	684.1	715.4	743.3	771.8	3,559.4	
Per cent of GDP	27.0	25.3	26.6	27.1	26.8	26.4		
Net operating balance	-26.6	9.0	-3.7	-38.0	-29.6	-23.5	-85.9	
Per cent of GDP	-1.2	0.4	-0.1	-1.4	-1.1	-0.8		
Net capital investment	8.4	10.4	10.4	7.2	5.4	9.3	42.8	
Per cent of GDP	0.4	0.4	0.4	0.3	0.2	0.3		
Fiscal balance	-35.1	-1.5	-14.1	-45.3	-35.0	-32.8	-128.7	
Per cent of GDP	-1.5	-0.1	-0.5	-1.7	-1.3	-1.1		

a) Total is equal to the sum of amounts from 2022–23 to 2026–27.

Table 3.9 provides a reconciliation of fiscal balance estimates, including the impact of policy decisions and parameter and other variations on revenue and expenses since the October Budget. The drivers of movements in the fiscal balance estimates are largely the same as for the underlying cash balance.

Table 3.9: Reconciliation of general government sector fiscal balance estimates

	Estimates					Total \$m
	2022–23	2023–24	2024–25	2025–26	2026–27	
	\$m	\$m	\$m	\$m	\$m	
2022 PEFO fiscal balance	-78,560	-58,735	-51,062	-39,649	*	*
Per cent of GDP	-3.4	-2.5	-2.1	-1.5	*	*
Changes from 2022 PEFO to 2022–23 October Budget						
Effect of policy decisions(a)	-775	1,128	-5,706	-7,489	*	*
Effect of parameter and other variations	40,649	12,698	-5,370	-2,756	*	*
Total variations	39,874	13,826	-11,076	-10,245	*	*
2022–23 October Budget fiscal balance	-38,686	-44,909	-62,138	-49,895	*	*
Per cent of GDP	-1.6	-1.8	-2.4	-1.9	*	*
Changes from 2022–23 October Budget to 2023–24 Budget						
Effect of policy decisions(a)(b)						
Revenue	141	1,525	4,722	5,890	7,619	19,897
Expenses	1,749	13,013	10,145	8,460	7,584	40,951
Net capital investment	-10	734	712	493	353	2,282
Total policy decisions impact on fiscal balance	-1,598	-12,222	-6,135	-3,063	-318	-23,336
Effect of parameter and other variations(b)						
Revenue	28,609	45,408	23,520	16,844	*	*
Expenses	-7,883	4,607	2,984	3,904	*	*
Net capital investment	-2,329	-2,187	-2,458	-4,982	*	*
Total parameter and other variations impact on fiscal balance	38,821	42,987	22,994	17,922	*	*
2023–24 Budget fiscal balance	-1,462	-14,144	-45,278	-35,035	-32,813	-128,733
Per cent of GDP	-0.1	-0.5	-1.7	-1.3	-1.1	

*Data is not available.

- a) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.
- b) A positive number for revenue improves the fiscal balance, while a positive number for expenses and net capital investment worsens the fiscal balance.

Revenue estimates

Revenue is the accrual accounting equivalent of cash-based receipts. Changes in revenue are generally driven by the same factors as receipts. Revenue amounts can be higher or lower than the cash equivalents as they include amounts that a taxpayer is liable to pay but has not paid. The differences between the accrual and cash amounts generally reflect timing differences.

Total revenue has been revised up by \$46.9 billion in 2023–24, since the October Budget.

Expense estimates

Expenses are the accrual accounting equivalent of cash-based payments.

Total expenses have been revised up by \$17.6 billion in 2023–24 and by \$37.0 billion over 4 years from 2022–23 to 2025–26 since the October Budget.

Movements in expenses over the forward estimates are broadly consistent with movements in cash payments. The key exceptions include:

- the NDIS program, where there is an expected time lag between the receipt of reasonable and necessary support services and the lodgement of claims relating to those services
- superannuation benefits programs (civilian and military), where there is a timing difference with the expense accruing during employment and cash payments occurring during retirement
- purchases of non-financial assets, which are included in cash payments but not in accrual expenses. The expense estimates include depreciation of non-financial assets rather than recognising the impact at the time of purchase.

Detailed information on expenses can be found in *Statement 6: Expenses and Net Capital Investment*.

Structural budget balance estimates

The structural budget balance estimate adjusts the underlying cash balance to remove the estimated effects of temporary factors. Temporary factors include deviations in commodity prices and economic activity from their long-run levels. The structural budget balance can provide insight into the sustainability of fiscal settings.

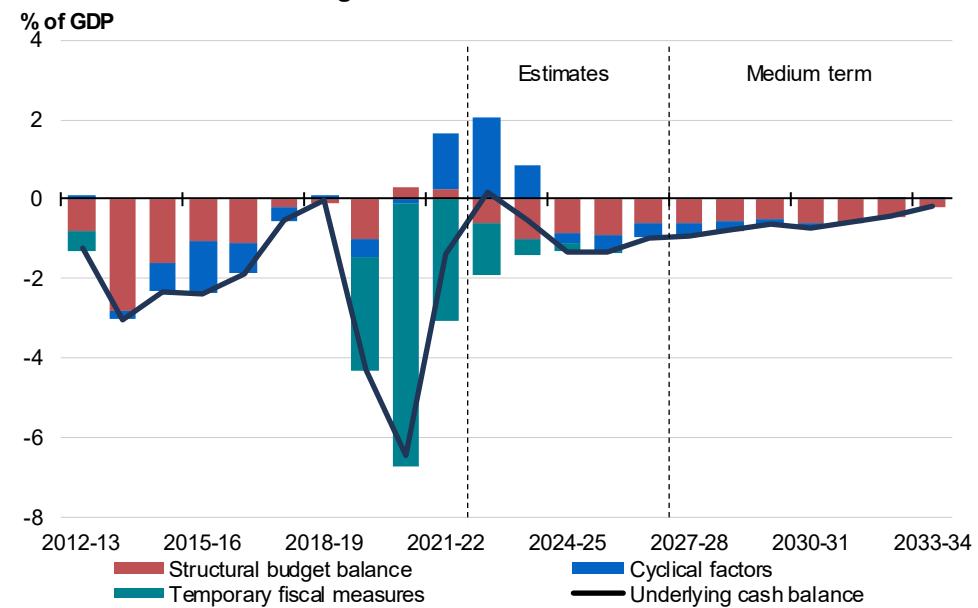
The structural balance is estimated rather than observed, so it is sensitive to the assumptions and parameters that underpin it. Commodity price volatility has increased the uncertainty around the estimate.

The estimated structural budget balance has improved over the forward estimates compared to the October Budget (Chart 3.19). Over the medium term, the estimated

structural deficit is projected to be smaller, but persist. This improvement is consistent with forecast revisions to the underlying cash balance, which reflect lower interest payments than were expected in the October Budget and a larger economy, including as a result of higher population and participation.

Cyclical factors are estimated to positively contribute to the underlying cash balance in the near term, but not to the structural budget balance, in large part due to elevated commodity prices and a strong labour market. This will recede as commodity prices return to their assumed long-run levels and economic activity returns to its potential level. Estimates take account of the change in commodity price assumptions in this Budget (see Box 2.4).

Chart 3.19: Structural budget balance



Note: The approach separating the budgetary impact of temporary measures from structural measures follows the methodology detailed in Treasury Working Paper 2013-01. Cyclical factors measure the estimated impact on the underlying cash balance from automatic stabilisers and cyclical movements in asset and commodity prices. Temporary fiscal measures comprise direct economic and health support measures initiated between the onset of the COVID-19 pandemic and the 2022–23 October Budget. Underspends in these direct economic and health support measures are not captured in the derivation of the structural budget balance, which may result in an improved structural budget balance estimate.

Source: Treasury.



Statement 4: Structural Shifts Shaping the Economy

The Australian economy is changing in profound ways, with implications for society, policy, and public finances. While there are many structural shifts shaping our economy, this statement focuses on 3, common across many advanced economies: the growing care and support economy; our expanding use of data and digital technology; and climate change and the net-zero transformation. Harnessing the opportunities that come with these transitions, whilst effectively managing the challenges, is critical to our future economic performance and prosperity.

The care and support economy is growing rapidly, driven by an ageing population, a transition from informal to formal care, and heightened community expectations around the standard of care. The care and support workforce must keep growing to meet demand, and more can be done to address barriers to recruitment and retention including pay and conditions, and to improve productivity growth in the sector.

Data and digital technologies are reshaping our society and, with it, our economy. With a highly skilled workforce, and strong and responsive institutions and regulatory settings, Australia is well placed to adapt and thrive. Proficiency in digital skills will be important to capitalise on the economic opportunities afforded by these new technologies, and to ensure the gains are widely shared. Government investment and regulatory frameworks will also need to rapidly evolve to realise the productivity enhancing potential of data and digital technologies; protecting consumers while delivering dynamic and competitive markets.

The economy is changing dramatically due to the global and domestic response to climate change, and as we adapt to the physical impacts of climate change. The net-zero transformation holds major opportunities for Australia, given our endowment of renewable energy sources and our large reserves of many critical minerals. Investment in low emissions technologies and transforming the energy sector will help seize the opportunity to create and benefit from emerging industries and to leverage traditional strengths. Decarbonising the Australian economy will require significant capital investment and a workforce capable of meeting increased demand for greener jobs.



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Statement 4: Structural shifts shaping the economy

Over time, Australia has undergone profound shifts in the structure of its economy, with significant implications for society and for government policy and finances. Notable examples include the various phases of the mining boom, opening up the economy to the world and the advent of information and computer technology. Other ongoing changes, such as demographic ageing and growth of the Chinese and Indian economies, will continue to impact over the coming decade. Some of these have been the focus of Statement 4 in several previous budgets.⁴

This statement focuses on a further 3 structural shifts that will have a major bearing on our economic performance over the next decade and beyond: the growing care and support economy; our expanding use of data and digital technology; and climate change and the net-zero transformation. Each of these shifts are interconnected and may also be shaped by other shifts such as changing demand for goods and services or the uncertain geopolitical environment. How Australia responds to these changes will be central to growth prospects and opportunities more broadly in the years to come.

The continued rapid growth in the care and support economy reflects many underlying factors. As the population ages, demand for health and aged care increases. The steady expansion of women's workforce participation has led to a shift away from unpaid care provision, towards formal care arrangements, including for children and ageing parents. Standards of care have also increased in response to rising community expectations. These trends are resulting in increasing fiscal pressures, and wages and conditions have remained a concern for those in the sector. As the care and support economy continues to grow, so too will the macroeconomic importance of workforce and productivity challenges in the sector.

Data and digital technologies are continuing to reshape society and, with it, the economy. Since the Industrial Revolution, persistent waves of technological change have driven phenomenal growth in living standards, with the workforce shifting into higher productivity and higher wage jobs. But these benefits have not always been shared equally across society. Ensuring Australia has the right policy settings in place to harness the benefits of this latest wave of technological change and create more opportunities for Australians is critical. This includes putting the right enabling infrastructure in place, building responsive education and skills systems, and implementing regulation that protects consumers, while delivering dynamic and competitive markets.

Climate change and the net-zero transformation will affect all aspects of our economy and our society over the coming decades, bringing enormous challenges and opportunities. The consequences of rising temperatures are already being felt across Australia through the increasing frequency and severity of extreme weather events. Necessary global and domestic action on emissions reduction will drive significant changes in the structure of the global economy, requiring huge capital investment and significant workforce adaptation.

⁴ For example, in the 2001–02, 2003–04, 2005–06, 2006–07 and 2011–12 budgets.

Australia's skilled workforce, and natural endowments of renewable energy and the minerals critical for decarbonisation means our economy is well placed to prosper in a net-zero future. However, significant coordination will be required to ensure these growth opportunities are realised, and that workers, communities and industries benefit from a smooth transformation.

Governments have a clear role to play in providing a stable and supportive policy environment that allows individuals, communities and businesses to adapt and prosper in the face of these changes. Ensuring we have well-functioning education, training and labour market systems will allow all Australians to make the most of their potential. In many instances, more targeted responses are also warranted. Clear policy leadership and careful policy design will ensure these interventions are efficient and effective and allow market participants to plan with more confidence. Fostering dynamic and competitive markets, supported by necessary investments in enabling public infrastructure, such as digital connectivity, can also help spread opportunity. Finally, the different distributional impacts of these changes mean there is an important role for tailored support to individuals and communities to assist with the transitions.

Getting the policy settings right can also give rise to benefits at the intersection of these structural shifts. For example, better harnessing data and digital technologies can help meet growing demand for high quality care and support services. Providing certainty for the net zero transformation can also encourage greater private investment in new technologies that will help Australia achieve its emissions reduction targets in the most efficient way.

These major structural shifts in the Australian economy are occurring at a time when the global environment is becoming more contested and fragmented (Box 4.1). Russia's invasion of Ukraine has raised geopolitical risk levels and strategic competition in the Indo-Pacific is intensifying. Rising geopolitical tensions will complicate the climate and digital transformation, affect trade and investment flows, and make unpredictable shocks more likely. This makes it even more critical to manage these shifts well to support future prosperity.

Box 4.1 Geopolitical risk and fragmentation

Since the 1980s, the opening of the Australian economy and globalisation have given rise to decades of economic growth and increased prosperity for the Australian people. Australia's economy has become more interconnected with the Indo-Pacific and the world. The benefits of deepened global economic integration, reduced barriers to trade and investment, and regional stability continue to pay dividends.

However, Australia faces a complex and uncertain global strategic environment. We face challenges to supply chain resilience and increased scepticism about the benefits of globalisation. Russia's invasion of Ukraine has raised measures of geopolitical risk (Chart 4.1). Strategic competition in the Indo-Pacific has intensified.

These tensions pose downside risks to Australia's economic outlook. Persistent instability is historically associated with tighter financial conditions, lower investment and employment, as well as a higher probability of negative economic shocks and larger downside risks to the global economy.⁵

The IMF has recently raised concerns that policy-driven geoeconomic fragmentation may reverse the efficiency gains generated by trade, investment and people flows, potentially exacerbating inflationary and supply chain pressures. In a severe scenario, the IMF estimates that trade fragmentation could reduce long-term global output by up to 7 per cent.⁶ This risk is especially relevant for a medium-sized trading nation such as Australia.

Australia's region faces increasing strategic competition, including rising risks of military escalation or miscalculation. Australia's response to this changing environment requires new investments in diplomacy, development, defence and national security, at a time of increased fiscal pressure. Other priority areas for enhanced effort include transnational serious and organised crime, humanitarian and disaster relief, border security, cyber, space, intelligence and counterterrorism.

Intensifying geostrategic competition in the Indo-Pacific poses immediate and future security challenges for Australia. The Government is responding to these challenges by implementing the Defence Strategic Review, which recommends a significant defence restructuring and capability uplift. Implementing the review's recommendations will create opportunities to build our sovereign industrial base and create high-skilled jobs, while generating additional pressures in areas such as manufacturing, infrastructure, education, training and workforce development.

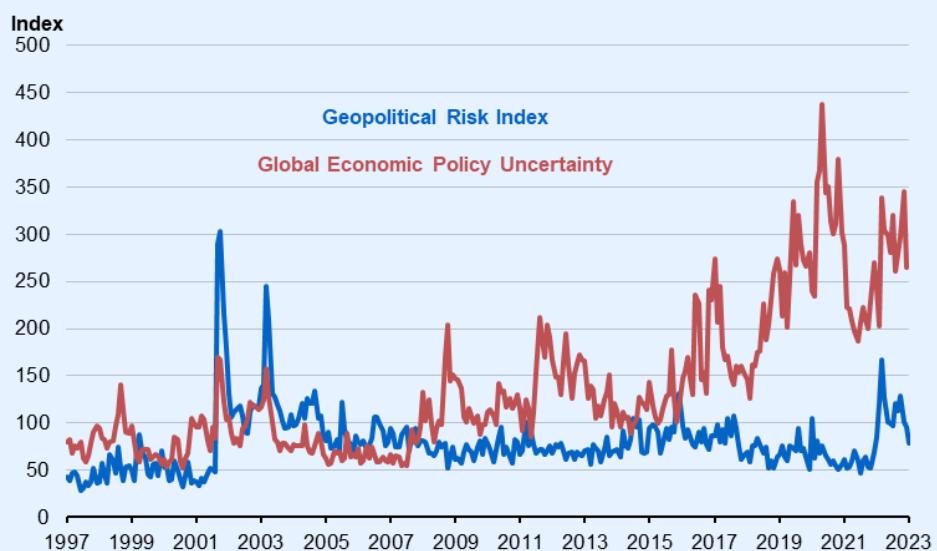
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- 5 Caldara, D & Iacoviello, M. (2022). Measuring Geopolitical Risk. *American Economic Review*, 112(4), 1194–1225.
- 6 Aiyar, Shekhar, Ilyina, Anna, and others (2023). Geoeconomic Fragmentation and the Future of Multilateralism. Staff Discussion Note SDN/2023/001. International Monetary Fund, Washington, DC.

Box 4.1 Geopolitical risk and fragmentation (continued)

A more fragmented and volatile global economic and political environment makes it even more important to harness the full range of opportunities that come from the care, digital and green transitions.

Chart 4.1: Geopolitical risk is elevated



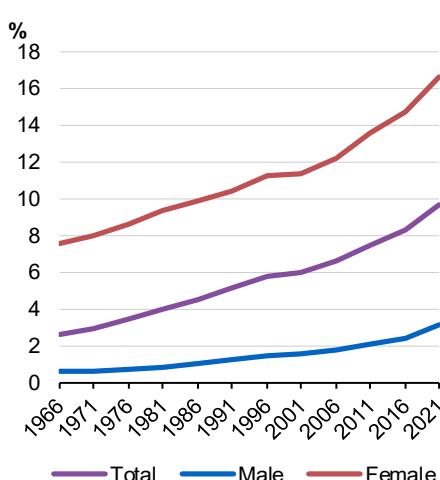
Note: Higher index values denote higher geopolitical risk or global economic policy uncertainty.

Sources: GPR: Caldara, Dario and Matteo Iacoviello (2022), "Measuring Geopolitical Risk," American Economic Review, April, 112(4), pp.1194–1225. Data downloaded from <https://www.matteoiacoviello.com/gpr.htm> on 1 March 2023). GEPU: Davis, Steven J., 2016. "An Index of Global Economic Policy Uncertainty," Macroeconomic Review, October. Data downloaded from https://www.policyuncertainty.com/global_monthly.html on 1 March 2023.

A growing care and support economy

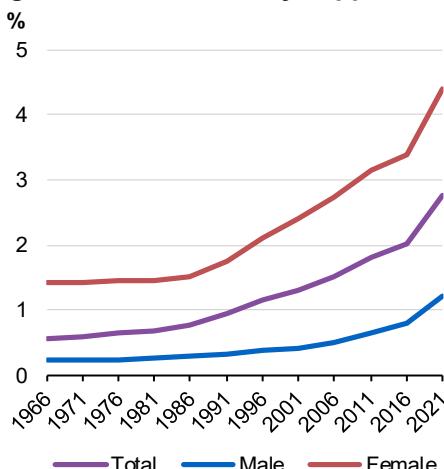
The care and support economy covers formal care services provided to millions of Australians, including nursing, social and aged care, disability support, and early childhood education and care.⁷ The care and support economy is growing rapidly, driven by an ageing population, a transition from informal to formal care, and increased citizen expectations of government. This growth gives rise to significant fiscal pressures and it will be important to ensure sectors grow in an efficient and sustainable way so they can continue to provide quality care. To meet demand for quality care, a larger care and support workforce is required. This is particularly true in the aged and disability sectors. Improved education and training, and better use of technology, will also help the care and support economy to deliver the best possible care to all Australians.

Chart 4.2: Share of workers in care and support occupations



Source: Treasury analysis of ABS Census.

Chart 4.3: Share of workers in personal care and support, primarily aged care and disability support



Source: Treasury analysis of ABS Census.

⁷ In this chapter, ‘care’ workers include care and support workers, health and welfare support workers, social professionals, registered nurses, allied health professionals, and early childhood education and care workers. ‘Personal care and support’ workers are a subset of this group that is made up of aged care, disability care, nursing support and personal care assistants.

Half a century of growth in the care and support workforce

The demand for care and support services has grown substantially over the past 50 years. About 10 per cent of the workforce are in a care occupation, up from 2½ per cent in 1966 (Chart 4.2). This demand has been met overwhelmingly by women, with around 1 in 6 employed women working in a care occupation in 2021. Within the sector, aged care and disability support has been the strongest driver of recent employment growth (Chart 4.3). This growth will continue. By 2049–50, the former National Skills Commission expects the total demand for the care and support workforce will be around double that seen today.⁸

As with many advanced economies, Australia's population is ageing (Box 4.2). The retirement of those born from 1946 to the mid-1960s (often referred to as 'the baby boomers') between 2010 and 2030 will cause a particularly rapid period of ageing, resulting in a smaller share of working-age Australians to help fund more government services. In a decade, almost 1 in 5 Australians will be aged 65 years and over. However, in contrast to previous generations, this cohort will retire with larger retirement savings balances which may result in demand for more and higher quality care services.

Care work has also continued a long transition from informal to formal care, driven by increased labour force participation by women. Informal care primarily relies on family members – particularly women – forgoing paid work to provide unpaid care at home. Improved options for formal care can reduce barriers to women's workforce participation, improving their economic security and financial independence. These changes can also support productivity to the extent that formal care arrangements allow for better matching between jobs and skills, and through economies of scale as the workforce expands.

The transition towards more formal care, advances in technology, and higher incomes has led to rising expectations of how and where care is delivered. A recurring finding of past intergenerational reports is that these non-demographic factors are a key force behind rising aged care and disability support costs, and resulting fiscal pressures.⁹ Shifts in consumers' preferences have been accompanied by reforms to aged care since the mid-2000s, such as increasing availability of care in the home, and by the implementation of the National Disability Insurance Scheme (NDIS) from July 2013.

These drivers have affected segments of the care and support sector differently. An ageing population and longer life expectancies have been the primary driver of aged care demand, leading to longer and more complex care demands. Demand for disability supports, particularly those delivered through the NDIS, has also grown, driven by increased recognition of disability needs, high uptake among children, and low exit rates from disability programs as people age.¹⁰ Together, this has seen the personal care and support workforce treble as a share of the total workforce over the past 30 years, from 0.9 per cent in

8 National Skills Commission (p. 10, 2021), '[Care Workforce Labour Market Study](#)'.

9 Treasury (Section 7.2, 2021), '[Intergenerational Report](#)'.

10 National Skills Commission (Sections 2.4.1–2.4.2, 2021), 'Care Workforce Labour Market Study'.

1991 to 2.8 per cent in 2021 (Chart 4.3), and become the largest care and support sector occupation group.

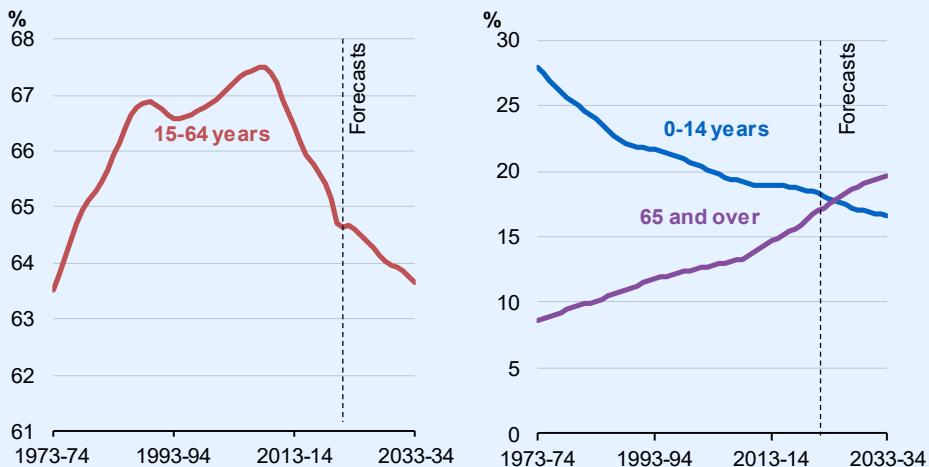
NDIS is a vital scheme. Ensuring the long-term sustainability of the Scheme is critical to ensuring supports can continue to be provided to Australians with significant and permanent disability. The National Cabinet has committed to an NDIS Financial Sustainability Framework to ensure the NDIS can continue to provide life-changing outcomes for future generations.

Box 4.2: How Australia's population is expected to change

Australia's population will continue ageing over the next decade, with fertility rates expected to gradually decline and life expectancies expected to increase, consistent with long-running trends. From 2023–24 to 2033–34, the share of the population aged 65 years and over is projected to increase by 2.2 percentage points to 19.7 per cent, while for those aged 85 years and over it is expected to increase by 1.0 percentage point to 3.2 per cent. Over the same period, the share of younger people will continue to fall with those aged 0 to 14 years projected to decrease by 1.3 percentage points to 16.7 per cent.

Population ageing is reflected in an increasing old-age dependency ratio – or the number of people aged 65 years and over per 100 people aged 15 to 64. This ratio is projected to increase from 27.0 in 2023–24 to 31.0 in 2033–34. The increase is particularly significant between 2010 and 2030 driven by the large baby boomer cohort reaching the age of 65. Population ageing is expected to continue in the longer run beyond the effects of the baby boomer cohort, driven by low fertility rates. The increasing old-age dependency ratio presents challenges for Australia's long-term economic growth and fiscal outlook. Helping elderly people age well could partially offset some of the economic effects of population ageing, which include decreased productive capacity of the economy and greater government spending on healthcare, aged care, the Age Pension, and end-of-life support.

Chart 4.4: Share of Australia's population by age group



Source: ABS, National, state and territory population, September 2022, and Treasury.

A larger aged care and disability support workforce is needed to meet future demand

The care and support workforce must keep growing to meet demand. A 2021 report by the former National Skills Commission predicted Australia would require 425,000 personal care and support workers – mostly aged and disability carers – by 2050, up from 225,000 in 2020.¹¹ A suitable care workforce will help ensure everyone who needs quality care can receive it. But attracting and retaining workers to these occupations has proven difficult.

The personal care and support workforce is highly feminised, with women accounting for around 80 per cent of all workers. The rise in women's workforce participation over the past 40 years, partly enabled by increased availability of early childhood care and education, has been an important driver of growth in the care and support workforce.¹² However, a highly gender segregated workforce can artificially constrain labour supply, which increases the likelihood of a skills shortage (see *Women's Budget Statement*). With the women's workforce participation rate expected to flatten over coming decades, growing the care and support workforce is likely to require some reallocation of workers from other industries, and encouraging more men to pursue careers in care. The growth in demand for care and support workers, and the fact that entry level roles in the sector do not require minimum mandatory qualifications, creates an opportunity for Australians who are not currently employed or are looking to shift careers. However, the nature of many care and support jobs – with variable hours and worker screening requirements – can present a barrier for existing employment service models to place workers in the sector.

As demand for aged care has grown, reliance on migrants to grow the workforce has increased (Chart 4.5). Migrants working in aged care typically arrive as secondary applicants to skilled migrants (such as spouses and dependants) or are family or humanitarian migrants. There is an opportunity to improve the effectiveness of the training and skills system in growing the future care and support workforce, and to ensure the migration system provides effective pathways and protections for migrants working in the sector.

While the aged care and disability support sector has grown, attracting and retaining workers has been challenging. Only around half of people who enrol in a relevant vocational course end up employed in the sector.¹³ Furthermore, about 60 per cent of the aged care and disability support workforce have been working in their occupation for less than 3 years. Attrition rates are particularly high for young people and are lower for older women.¹⁴

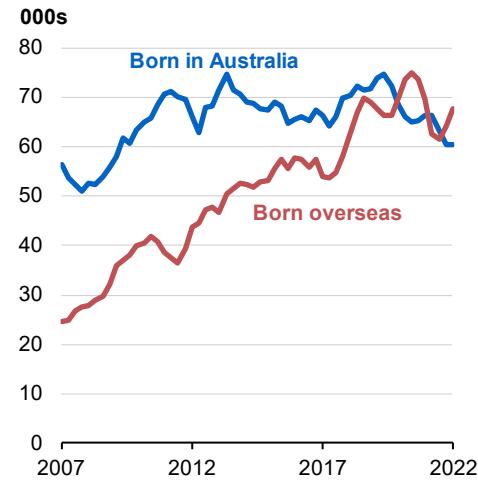
¹¹ National Skills Commission (Figure 291, 2021), 'Care Workforce Labour Market Study'.

¹² Treasury (Chapter 3, 2021), 'Intergenerational Report'.

¹³ Of people enrolled in a Certificate III in Individual Support: National Skills Commission (Section 7.3, 2021), 'Care Workforce Labour Market Study'.

¹⁴ National Skills Commission (Section 7.2.1.1, 2021), 'Care Workforce Labour Market Study'.

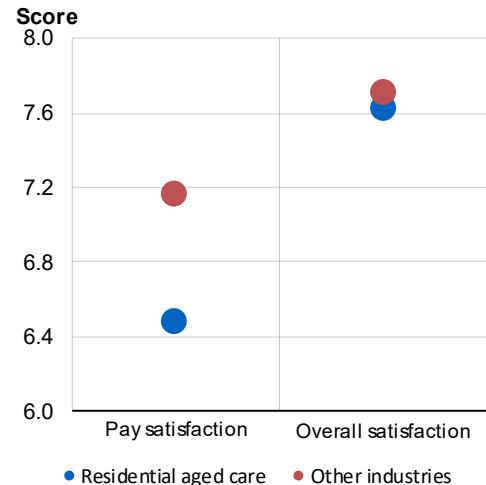
Chart 4.5: Migrant status of care workers in residential aged care



Note: In 2021, 85 per cent of residential age care workers born overseas arrived in Australia aged 18 years or older: Treasury analysis of Census (2021).

Source: Treasury analysis of ABS Labour Force microdata.

Chart 4.6: Average satisfaction with various job characteristics



Note: Average satisfaction score out of 10.

Source: Treasury analysis of HILDA Survey Release 20.0.

Current pay levels, progression and conditions have been a particular concern for care and support workers and have been barriers to attracting suitable workers into the sector. As care roles were once part of the informal economy, the level of skill and experience required can be disguised, which can lead to wages and conditions that do not reflect the value of the work performed. Personal care and support workers earn \$34 per hour on average, about 25 per cent less than the average worker.¹⁵ Satisfaction with wages is particularly low for aged care workers, who are far less satisfied with their pay than other workers (Chart 4.6). Career paths in the aged and disability sector are limited, with little professional development or pay progression.¹⁶ The Government's support for, and commitment to fund, the interim outcome of the Fair Work Commission's decision on the Aged Care Work Value Case will help to alleviate some of these barriers. This funding will support a 15 per cent increase to award wages and more than 250,000 aged care workers will benefit from the increase.

¹⁵ Treasury analysis of ABS Characteristics of Employment Survey (2022).

¹⁶ Aged Care Royal Commission (p. 125, 2021), 'Final Report'.

Improving productivity and care outcomes

As the formal care and support economy grows, so does its importance to Australia's productivity performance. The Productivity Commission noted in the final report of its 5-year Productivity Inquiry, *Advancing Prosperity*, that productivity gains in service sectors, which includes aged and disability care, have proved difficult to achieve.¹⁷

Productivity measures in the care and support sector provide an incomplete picture of the sector's performance. This is because productivity growth – measured by value added relative to labour and capital inputs – does not fully capture the value of these services to those who benefit. Focusing on outcomes – measured by the health and wellbeing of Australians receiving care and support services – rather than just inputs will better measure what matters and help guide the allocation of scarce care resources.¹⁸

Measuring better outcomes directly is difficult and will likely require new uses of existing data and the collection of new data. But without a better understanding of how the sector is serving the community, governments' ability to drive improvements in the quality of care and productivity is constrained and there is a risk that the services delivered grow only in volume, and not value.

There are significant opportunities to improve the quality and efficiency of care by ensuring care is provided in the right setting, at the right time. Improved co-ordination and integration of primary care services can improve health outcomes and reduce costs by preventing unnecessary hospitalisations. Similarly, effective home care services can be a high productivity approach to delivering aged care, as living independently for longer can deliver better outcomes for some older people, with lower labour requirements and costs than residential aged care.

There are also opportunities to improve the quality of care by better integrating technology into existing care settings, including better use of data within the care and support system. For example, the transformation of *My Health Record* into a comprehensive data sharing system across the whole health and care sector can ensure carers have up-to-date, readily accessible information about their clients and participants to deliver care that is more timely and better tailored to need.¹⁹

Rather than replacing the human aspect of care work, better use of technology and data can increase direct support. By reducing time spent on inefficient tasks, technology can free workers up to spend more time with clients, supporting improved care outcomes. Training for aged care and disability support workers in better processes and use of these technologies is crucial to help capture these quality-enhancing productivity gains.

17 Productivity Commission (Vol 1 p. ix, 2023), '*Advancing Prosperity*'.

18 For example, client-centred funding approaches can incentivise improvement in care outcomes rather than solely rewarding activity: Productivity Commission (Vol 1 p. 35-36, 2023), '*Advancing Prosperity*'.

19 Productivity Commission (Vol 1 p. 60, 2023), '*Advancing Prosperity*'.

Data and technology can also be key enablers of delivering care in settings that best suit individual needs and preferences. The adoption of health monitoring technology, such as portable heart rate monitoring and fall detection devices, can allow better settings for care while also improving outcomes. For example, in the right circumstances, formal at-home care is a more effective substitute for residential aged care. The majority of older Australians prefer to remain in their own home and delay entry into residential care until later in life. The use of modern technologies will help meet rising preferences for in-home aged care, delivering quality outcomes with fewer labour and capital resources, driving productivity growth in the sector.

Adoption of technology can also help improve aged care and disability support services in regional and remote areas. Regional and remote areas often have ‘thin markets’ in care service provision, meaning people have little choice in service providers, and sometimes no access at all.²⁰ Some are forced to permanently relocate or forgo formal care. Older Australians living in small rural and remote areas are less likely to use residential aged care services or home support packages.²¹ The use of technology, such as video consultations with specialists and remote health monitoring and support, can go some way to improving the quality of care that regional Australians receive.

Technological and digital transformation

From the Industrial Revolution to the Green Revolution, technology has stretched the limits of what was once thought possible. Life-saving surgeries, medications and vaccines have ensured that many Australians live longer and healthier lives. The widespread adoption of technologies and the implementation of new and more efficient production processes have resulted in a higher standard of living.

Technological change and the nature of work

Past waves of technological change have seen the aggregate workforce shift over time into higher skilled, higher paid jobs, and have changed the nature of work (Chart 4.7). In the post WWII era, most workers were engaged in routine work, such as agriculture and manufacturing labourers (routine manual work) and clerks (routine cognitive work). Automation has allowed workers in these occupations to produce more with less, aided by the adoption of new technologies. The rise of non-market services, including the care and support economy, is partly reflected in the increase in non-routine manual work. Most employment growth has been concentrated in non-routine cognitive work, such as in the professional services sector, which now accounts for the bulk of employment.²²

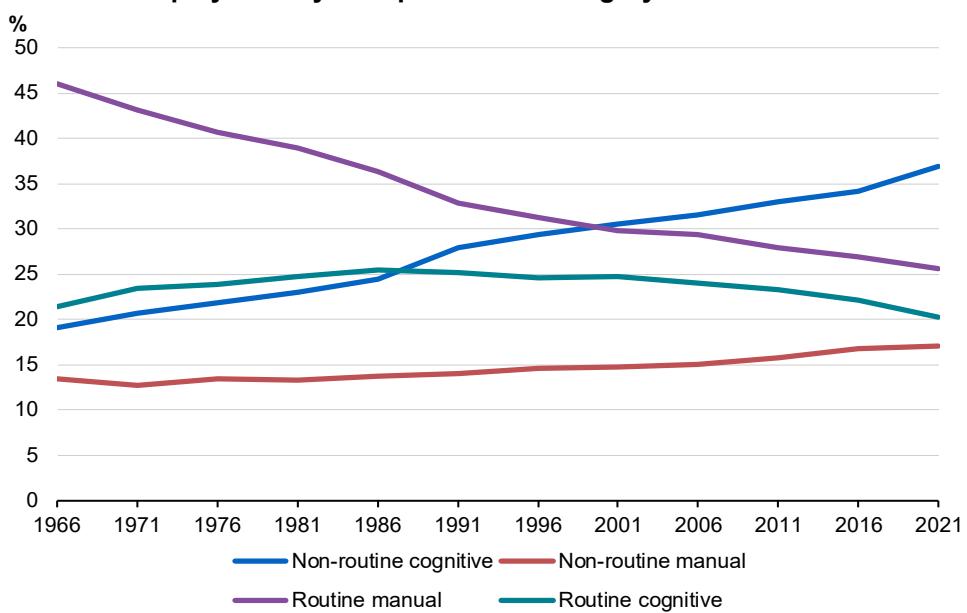
20 National Skills Commission (Section 4.8, 2021), ‘Care Workforce Labour Market Study’.

21 National Skills Commission (Figure 15, 2021), ‘Care Workforce Labour Market Study’.

22 For more detailed examinations of the changing nature of work see, for the United States, Autor, D. H., Levy, F., & Murnane, R. J. (2003). The skill content of recent technological change: An empirical exploration. *The Quarterly Journal of Economics*, 118(4), 1279-1333, and for Australia, Coelli, M., & Borland, J. (2016). Job polarisation and earnings inequality in Australia. *Economic Record*, 92(296), 1-27.

Automation has not reduced hours worked and has improved opportunities for some previously excluded sections of the workforce. Average hours worked per person aged 15 years and over has remained at around 20 hours per week since the early 1980s. The shift towards services has also supported the participation of older Australians in the workforce. Women are also participating at much higher rates than in the past. This partly reflects changing social norms, but also increased availability and use of formal childhood education and care and labour-saving technology in the home.

Chart 4.7: Employment by occupation task category



Note: Data and classifications from ANZSCO using RBA skills structure framework.

Source: Treasury analysis of ABS Census data.

Recent trends in data and digital technologies and skills

Digital technologies have transformed our lives in ways that, even a few decades ago, would have seemed unimaginable. The recent and rapid take up of technologies like cloud computing, machine learning and artificial intelligence are now changing how we live and work. The nature of work is once again shifting, with new tools that allow workers to do more with less, and new skills being demanded by businesses. Fittingly, new data makes it possible to see these changes playing out in close to real time.

Australian businesses are increasingly adopting emerging technologies, but still lag behind the frontier, suggesting scope for further growth. Recent Treasury analysis highlights the near doubling in references to emerging technologies in online job advertisements between 2012 and 2020, with around 7 per cent of online job advertisements now referencing such

technologies.²³ Yet frontier technologies such as cloud computing, machine learning and artificial intelligence remain less prevalent than in the United States (Charts 4.8 and 4.9).

There are opportunities for businesses to close this gap with international peers, and further expand the set of opportunities available to workers. Businesses report a range of barriers to adoption of technologies, including insufficient knowledge (12 per cent of businesses), uncertainty around costs and benefits (12 per cent), slow internet speeds (13 per cent) and a lack of skills within the business (13 per cent).²⁴ Yet the rapid adoption of online sales and hybrid work arrangements during the COVID-19 pandemic also highlights the ability of businesses to rapidly adopt technologies when conditions demand it.

Chart 4.8: Share of cloud computing job ads

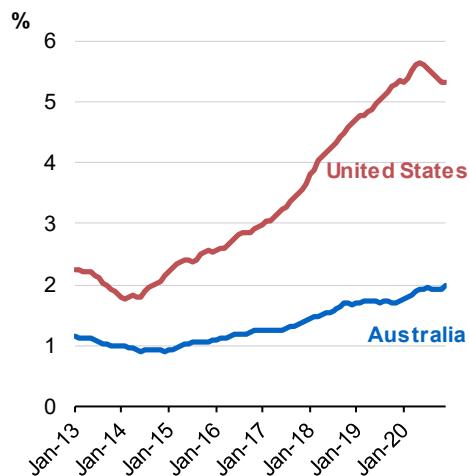
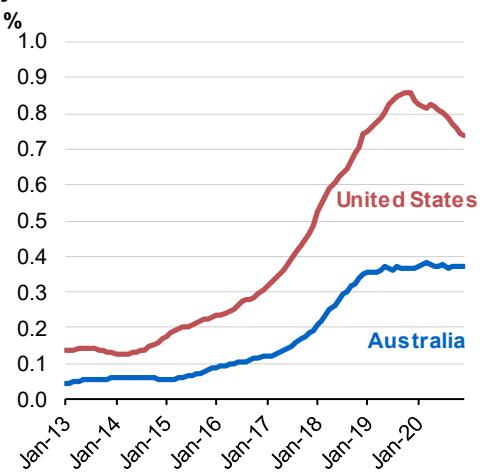


Chart 4.9: Share of artificial intelligence/machine learning job ads



Notes: 12-month rolling average of monthly share of job ads that require each technology skill. Cloud Computing also includes Cloud Storage and Cloud Solutions.

Source: Treasury analysis of Lightcast data for Australia and the United States (2012–2020).

Digital skills proficiency is important to capitalise on the economic opportunities afforded by new technologies and to ensure the gains are widely shared. The workforce is already responding to meet the skills challenge posed by a growing digital economy. The number of people with an IT qualification jumped by 36 per cent between 2016 and 2021. By keeping pace with demand, the education system can position Australian businesses to tap into global digital markets and leverage digital innovations in how they develop,

23 Bahar, E. & Lane, O. 'How dispersed are new technologies in the Australian job market?' *Treasury Round Up*, 2022.

24 ABS 2019 Characteristics of Australian Business, 2019–20 financial year.

produce and sell products and services. Equitable access to digital skills is critical to ensure the benefits of these new digital employment opportunities are broadly shared.²⁵

As jobs change in response to new technologies, our education and training systems cannot only deliver new skills but also need to adapt in how they deliver them. Encouraging life-long learning and on the job training, and ensuring smooth integration and recognition of training experiences can help workers keep their skills up to date and lower the transition cost between jobs. Labour mobility between firms and locations, and a responsive skilled migration system, will also support the diffusion of local and global best practice across Australian businesses.

Data, digitalisation and productivity growth

Amid a global slowdown in productivity growth, data and digitalisation have significant potential to improve Australia's productivity performance. Such technologies can reduce business costs, allow workers to focus on higher value tasks, and improve product quality and consumer choice.²⁶ New technologies can make existing businesses more efficient, bring about increased competition and better meet consumer needs.

Productivity gains associated with transformative new technologies take time to emerge as the economy adjusts to make the most of new opportunities. While past innovations such as electrification completely reshaped the way we lived, it took multiple decades for the benefits to be fully realised. Electrification required investments in complementary public and private infrastructure, and the redesign of factory layouts and industrial processes.²⁷ In a similar vein, the data and digital technologies that began to take off in the 1990s and continue to evolve today will require complementary investments – in new products, processes, infrastructure and skills – before their full benefits are realised.²⁸

A competitive and dynamic economy will amplify the benefits of new technologies. Most Australian businesses – 98 per cent – adopt innovations created by others rather than generate new innovations themselves.²⁹ Increasing the speed and scale of this diffusion of existing ideas is an important focus for productivity policy. Competitive pressures accelerate the diffusion of good ideas by incentivising resources to flow to the most productive businesses. Yet while more productive businesses tend to grow their workforces and invest more than less productive businesses, there is evidence that both tendencies

25 Goldin, C., & Katz, L. F. (2010). *The race between education and technology*. Harvard University Press.

26 Productivity Commission (Vol 4 p. 1, [2023](#)), 'Advancing Prosperity'.

27 David, P. A. (1990). The dynamo and the computer: an historical perspective on the modern productivity paradox. *The American Economic Review*, 80(2), 355-361.

28 Brynjolfsson, E, Rock, D and Syverson, C (2021) 'The Productivity J-Curve: How Intangibles Complement General Purpose Technologies', *American Economic Journal: Macroeconomics*, 13 (1): 333-72.

29 Productivity Commission (Vol 5 p. 1, [2023](#)), 'Advancing Prosperity'.

have declined over time in Australia.^{30,31} Addressing barriers to firm entry and exit, labour mobility and competition more generally will help fuel the take up of new technologies and ideas.

Complementary public investments can help realise the benefits of data and digital technologies. This includes ensuring accessible, secure and inclusive digital platforms through ongoing and sustainable government investments and coordination in connectivity and cyber security. Infrastructure Australia has assessed that almost half of Australia's regions have digital infrastructure gaps, and the Government has made additional investments in the National Broadband Network and in the mobile and broadband connectivity and resilience of regional Australia.³² Enabling policy may also include programs to help businesses adopt new technologies, like artificial intelligence.

Australia's identity system is another critical piece of national infrastructure that enables core government functions and the broader economy. Solutions like Digital ID provide a voluntary and secure means of digital verification, and the Government is supporting broader use through reforms and enabling legislation.

Underpinning many new technologies is the large-scale collection of data about people, systems and services by businesses. These datasets are a valuable input into models that maximise consumer engagement and have enabled platforms like Amazon, Netflix and Meta to appropriate a large consumer share. As these datasets become an increasingly important driver of innovation, they have become products in their own right, supporting services like advertising and market research. However, this commercialisation of data has implications for the protection of consumer rights, privacy and security, as well as regulation of competitive markets. The ethical implications of increasing uses of data, algorithms, and artificial intelligence to shape consumer choices and automate business interactions are also attracting greater scrutiny.

Regulatory frameworks must continue to evolve in the face of technological change, as they have done in the past. This includes ensuring consumers benefit from the data held about them and providing for appropriate privacy and security protections. Better use can also be made of government data, with appropriate protections, as through the *Data Availability and Transparency Act 2022*. The Productivity Commission has recommended policy changes to address gaps in protections for platform workers (or 'gig workers'), and the Government is currently consulting on changes to empower the Fair Work Commission to better support employee-like arrangements. The Government also has a role in empowering Australians to have safer and more positive online experiences, with investments in this Budget supporting the ongoing role of the eSafety Commissioner.

30 Andrews, D., & Hansell, D. (2021). Productivity-Enhancing Labour Reallocation in Australia. *Economic Record*, 97(317), 157-169.

31 Hambur, J., & Andrews, D. (2023). Doing Less, with Less: Capital Misallocation, Investment and the Productivity Slowdown in Australia (No. rdp2023-03). Reserve Bank of Australia.

32 Productivity Commission 2023 *Advancing Prosperity: Volume 4, Data and Digital Dividend*.

Finally, new technologies offer tremendous scope for improvements in the efficiency and quality of government provided and funded services. This includes the care and support economy where, as discussed in the preceding section, better use of technology can free up more time for the human aspect of care work and support improved outcomes in settings that best meet individual needs and preferences. The health and education systems more broadly stand to benefit from technologies that make better use of the scarce time of workers in these sectors, and that harness new ways of delivering services that are more flexible and responsive to individual circumstances.

Predicting the future of technological change is inherently hard. As with past changes, it is likely that the nature but not the quantum of work will change. A responsive skills system will help set Australians up to respond to that change and share the benefits of it. A dynamic and competitive business environment and fit for purpose policy will further make sure that Australia is well positioned for change.

Climate change and the net zero transformation

Australia's economy will be reshaped by global and domestic actions to meet emissions reduction commitments and the physical impacts of climate change. Over 150 countries have now committed to net zero, and many are taking steps to transition away from fossil fuels and towards cleaner sources of energy. This implies significant shifts over time to the size of some markets and to global patterns of trade, which will, in turn, impact the products and commodities Australia will provide to the world.

Physical impacts of climate change on ecosystems, infrastructure, food production, economies, health, and livelihoods are already becoming more apparent. The globe has already warmed 1.1 degrees Celsius on average over pre-industrial levels.³³ Insufficient action on climate change could place significant pressures on how we live and work, damage the economy and give rise to mounting fiscal costs.

Achieving the net zero transformation represents one of the most significant economic structural shifts since the Industrial Revolution. It comes with challenges, but also significant growth opportunities for the Australian economy and will accelerate significant investment in capital, people and communities.

Embracing opportunities in the net zero transformation

The world needs to reduce emissions and reach net zero to limit the impacts of climate change. The latest findings of the Intergovernmental Panel on Climate Change make clear that deep, rapid, and immediate greenhouse gas reductions are needed to limit warming to 1.5 to 2 degrees Celsius. Under the 2015 Paris Agreement, countries agreed to put forward and maintain commitments to address emissions through Nationally Determined

³³ IPCC, 'Summary for Policymakers', in *Climate Change 2021: The Physical Science Basis. Contribution of Working Group I to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change*, Cambridge University Press, Cambridge 2021

Contributions (NDCs). Over 170 countries have lodged updated NDCs, with many having recently strengthened their commitments.

Countries are deploying a range of policies to mitigate against climate change (see also *Statement 3: Fiscal Strategy and Outlook*). The European Union's Emissions Trading System is now being integrated with a new Carbon Border Adjustment Mechanism to manage competitiveness implications of stronger mitigation. Globally, direct investments in renewable energy and clean energy technology are taking a more prominent role, including through the United States' US\$369 billion *Inflation Reduction Act*, the EU's €250 billion green industrial package, and Canada's C\$80 billion package for clean energy, clean technology manufacturing and hydrogen. Strengthened regulatory interventions, such as new fuel efficiency standards in the United States and New Zealand, are also significant elements of international responses. Together these policy shifts are bringing down the costs of technologies that will enable net-zero emissions and increase the penalties associated with inaction.

Australia has an important role in this historical global economic transformation. In 2022, Australia updated its NDC to include a strengthened commitment to reduce emissions by 43 per cent from 2005 levels by 2030 and reaffirmed a commitment to net zero by 2050. Australia is also committed to playing a constructive leadership role to advance ambitious climate action in the region, including by supporting its partners to adapt to the impacts of climate change and to carry out their own orderly energy transitions.

The net-zero transformation will create new opportunities in emerging green industries that will facilitate a decarbonised global economy. Australia has the resources, knowledge, and experience to seize the resulting opportunities, including in low emissions technologies that flow from the global transformation, critical minerals, and in broader industries. Australia's future prosperity will depend on how quickly and how well the economy adapts to these changes. Delayed action will increase the cost of transformation and could reduce the competitiveness of some of Australia's industries, particularly given the scale of direct investment in clean energy technology in other jurisdictions.

Transitioning the economy towards cleaner, cheaper forms of energy will be structurally important to the competitiveness of Australia's economy. Energy is an important input for many business activities, as well as to household living costs. This means the cost of Australia's energy supply has a substantial impact on the overall competitiveness of Australia's economy and the ability for output to grow. Reducing barriers to entry and investment will be essential to ensuring this period of change generates greater dynamism and competition within the economy, and to provide opportunities for traditional and emerging industries.

Australia's endowment of critical minerals and cheap, clean energy positions it to be a key supplier of low emissions technologies across the supply chain. For example, Australia's abundance of renewable energy resources could see the production of green hydrogen at scale become more commercially viable in Australia than in many other countries. Furthermore Australia's announced pipeline of hydrogen projects represents

close to 40 per cent of all global clean hydrogen project announcements, and underlines Australia's potential to be among the global leaders in hydrogen.³⁴

Global action is already driving shifts in trade and investment patterns, rapidly increasing demand for critical mineral commodities and creating new opportunities for Australian firms to move up the value chain. Australia is well placed to seize these opportunities and has some of the world's largest reserves of commodities and critical minerals that will enable the global economy to decarbonise. Australia is the largest producer of lithium, the third largest producer of cobalt, fourth largest producer of rare earths, and houses almost a quarter of the world's nickel resources. These commodities are essential inputs to products such as electric vehicles and batteries and global demand for lithium and nickel is expected to grow around 40 times from 2020 to 2040.³⁵ Australia also has a comparative advantage in renewable energy generation. Success in transforming our economy to meet new demand for low-emissions products will also be key to enabling international partners to meet their emission targets.

Refinement, manufacturing, processing, reusing, and recycling all present new industry and employment opportunities. For example, large scale uptake and manufacture of batteries will be necessary in the transition to net zero, and Australia has a rich endowment of key input materials including lithium, nickel, cobalt, manganese and graphite. Bolstering Australia's battery manufacturing capability presents an opportunity to create jobs, contribute to economic growth and diversify geographically concentrated global battery supply chains.

Many existing emissions-intensive facilities are in regional areas that are well placed to capture green industry opportunities. For example, iron ore is expected to remain an important commodity for Australia, given its natural endowment and the continuing global demand for materials. As renewable technologies become more commercially feasible, the cost of processing iron ore into green steel is expected to become viable, with Australia possessing an energy-cost advantage given its abundance of natural resources. Realising these opportunities will require regional areas to attract significant investment, build up relevant skills and manage complex changes in infrastructure. Effective co-ordination of investment, industry growth and engagement with each level of government will be key.

While more action is needed, the Government's policies support an orderly transition towards net zero, and help provide the certainty that businesses, households and global partners need for a dynamic and sustainable economy (*Statement 3*). Among these the Government's reforms to the Safeguard Mechanism ensure Australia's largest emitters remain internationally competitive within a decarbonising global economy while contributing to the emissions reduction task. Further, the Government is developing a Sustainable Finance Strategy which will include regulatory reforms to increase the transparency and credibility of Australia's growing sustainable finance market. This will

34 DCCEEW 2023, State of Hydrogen 2022, Australian Government Department of Climate Change, Energy, the Environment and Water.

35 IEA 2021 The Role of Critical Minerals in Clean Energy Transitions, World Energy Outlook Special Report.

enable investors to confidently align their investment decisions with net zero emissions targets and increase the flow of capital toward new opportunities that support Australia's net zero pathway.

The net zero transformation has created opportunities for clean and cheap energy to become Australia's competitive advantage and for the emergence of new clean energy industries, such as hydrogen and critical minerals, to drive clean jobs. But capturing these opportunities requires significant investments across the economy by governments and businesses, including in electricity transmission, generation, and storage.

The net zero transformation will incentivise investments in hydrogen and critical minerals, and require support for regions and industries through the transformation. The Government is making significant investments in support for the transformation to capture these opportunities (see *Statement 1*). The Government will continue to assess the implications of intensifying global competition for clean energy industries in Australia.

The electrification and energy efficiency challenge

Decarbonising the economy will require large investment across most sectors and industries. One of the most important areas where investment will be required is the electricity sector. In Australia it will be necessary to simultaneously increase the quantity of electricity supplied to the system each year, while shifting to a renewable electricity grid.³⁶ Both require large, coordinated investments in energy infrastructure. While these changes are immense, clear policies will give businesses, households and global partners the ability to plan, helping ensure a vibrant and sustainable economy.

Electrification is critical to decarbonising the economy. As demand for fossil fuels is replaced with demand for electricity to support transport, industry, offices and homes; electricity generation will need to at least double by 2050.³⁷ And this figure may under-estimate the necessary increase in new capacity given the potential need to support new, large-scale export industries such as hydrogen or green steel production.

With further investments Australia has the potential to become a global leader in renewable energy. There are opportunities to expand onshore and offshore wind, solar, and green hydrogen production in Australia. This could help underpin a comparative advantage in low emissions industries and exports. However, by some estimates this will require accelerated investment in industry technologies and energy efficiency, by around 81 per cent more than business as usual.³⁸

The increase in demand arising from electrification can be offset through 2 key pathways. The first is improving energy efficiency, including by mandating greater energy efficiency

³⁶ AEMO 2022, Integrated System Plan for the National Electricity Market.

³⁷ AEMO 2022, Integrated System Plan for the National Electricity Market.

³⁸ Climateworks Centre and Climate-KIC Australia 2023, 'Pathways to industrial decarbonisation: Positioning Australian industry to prosper in a net zero global economy', Australian Industry Energy Transitions Initiative, Phase 3, Climateworks Centre.

in building codes, encouraging more energy efficient lighting solutions, and improving low energy intensity transport options. The second is by optimising time of use toward periods with abundant renewable energy, specifically during daylight hours with abundant solar resources. For example, as electric vehicle uptake accelerates, providing charging facilities in workplace car parks would lead to more charging during daylight hours, which in turn reduces demand at peak demand and low-renewable times during the evening.

Even with energy efficiency and demand shifting measures, a substantial transformation to the energy grid will be required. The Australian Energy Market Operator's Integrated System Plan highlights the scale of this challenge. Under its Step Change³⁹ scenario, 44 GW of new capacity will be required between now and 2030–31, and another 154 GW by 2050 (Chart 4.10). Renewables supply electricity more intermittently. As such, significant storage capacity will be necessary for firming the system with dispatchable and consistent electricity supply throughout the day as carbon-intensive technologies are phased out. Investments will need to increase current utility-scale wind and solar capacity 9-fold by 2050, build new transmission lines to connect states and new renewables, and install solar panels on over half of all Australian households' rooftops.

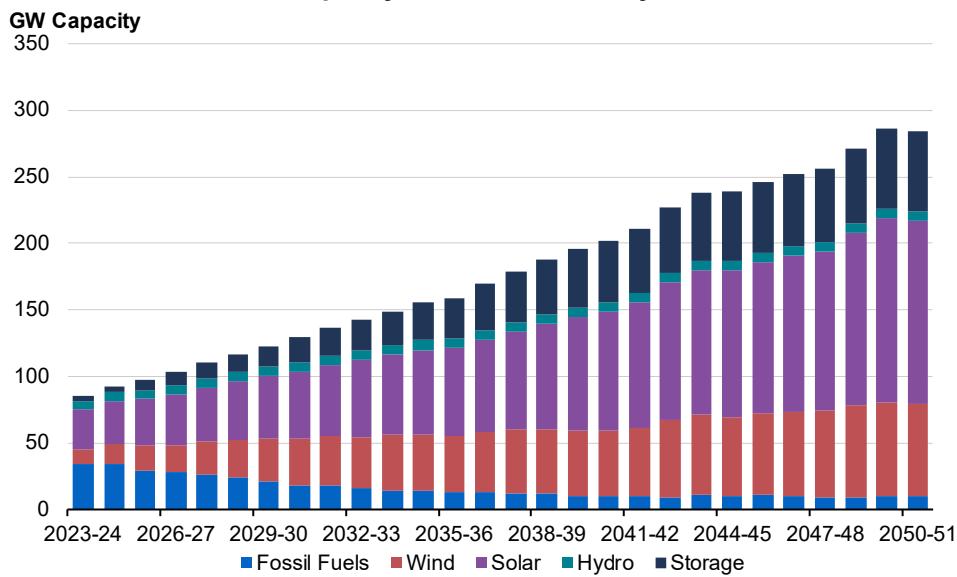
Peaking gas-fired capacity may also be required to support the firming of the system with around 9 GW forecasted to still be in the NEM by 2050 under the Step Change scenario. The flexibility of gas as a firming fuel and a key manufacturing input will be required as the transition accelerates domestically, and in our region. Gas supply also assists Australia and its international partners to process critical minerals and manufacture the wind turbines, batteries and other clean energy technologies that will play a critical role in reaching net zero emissions.

To achieve the Government's target of an 82 per cent renewable electricity grid by 2030, investment in electricity generation, transmission and storage infrastructure will need to accelerate. While this target is ambitious, Australia has deep renewable energy resources, and as technology costs decline, renewable energy will continue to be a cheap source of energy that can underpin Australia's competitiveness in new green industries.

Achieving the target requires effective coordination across governments, market operators and private sector entities. This will involve the securing of complex and competitive supply chains in a short period of time, reliable, low-cost financing arrangements, consensus within relevant communities, and a significant increase in high-skilled technical employment.

³⁹ The AEMO has modelled a few potential scenarios to the energy transformation. The Step Change scenario has been described as most likely by stakeholders. It describes a rapid, consumer-led transformation with coordinated action to limit global temperature increase to 2 degrees Celsius.

Chart 4.10: Generation capacity, National Electricity Market, 2023–24 to 2050–51



Source: AEMO ISP Step Change scenario 2022

Growing a green workforce for a decarbonised economy

The net-zero transformation will see new job opportunities arise with the introduction and expansion of green industries. For example, already almost half of industry groups are involved in a green value chain, according to the former National Skills Commission.⁴⁰ Labour market shifts will occur not only across specific industries but also within them, as workers will spend more time focused on tasks relating to decarbonisation and the net zero transformation.

The scale of the transformation will see job opportunities spread across the labour market, reaching many industries, occupations, and regions. Supporting the transition for the National Electricity Market alone requires an extra 12,000 workers in just 2 years to 2025, from the current level of about 45,000.⁴¹ Direct full-time employment in renewable energy activities has already increased sharply.⁴² Employment increased by 120 per cent from 2009–10 to 26,850 full-time workers in 2018–19, with rooftop solar systems accounting for

40 National Skills Commission 2022, Australia's current, emerging and future workforce skills needs. The NSC identified 99 out of 213 industry groups at the 3-digit level of the Australian and New Zealand Standard Industrial Classification (ANZSIC) as being involved in the green value chain.

41 Race for 2030, The Australian Electricity Workforce for the 2022 Integrated System Plan: Projections to 2050, [ISP Workforce Projection \(racefor2030.com.au\)](http://ISP Workforce Projection (racefor2030.com.au)).

42 ABS 2020, Employment in renewable energy activities, Australia.

most energy related employment.⁴³ Treasury analysis has found that the share of green jobs (those related to wind or solar) among online advertisements has approximately doubled between 2012 and 2020. The analysis also found evidence of a 5 per cent wage premium for green jobs compared to non-green jobs in equivalent occupations and locations. This illustrates both the demand for these roles and the skill level needed for the net zero transformation workforce.

Well-defined emissions mitigation and adaptation measures can support opportunities in growth areas and reduce the likelihood that workers impacted by the net zero transformation move to occupations with lower hours or mismatched skill levels or exit from the labour force. Jobs and Skills Australia is completing a Clean Energy Capacity Study to provide evidence and insights to support the workforce transition as the clean energy sector expands.

The Australian Government will also establish a new national Net Zero Authority with responsibility for promoting the orderly and positive economic transformation associated with achieving net zero emissions. The Authority will work across governments and with workers, companies, investors and communities to facilitate economic development and diversification.

Adapting to a changing environment

Although there are global efforts to reduce emissions, the climate will continue to change in response to greenhouse gases that are already in the atmosphere and those released on the path to net zero. IMF estimates suggest that if temperatures are allowed to increase by 3.4 degrees Celsius above 2014 levels by 2100 with no mitigation, then global GDP will be 7 per cent lower compared to baseline scenarios which keep warming to 1.6 degrees Celsius.⁴⁴ Additional reductions in emissions by Australia and other countries will help lower the magnitude of the increase and the likelihood of climate-related impacts. Nevertheless, over this century these physical impacts of climate change will increasingly affect Australia's economy as governments, businesses and households adjust their behaviour in response.

CSIRO and the Bureau of Meteorology have projected that even with a reduction in emissions, it is extremely likely that hot days will become more frequent and more severe. The impact of rising temperatures and seas is already being felt across Australia through the increased frequency and severity of extreme weather events including heatwaves, floods, heavy rainfalls, storms and drought. These events can cause severe damage to affected regions, disrupt economic activity and supply chains, add to the cost of doing business, and impose substantial ongoing fiscal costs of disaster relief (see *Statement 3: Fiscal Strategy and Outlook*).

⁴³ ABS 2020, Employment in renewable energy activities, Australia.

⁴⁴ Kahn, M.E., Mohaddes, K., Ng, R.N., Pesaran, M.H., Raissi, M. and Yang, J.C. (2019) 'Long-term macroeconomic effects of climate change: A cross-country analysis', International Monetary Fund.

The physical impacts of climate change will also affect workers through harsher working conditions. The International Labour Organisation has estimated that an average 1.5 degree Celsius temperature rise by 2100 could equate to a global labour productivity loss equivalent to 80 million full-time jobs by 2030 due to increased heat stress.

The physical impacts of climate change will also affect different regions and industries in different ways. Some industries such as agriculture, transport, construction and in some instances, mining are more likely to be impacted by natural disasters and extreme weather events than others. By some estimates, climate change has reduced wheat yields by 27 per cent since 1990 and average farm profits by 23 per cent in the last 20 years.⁴⁵

Continued investment and planning in climate change adaptation and resilience will be important in reducing the economic and fiscal costs of the physical impacts of climate change and natural disaster events. The Government is developing a national approach to identifying and responding to climate risks across Australia. The National Climate Risk Assessment (NCRA) will provide a baseline of known risks and impacts, and enable ongoing monitoring of climate risks, evaluation of the effectiveness of adaptation action, and evolution of responses over time. A National Adaptation Plan will respond to the urgent climate risks identified in the NCRA with an agreed, nationally consistent pathway for adaptation action in Australia and practical, evidenced based actions to reduce climate risks.

⁴⁵ PC 2023, 5-Year Productivity Inquiry Report, Volume 6: Managing the Climate Transition.

Making the most of structural shifts

Australia has a strong record of successfully responding to and embracing major changes in our society, technology, and the world. Over the coming decade and beyond, Australia's economy will be reshaped by the growing care and support economy, expanding use of data and digital technology, and climate change and the net zero transformation.

Understanding and anticipating these changes will ensure that policy settings can again be adapted and refined to make the most of these opportunities and challenges. These shifts also present both challenges and opportunities for gender equality and inclusion and require a specific focus on ensuring that the benefits are fairly distributed and risks for different groups addressed. The challenges outlined are diverse, but at their core, they present opportunities for Australia that can be harnessed through a suite of complementary efforts.

Well-functioning education, training and labour market systems, including a responsive migration program, will play a critical role. These systems will provide the economy with the skills it needs to meet growth in care and support, data and digital, and green jobs. A responsive and accessible skills system and labour market will also ensure structural shifts broaden rather than narrow the opportunities for those in the labour market, wherever they are in their careers.

Fostering dynamic and competitive markets, with complementary investments in enabling public infrastructure and the regulatory environment, will tackle productivity challenges and better realise the benefits of structural shifts. Fit for purpose policy and market settings will better diffuse best practice in both public and private sectors, lifting quality and access to care and support services, and the adoption of new digital and green technologies. Responsive regulation can also manage competition and privacy concerns arising from technological development and ensure responsive consumer and worker protections.

A sound and stable policy environment also allows market participants to plan with more confidence. This is particularly important for the net zero transformation, underscoring the importance of policies such as the safeguard mechanism and legislated commitments. Certainty around the pathway to the net zero transformation will help encourage private investment and position Australia to make the most of significant new opportunities. More broadly, clear and careful policy design will allow communities, businesses and individuals to adapt and prosper in the face of profound structural shifts.

The 2023–24 Budget is laying the foundations for a stronger, more inclusive, and more sustainable economy. A key part of this is responding to these major structural shifts that are shaping the economy, and that will have an important bearing on growth prospects and public finances in the years ahead. Continued investments in the skills system, in dynamic, competitive, and well-functioning markets, and in a sound and stable policy environment, will help ensure Australia is well placed to capitalise on the opportunities that come with these shifts and to handle the challenges.



Statement 5: Revenue

Near record levels of participation and employment, a pick-up in wages growth and sustained high commodity prices are supporting a rapid recovery in receipts following the pandemic.

Since the October Budget, tax receipts have been revised up by \$42.0 billion in 2023–24 and \$134.8 billion over the 5 years from 2022–23 to 2026–27. A majority of this upgrade is concentrated in the near term, underpinned by a strong labour market and higher commodity prices.

The strong upgrade to tax receipts is expected to moderate after 2023–24 as commodity prices are assumed to return to long-run levels and conditions in the labour market ease.

Excluding GST and policy decisions, tax receipts have been revised up \$41.2 billion in 2023–24 and \$114.2 billion over the 5 years from 2022–23 to 2026–27. The Government is returning most of the improvement in tax receipts to the budget. 87 per cent of the tax upgrades in the past 2 Budgets are being returned (82 per cent this Budget).

Elevated risks to the global outlook, volatility in commodity prices and uncertainty around the response of households to rising interest rates mean that tax receipts will remain vulnerable to the changing outlook for some time.

Policy decisions in this Budget focus on reforms to make the tax system fairer and more sustainable, policies to support small business and housing and measures to enhance tax system compliance and integrity. Policy decisions since the October Budget are expected to increase tax receipts by \$1.3 billion in 2023–24 and \$19.1 billion over the 5 years from 2022–23 to 2026–27.



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Statement 5: Revenue

Overview

Since the October Budget, tax receipts have been revised up by \$42.0 billion in 2023–24 and \$134.8 billion over the 5 years from 2022–23 to 2026–27.

Excluding GST and policy decisions, tax receipts have been revised up by \$41.2 billion in 2023–24 and \$114.2 billion over the 5 years from 2022–23 to 2026–27. The Government is returning most of the improvement in tax receipts to the budget. 87 per cent of the tax upgrades in the past 2 Budgets are being returned (82 per cent this Budget).

In the near term, the upgrade to tax receipts primarily reflects higher company tax and personal income tax, underpinned by higher commodity prices, a pick-up in wages growth, strong employment growth and high participation. However, the strong near-term upgrade to tax receipts is expected to moderate after 2023–24 as commodity prices are assumed to return to conservative long-run levels and conditions in the labour market ease.

In addition to the strong growth in personal tax receipts, the recovery in company tax receipts has more closely followed the economy overall, rather than with the substantial lag observed following previous downturns. This is particularly the case for the resources sector where sustained and elevated commodity prices have exhausted previous losses and accumulated deductions.

Risks to the outlook for nominal GDP and tax receipts remain significant. The global outlook remains uncertain and any further deterioration in global conditions could impact commodity prices and consumer and business confidence. Uncertainty remains around how household consumption will continue to react to the rise in interest rates and cost of living pressures.

Policy decisions since the October Budget are expected to increase tax receipts by \$1.3 billion in 2023–24 and \$19.1 billion over the 5 years from 2022–23 to 2026–27. For more details on policy decisions, see Budget Statement 1 and Budget Paper No. 2.

Table 5.1: Australian Government general government receipts

	Actual		Estimates			
	2021–22		2022–23	2023–24	2024–25	2025–26
	\$b	\$b	\$b	\$b	\$b	\$b
Total taxation receipts (\$b)	536.6	588.1	616.3	614.3	647.8	680.7
Growth on previous year (%)	13.2	9.6	4.8	-0.3	5.5	5.1
Per cent of GDP	23.2	23.1	23.9	23.3	23.3	23.3
Tax receipts excluding GST (\$b)	463.0	506.4	530.4	525.1	553.4	580.6
Growth on previous year (%)	15.5	9.4	4.7	-1.0	5.4	4.9
Per cent of GDP	20.1	19.9	20.6	19.9	19.9	19.9
Non-taxation receipts (\$b)	47.8	47.5	51.9	56.9	53.1	54.4
Growth on previous year (%)	3.7	-0.5	9.1	9.7	-6.7	2.4
Per cent of GDP	2.1	1.9	2.0	2.2	1.9	1.9
Total receipts (\$b)	584.4	635.6	668.1	671.2	700.9	735.1
Growth on previous year (%)	12.4	8.8	5.1	0.5	4.4	4.9
Per cent of GDP	25.3	25.0	25.9	25.4	25.2	25.2

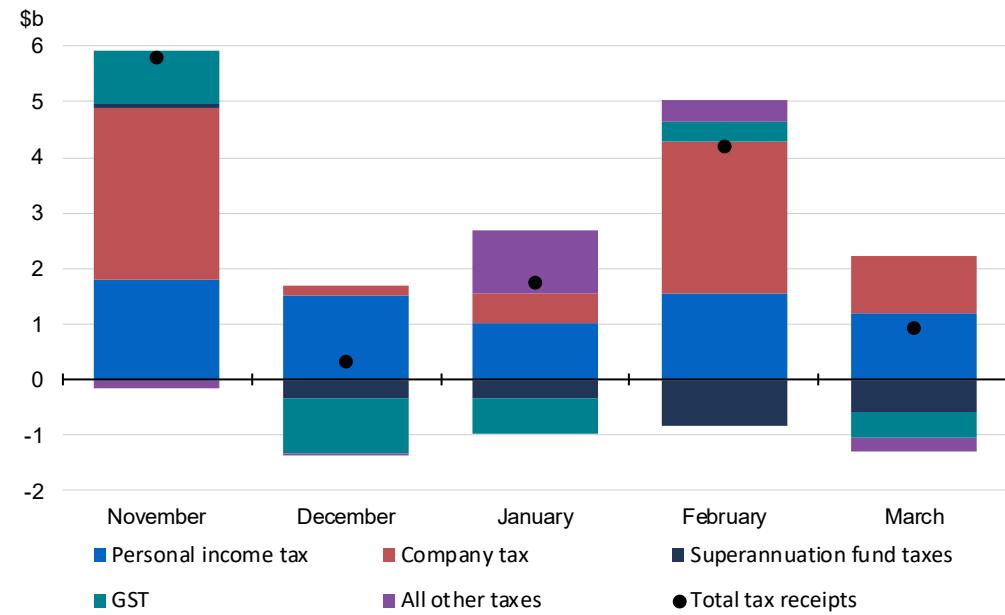
Current year tax collections

Tax collections for 2022–23 continue to be higher-than-anticipated (Chart 5.1). Tax receipts to March 2023 are \$13.0 billion higher-than-expected at the October Budget. This strength is predominantly in company tax and personal income tax, partly offset by weakness in superannuation fund taxes and, to a lesser extent, GST.

Personal income tax collections to March were around \$7.1 billion (or 3.6 per cent) higher-than-expected at the October Budget, supported by higher employment, a pick-up in wages growth and high net capital gains and net rent from prior year returns. Company tax collections to March were around \$7.6 billion (or 8.5 per cent) higher-than-expected at the October Budget, reflecting consistently higher commodity prices and profits in the mining sector, and strong instalment payments from the non-financial sector due to higher turnover.

Superannuation fund taxes collections to March were around \$2.0 billion (or 21.5 per cent) lower-than-expected at the October Budget, reflecting lower earnings and higher-than-expected refunds.

Chart 5.1: Tax collections since 2022-23 October Budget – deviations from expected collections by month and head of revenue



Source: Treasury

Tax receipts outlook

Relative to the October Budget, tax receipts are forecast to be \$42.0 billion (or 7.3 per cent) higher in 2023–24, and \$134.8 billion (or 4.5 per cent) higher over the 5 years from 2022–23 to 2026–27. This upgrade reflects a stronger outlook for personal income tax and company tax.

Personal income taxes have been revised up by \$15.0 billion in 2023–24 and \$74.1 billion over the 5 years from 2022–23 to 2026–27. This principally reflects strength in tax withholding from salary and wages, supported by high levels of employment and a larger labour force, which is expected to continue across the forward estimates. In 2022–23 it also reflects higher than expected income from previous years increasing on-assessment payments (in particular, capital gains from the sale of properties in 2021–22) and upward revisions to the outlook for non-farm gross mixed income and property income (which includes dividend and interest income).

Company tax has been revised up by \$28.9 billion in 2023–24 and \$52.7 billion over the 5 years from 2022–23 to 2026–27. This reflects elevated commodity prices and an extension of the period over which commodity prices adjust to conservative (albeit higher) long-term levels, strength in collections and an improved outlook for non-financial companies.

Policy decisions in this Budget focus on reforms to make the tax system fairer and more sustainable, policies to support small business and housing and measures to enhance

tax system compliance and integrity. Policy decisions taken since the October Budget increase tax receipts by \$1.3 billion in 2023–24 and \$19.1 billion over the 5 years from 2022–23 to 2026–27. Key policy decisions include:

- *GST compliance program – four-year extension*
- *Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax*
- *Better Targeted Superannuation Concessions and Securing Australians' Superannuation Package*
- *Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements*
- *Small Business Support – \$20,000 instant asset write-off and Small Business Support – Small Business Energy Incentive*
- *Housing (Build-To-Rent Developments) – accelerating tax deductions and reducing managed investment trust withholding tax rate*

For more details on policy decisions, see Budget Statement 1 and Budget Paper No. 2.

Variations in receipts estimates

Since the October Budget, total receipts have been revised up by \$46.7 billion in 2023–24 and \$152.6 billion over the 5 years from 2022–23 to 2026–27. Table 5.2 reconciles the 2023–24 Budget estimates of total receipts with the October Budget and 2022 PEFO.

Table 5.2: Reconciliation of Australian Government general government receipts estimates from the 2022–23 October Budget and 2022 PEFO

	Estimates						Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m		
	548,533	585,189	615,184	643,900	*	*	
Receipts at 2022 PEFO							
Changes from 2022 PEFO to 2022–23 October Budget							
Effect of policy decisions	1,410	2,458	3,967	5,253	*	*	
Effect of parameter and other variations	57,286	33,793	23,689	29,870	*	*	
Total variations	58,696	36,252	27,656	35,123	*	*	
Receipts at 2022–23 October Budget	607,229	621,441	642,840	679,023	707,875	3,258,408	
Changes from 2022–23 October Budget to 2023–24 Budget							
Effect of policy decisions	125	1,757	5,378	6,413	8,382	22,055	
Effect of parameter and other variations	28,239	44,944	23,020	15,486	18,862	130,551	
Total variations	28,364	46,701	28,398	21,899	27,244	152,606	
Receipts at 2023–24 Budget	635,593	668,142	671,238	700,922	735,118	3,411,014	

* Data is not available.

Since the October Budget, parameter and other variations have increased total receipts by \$44.9 billion in 2023–24 and \$130.6 billion over the 5 years from 2022–23 to 2026–27. Policy decisions increase total receipts by \$1.8 billion in 2023–24 and \$22.1 billion over the 5 years from 2022–23 to 2026–27 compared with the October Budget.

The upgrade to the forecasts of total receipts overwhelmingly reflects upgrades to the forecasts of tax receipts.

Tax receipts estimates

Relative to the October Budget, forecasts of tax receipts have been revised up by \$42.0 billion in 2023–24 and by \$134.8 billion over the 5 years from 2022–23 to 2026–27.

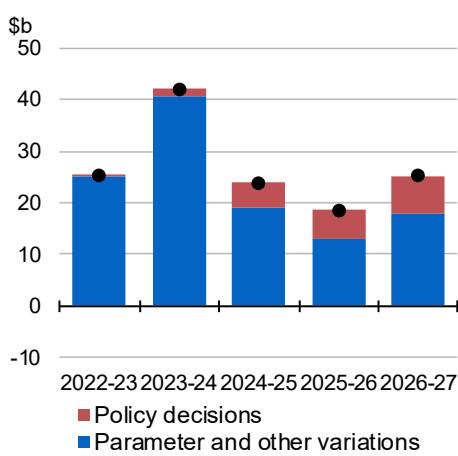
Table 5.3 reconciles the 2023–24 Budget estimates of tax receipts with the October Budget and 2022 PEFO.

Table 5.3: Reconciliation of Australian Government general government tax receipts estimates from the 2022–23 October Budget and 2022 PEFO

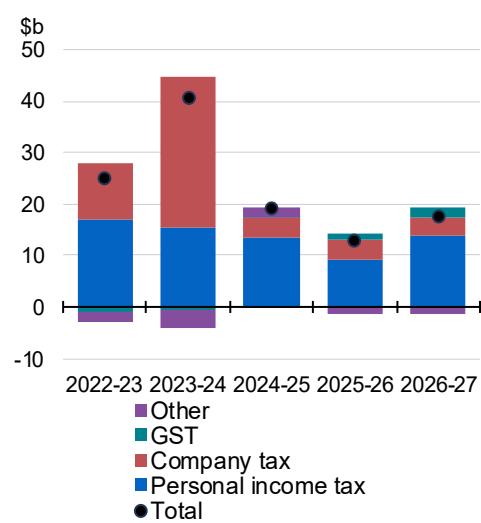
	Estimates					Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m	
	508,425	541,737	566,570	598,183	*	*
Tax receipts at 2022 PEFO						
Changes from 2022 PEFO to 2022-23 October Budget						
Effect of policy decisions	488	1,654	3,124	4,282	*	*
Effect of parameter and other variations	53,945	30,901	20,758	26,870	*	*
Total variations	54,434	32,554	23,881	31,152	*	*
Tax receipts at 2022-23 October Budget	562,858	574,292	590,451	629,335	655,471	3,012,407
Changes from 2022-23 October Budget to 2023-24 Budget						
Effect of policy decisions	20	1,267	4,692	5,636	7,531	19,146
Effect of parameter and other variations	25,172	40,717	19,189	12,875	17,740	115,694
Total variations	25,192	41,984	23,881	18,511	25,272	134,840
Tax receipts at 2023-24 Budget	588,050	616,275	614,332	647,846	680,743	3,147,247

* Data is not available.

Since the October Budget, parameter and other variations are expected to increase tax receipts by \$40.7 billion in 2023–24 and \$115.7 billion over the 5 years from 2022–23 to 2026–27. Around one fifth of the increase in tax receipts reflects changes to assumptions on the path of commodity prices in response to sustained high prices, largely in 2023–24 (see Box 2.4). Policy decisions increase tax receipts by \$1.3 billion in 2023–24 and \$19.1 billion over the 5 years from 2022–23 to 2026–27 compared with the October Budget.

Chart 5.2: Revisions to total tax receipts since October Budget

Source: Treasury

Chart 5.3: Parameter and other variations to total tax receipts since October Budget

Source: Treasury

These upgrades reflect the improved outlook for the nominal economy flowing through wages and profits, supporting personal income tax and company tax. Growth in the key economic parameters that influence tax receipts is shown in Table 5.4.

Table 5.4: Key economic parameters for tax receipts^(a)

	Outcomes		Forecasts			
	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
Revenue parameters						
Nominal gross domestic product	11.0	10 1/4	1 1/4	2 1/2	5 1/4	5 1/4
Change since October Budget		2 1/4	2 1/4	-1 3/4	1/4	
Compensation of employees ^(b)	5.8	9 1/2	5 1/4	4 1/4	4 3/4	5 1/2
Change since October Budget		1 1/2	1/4	0	0	
Corporate gross operating surplus ^(c)	12.4	13	-8 3/4	-4 1/2	5 1/4	4 1/2
Change since October Budget		5 1/4	6 1/4	-8 1/4	1/4	
Non-farm gross mixed income	-2.0	5 1/4	5	5 3/4	5 1/2	5 1/2
Change since October Budget		-1 1/2	1 1/4	1	-1/2	
Property income ^(d)	10.4	24 1/2	12 1/2	5 1/2	6 1/4	5 1/4
Change since October Budget		18 1/2	7 1/2	0	1 1/4	
Consumption subject to GST	8.9	15 1/4	4 1/2	4 1/2	5	5
Change since October Budget		1/2	3/4	0	-1/4	

a) Current prices, per cent change on previous year. Changes since October Budget are percentage points.

b) Compensation of employees measures total remuneration earned by employees.

c) Corporate gross operating surplus is an Australian System of National Accounts measure of company profits, gross of depreciation.

d) Property income measures income derived from rent, dividends and interest.

Source: ABS Australian National Accounts: National Income, Expenditure and Product, and Treasury.

Changes in the outlook for individual heads of revenue are explained in more detail below.

Individuals and other withholding taxes

Since the October Budget, total individuals and other withholding tax receipts have been revised up by \$15.0 billion in 2023–24 and \$74.1 billion over the 5 years from 2022–23 to 2026–27. Year-on-year, individuals and other withholding tax receipts are expected to grow by 7.5 per cent in 2023–24 and fall by 1.9 per cent in 2024–25.

Excluding new policy decisions, individuals and other withholding tax receipts have been revised up by \$15.4 billion in 2023–24 and \$68.9 billion in the 5 years from 2022–23 to 2026–27.

Income tax withholding (tax on salary and wages) has been revised up by \$10.8 billion in 2023–24 and \$48.3 billion over the 5 years from 2022–23 to 2026–27 excluding policy decisions. This reflects strength in year-to-date collections from all withholders reflecting higher employment and a pick-up in wages growth. Strength is expected to continue over the forward estimates, in line with employment and nominal wage growth, although this is expected to moderate as conditions in the labour market ease.

Net other individuals has been revised up by \$4.6 billion in 2023–24 and \$20.6 billion over the 5 years from 2022–23 to 2026–27 excluding policy decisions. In the near-term this reflects strength in collections from the lodgement of 2021–22 income year returns, in particular strength in capital gains and net rent. The outlook for net other individuals has also been revised higher, reflecting higher non-farm gross mixed income, flowing to income from unincorporated businesses and upgraded property income growth. Growth in property income is largely being driven by higher interest income on assets (such as term deposits), in line with the increase in interest rates.

New tax policy measures announced since the October Budget are expected to decrease individuals and other withholding tax receipts by \$401.3 million in 2023–24 but increase individuals and other withholding tax receipts by \$5.2 billion over the 5 years from 2022–23 to 2026–27. This is largely driven by:

- The *GST compliance program – four-year extension* measure which is estimated to increase individuals and other withholding tax receipts by \$624.1 million in 2023–24 and \$2.9 billion over the 5 years from 2022–23 to 2026–27.
- The *Small Business Support – \$20,000 instant asset write-off* measure which is expected to have no impact in 2023–24 but to decrease individuals and other withholding tax receipts by \$200.0 million over the 5 years from 2022–23 to 2026–27.
- The measure *Small Business Support – helping small business manage their tax instalments and improving cashflow* which is expected to decrease individuals and other withholding tax receipts by \$1.0 billion in 2023–24 but have no net impact on receipts over the 5 years from 2022–23 to 2026–27.

Fringe benefits tax

Since the October Budget, fringe benefits tax receipts have been revised up by \$30.0 million in 2023–24 and \$260.0 million over the 5 years from 2022–23 to 2026–27. This reflects an improvement in the outlook for the labour market.

New tax policy measures announced since the October Budget are expected to increase fringe benefits tax receipts by \$10.0 million over the 5 years from 2022–23 to 2026–27.

Company tax

Since the October Budget, company tax receipts have been revised up to be \$28.9 billion higher in 2023–24 and \$52.7 billion higher over the 5 years from 2022–23 to 2026–27. Year-on-year, company tax receipts are expected to fall by 7.0 per cent in 2023–24 and 6.9 per cent in 2024–25 as a result of conservative assumptions for commodity export prices.

Excluding new policy decisions, company tax has been revised up by \$29.3 billion in 2023–24 and \$51.8 billion over the 5 years from 2022–23 to 2026–27. Collections in 2022–23 have continued to exceed expectations. Company tax receipts to March 2023 were \$7.6 billion higher than expected at the October Budget. This reflects higher-than-expected collections from larger companies in the non-mining, non-finance sector, as well as higher collections from the resources sector as a result of elevated commodity prices.

The significant upward revision across the forward estimates reflects continued strength in company tax instalments and an improved outlook for company profits across the broader economy. Near term strength is largely driven by increased profitability in the resources sector, reflecting elevated near-term commodity prices, and an extension in the period over which commodity prices adjust to conservative, albeit higher, long-term levels (see Box 2.4). An improved outlook for the non-mining sectors also supports strength in receipts in the near-term.

Tax paid by resource companies is expected to moderate over the forward estimates in line with the assumed decline in commodity prices as well as the appreciation of the Australian dollar since the October Budget, offsetting some of the continuing strength in the financial and non-mining, non-finance sectors.

New tax policy measures announced since the October Budget are expected to decrease company tax receipts by \$362.1 million in 2023–24 but increase company tax receipts by \$911.5 million over the 5 years from 2022–23 to 2026–27. Key decisions driving these expected changes are:

- The measure *GST compliance program – four-year extension* which is estimated to increase company tax receipts by \$151.0 million in 2023–24 and \$881.4 million over the 5 years from 2022–23 to 2026–27.
- The decision *Amending measures of the former Government* expected to increase receipts by \$50.0 million in 2023–24 and \$460.0 million over the 5 years from 2022–23 to 2026–27.

- The *Small Business Support – Small Business Energy Incentive* measure which is expected to have no impact in 2023–24 but to decrease company tax receipts by \$160.0 million over the 5 years from 2022–23 to 2026–27.

Box 5.1 Australia's implementation of a global minimum tax and a domestic minimum tax, key elements of Pillar Two of the OECD/G20 multilateral agreement on global tax

In October 2021, Australia, along with 135 other jurisdictions of the OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting joined a multilateral agreement on a Two-Pillar Solution to address the tax challenges arising from the digitalisation and globalisation of the economy.

In this Budget, the Government is making progress on its election commitment to support this agreement by implementing the key elements of Pillar Two – the global minimum tax and a domestic minimum tax for large multinational enterprises.

These rules seek to address the global ‘race to the bottom’ on corporate taxes by introducing a global minimum effective tax rate of 15 per cent. This tax rate will apply on a jurisdictional basis to each multinational group with annual global revenue of at least EUR750 million (around AUD1.2 billion).

The global minimum tax and domestic minimum tax will follow OECD implementation guidelines and not apply to investment funds, pension funds, government entities, international organisations, not-for-profit organisations, and income associated with international shipping.

Where the tax paid by a large multinational in a jurisdiction does not reach the 15 per cent global minimum effective tax rate, the rules determine an amount of top-up tax (Figure 5.1). That amount is collected through either:

- The domestic minimum tax which will allow Australia to collect any top-up tax on Australian profits, where the effective rate falls below 15 per cent.
- The Income Inclusion Rule which will allow Australia to collect any top-up tax on the undertaxed profits of an Australian entity’s foreign subsidiaries located in jurisdictions where no domestic minimum tax is in place. If the Australian entity is a subsidiary of a foreign parent, Australia can only collect the top-up tax if the foreign parent’s jurisdiction has not implemented an Income Inclusion Rule.
- The Undertaxed Profits Rule which will allow Australia to collect a proportion of any top-up tax on profits of a foreign-headquartered multinational if it has income in a jurisdiction which is being taxed below the global minimum rate of 15 per cent and where no Income Inclusion Rule applies. The share of top-up tax that Australia will collect will be based on the proportion of the large multinational group’s employees and value of tangible assets in Australia relative to other countries.

continued on next page

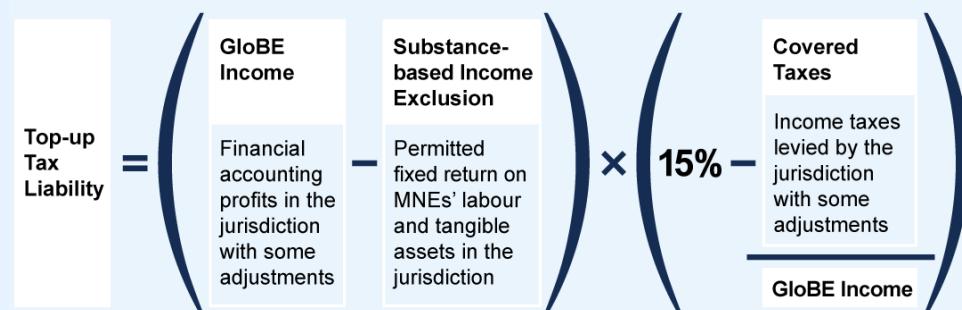
Box 5.1 Australia's implementation of a global minimum tax and a domestic minimum tax, key elements of Pillar Two of the OECD/G20 multilateral agreement on global tax (continued)

Australia's domestic minimum tax and Income Inclusion Rule will apply to income years commencing on or after 1 January 2024, while the Undertaxed Profits Rule will apply to income years commencing on or after 1 January 2025. The Government's implementation of a global and domestic minimum tax is estimated to increase Australian tax receipts by \$370 million over the 5 years from 2022–23.

The revenue gain over the medium term will be dependent on the response of other jurisdictions in implementing these Rules, their own domestic minimum taxes, and behavioural responses by multinational groups.

Australia will benefit from the global implementation of these Rules and the lowering of the tax differential between Australia and other countries. Over time, this will make Australia a more attractive place to invest, boosting economic growth and tax revenue. It will also support Australian domestic businesses, by decreasing some of the tax advantages that are available to large multinationals.

Figure 5.1: Calculating an undertaxed large multinational group's top-up tax liability on its operations in each jurisdiction



Source: OECD/G20 Inclusive Framework on Base Erosion and Profit Shifting Pillar Two Global Anti-Base Erosion (GloBE) Model Rules; Treasury

Superannuation fund taxes

Since the October Budget, superannuation fund taxes receipts have been revised down by \$3.9 billion in 2023–24 and \$6.5 billion across the 5 years from 2022–23 to 2026–27. Receipts from superannuation fund taxes are expected to continue to be volatile. Year-on-year, tax receipts from superannuation funds are expected to fall by 63.8 per cent in 2022–23 but rise 72.3 per cent in 2023–24 and 40.5 per cent in 2024–25.

Excluding new policy decisions, superannuation fund taxes have been revised down by \$3.8 billion in 2023–24 and \$7.4 billion over the 5 years from 2022–23 to 2026–27. Superannuation fund taxes have been revised down in 2022–23 in line with weaker fund earnings and higher-than-expected refunds, that have resulted in substantial downward revisions to instalment rates for large funds. While instalment rates are expected to recover, leading to an increase in receipts in 2024–25, weakness is expected to persist due to strength in the outlook for dividends and franking credits, which reduces tax receipts. This is partly offset by higher contributions due to the strong labour market.

New tax policy measures announced since the October Budget are expected to decrease superannuation fund taxes receipts by \$66.7 million in 2023–24 but increase superannuation fund taxes receipts by \$870.3 million over the 5 years from 2022–23 to 2026–27. This is largely driven by:

- The *Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance* measure is expected to have no impact on receipts in 2023–24 but to increase superannuation fund taxes by \$1.2 billion over the 5 years from 2022–23 to 2026–27.

Petroleum resource rent tax (PRRT)

Since the October budget, PRRT receipts have been revised up by \$300.0 million in 2023–24 and \$2.0 billion over the 5 years from 2022–23 to 2026–27.

Excluding new policy decisions, PRRT receipts have been revised down by \$300.0 million in 2023–24 and \$1.3 billion over the 5 years from 2022–23 to 2026–27. The downgrade reflects a deterioration in the outlook for oil and gas prices since the October Budget. Oil prices have fallen since the October Budget and are assumed to be lower across the forward estimates.

New PRRT policy measures announced since the October Budget increase PRRT receipts by \$600.0 million in 2023–24 and \$3.2 billion over the 5 years from 2022–23 to 2026–27 and reduce company tax receipts by \$800.0 million over the five years from 2022–23 to 2026–27 for an increase in total tax receipts of \$2.4 billion over the five years from 2022–23 to 2026–27 due to the measure *Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements* (see Box 5.2).

Box 5.2 Reforms to the Petroleum Resource Rent Tax

The 2017 Callaghan Review of the Petroleum Resource Rent Tax (PRRT) recommended that the gas transfer pricing (GTP) rules that determine the value of gas for PRRT purposes in integrated LNG projects be further examined. In 2019, the former Government asked Treasury to review the GTP rules. Treasury has completed this review and reported to Government.

Both the Callaghan and the GTP reviews noted that aspects of the PRRT are better suited to oil projects than LNG projects. LNG projects are highly capital intensive and, compared to oil projects, generally take much longer to become cash flow positive after commencing production. This impacts the PRRT collected from LNG projects, particularly where projects have very large carry-forward deductions that are uplifted for many years. To date, not a single LNG project has paid any PRRT and many are not expected to pay significant amounts of PRRT until the 2030s.

In this Budget, the Government is introducing changes to the PRRT to deliver a fairer return to the Australian community from their natural resources. The Government will introduce a cap on the use of deductions to offset assessable income of LNG producers under the PRRT. This will bring forward PRRT receipts from LNG projects and ensure a greater PRRT return to the community from the offshore LNG industry.

The cap will limit LNG projects' deductions each year to no more than 90 per cent of their assessable income, so that the PRRT will be paid on at least 10 per cent of income. The amounts that are unable to be deducted because of the cap will be carried forward and uplifted at the Government long-term bond rate. The cap will not apply to certain classes of deductible expenditure in the PRRT – closing-down expenditure, starting base expenditure and resource tax expenditure.

These changes will apply to offshore LNG projects, which export the vast majority of their gas. To minimise the impact of early payments on projects, they would not be subject to the cap until 7 years after the first year of production.

To support the operation of the cap, the Government will also make a number of changes to the GTP arrangements, including to modernise the PRRT for emerging developments in LNG project structures, better reflect the contributions and risks of the notional entities that comprise the LNG value chain, align the regulations with current transfer pricing practices and provide appropriate integrity rules for the regime.

The changes have been carefully designed to provide industry and investors policy certainty, to ensure sufficient supply of domestic gas and ensure Australia remains a reliable trade and investment partner.

Goods and services tax (GST)

Since the October Budget, GST receipts have been revised up by \$368.0 million in 2023–24 and \$6.1 billion over the 5 years from 2022–23 to 2026–27. Year-on-year, GST receipts are expected to increase by 5.2 per cent in 2023–24 and 3.9 per cent in 2024–25 in line with nominal household consumption.

Excluding new policy decisions, GST has been revised down by \$481.0 million in 2023–24 but up \$1.5 billion over the 5 years from 2022–23 to 2026–27. GST receipts have been downgraded in the near term due to weaker-than-expected collections for 2022–23, offset by upgrades to consumption subject to GST and higher population growth.

New tax policy measures announced since the October Budget are expected to increase GST receipts by \$849.0 million in 2023–24 and \$4.6 billion over the 5 years from 2022–23 to 2026–27. This is largely due to the measures:

- *GST compliance program – four-year extension* which is expected to increase GST receipts by \$809.4 million in 2023–24 and \$3.8 billion over the 5 years from 2022–23 to 2026–27.
- *Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax* which is expected to increase GST receipts by \$30.0 million in 2023–24 and by \$290.0 million over the 5 years from 2022–23 to 2026–27.

Excise and customs duty

Since the October Budget, total excise and customs duty receipts have been revised up by \$1.1 billion in 2023–24 and \$4.4 billion over the 5 years from 2022–23 to 2026–27. Year-on-year, excise and customs duty receipts are expected to increase by 9.2 per cent in 2023–24 and 5.4 per cent in 2024–25 in line with nominal household consumption.

Excluding new policy decisions, excise and customs duty receipts have been revised up by \$493.2 million in 2023–24 and \$820.1 million over the 5 years from 2022–23 to 2026–27. This reflects upward revisions to customs duty, alcohol excise and fuel excise.

Policy decisions are expected to increase excise and customs duty receipts by \$586.8 million in 2023–24 and \$3.5 billion over the 5 years from 2022–23 to 2026–27. This is largely driven by:

- The measure *Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax* which is expected to increase customs duty receipts by \$290.0 million in 2023–24 and by \$3.0 billion over the 5 years from 2022–23 to 2026–27.

The 2023–24 Budget estimates continue to include provision for the Australia European Union Free Trade Agreement, which has not been finalised. This provision is assumed to impact customs duty receipts. No other Free Trade Agreements (FTAs) that are currently under negotiation are expected to have a material impact on revenue over the forward estimates. A full list of FTAs currently under negotiation is available on the Department of Foreign Affairs and Trade website.

Other taxes

Other taxes encompass a range of sources of receipts, including visa application charges, major bank levy, luxury car tax, wine equalisation tax and agricultural levies.

Since the October Budget, visa application charges have been revised up by \$257.4 million in 2023–24 and \$1.7 billion over the 5 years from 2022–23 to 2026–27.

New tax policy measures announced since the October Budget are expected to increase other tax receipts by \$61.3 million in 2023–24 and \$837.3 million over the 5 years from 2022–23 to 2026–27. Key decisions impacting other taxes include:

- The *Migration – uplift of Visa Application Charges*^[1] measure which is expected to increase Visa Application Charges by \$100.0 million in 2023–24 and by \$665.0 million over the 5 years from 2022–23 to 2026–27.
- The measure *Increasing the Passenger Movement Charge* which is expected to have no impact on other tax receipts in 2023–24 but increase other tax receipts by \$520.0 million over the 5 years from 2022–23 to 2026–27.

Non-tax receipts estimates

Since the October Budget, non-tax receipts are expected to increase by \$4.7 billion in 2023–24 and by \$20.7 billion over the 5 years from 2022–23 to 2026–27.

Parameter and other variations account for the majority of this movement and are expected to increase non-tax receipts by \$4.2 billion in 2023–24, and by \$17.8 billion over the 5 years from 2022–23 to 2026–27. This movement is driven by higher earnings from interest on cash deposits due to the rise in short-term interest rates, higher earnings from the Future Fund and the Australian Government Investment Funds, as well as higher demand for Australian passports. In addition, non-tax receipts have been revised down by \$3.0 billion in 2026–27 to account for the difference between the medium-term projection methodology at the October Budget and the forward estimate in this Budget.

Policy decisions are expected to increase non-tax receipts by \$0.5 billion in 2023–24, and by \$2.9 billion over the 5 years from 2022–23 to 2026–27. This movement includes the expected earnings of the National Reconstruction Fund Corporation, as announced in the 2023–24 Budget measure *National Reconstruction Fund Corporation – establishment*, receipts associated with the 2023–24 Budget measure *Enduring Funding Mechanism for AusCheck*, and receipts associated with the 2023–24 Budget measure *Strengthened and Sustainably Funded Biosecurity System*.

Table 5.5: Reconciliation of 2022–23 general government (cash) receipts

	Estimates		Change from October Budget	
	October Budget \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	260,000	269,600	9,600	3.7
Gross other individuals	61,900	69,500	7,600	12.3
<i>less: Refunds</i>	41,800	42,100	300	0.7
Total individuals and other withholding tax	280,100	297,000	16,900	6.0
Fringe benefits tax	3,490	3,630	140	4.0
Company tax	127,300	138,400	11,100	8.7
Superannuation fund taxes	12,610	9,610	-3,000	-23.8
Petroleum resource rent tax	2,600	2,350	-250	-9.6
Income taxation receipts	426,100	450,990	24,890	5.8
Goods and services tax	82,532	81,761	-771	-0.9
Wine equalisation tax	1,190	1,150	-40	-3.4
Luxury car tax	1,110	1,140	30	2.7
Excise and customs duty				
Petrol	5,600	5,600	0	0.0
Diesel	13,170	13,110	-60	-0.5
Other fuel products	2,700	2,760	60	2.2
Tobacco	12,400	12,700	300	2.4
Beer	2,620	2,590	-30	-1.1
Spirits	3,480	3,390	-90	-2.6
Other alcoholic beverages(a)	1,500	1,640	140	9.3
Other customs duty				
Textiles, clothing and footwear	180	190	10	5.6
Passenger motor vehicles	420	440	20	4.8
Other imports	1,440	1,530	90	6.3
<i>less: Refunds and drawbacks</i>	700	700	0	0.0
Total excise and customs duty	42,810	43,250	440	1.0
Major Bank Levy	1,550	1,540	-10	-0.6
Agricultural levies	623	631	8	1.2
Visa application charges(b)	2,565	2,995	430	16.8
Other taxes(b)	4,378	4,593	215	4.9
Indirect taxation receipts	136,758	137,060	302	0.2
Taxation receipts	562,858	588,050	25,192	4.5
Sales of goods and services	18,550	19,200	650	3.5
Interest received	5,275	6,115	840	15.9
Dividends and distributions	5,677	5,407	-270	-4.8
Other non-taxation receipts	14,869	16,820	1,952	13.1
Non-taxation receipts	44,371	47,543	3,172	7.1
Total receipts	607,229	635,593	28,364	4.7
<i>Memorandum:</i>				
Total excise	25,990	26,070	80	0.3
Total customs duty	16,820	17,180	360	2.1
Capital gains tax(c)	21,900	28,600	6,700	30.6

- a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
 b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.
 c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.

Table 5.6: Reconciliation of 2023–24 general government (cash) receipts

	Estimates		Change from October Budget	
	October Budget \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	275,500	286,700	11,200	4.1
Gross other individuals	64,900	69,700	4,800	7.4
<i>less: Refunds</i>	36,000	37,000	1,000	2.8
Total individuals and other withholding tax	304,400	319,400	15,000	4.9
Fringe benefits tax	3,510	3,540	30	0.9
Company tax	99,800	128,700	28,900	29.0
Superannuation fund taxes	20,460	16,560	-3,900	-19.1
Petroleum resource rent tax	2,450	2,750	300	12.2
Income taxation receipts	430,620	470,950	40,330	9.4
Goods and services tax	85,641	86,009	368	0.4
Wine equalisation tax	1,190	1,140	-50	-4.2
Luxury car tax	870	870	0	0.0
Excise and customs duty				
Petrol	6,850	7,350	500	7.3
Diesel	15,620	15,830	210	1.3
Other fuel products	2,120	2,080	-40	-1.9
Tobacco	12,600	12,900	300	2.4
Beer	2,680	2,640	-40	-1.5
Spirits	3,480	3,540	60	1.7
Other alcoholic beverages(a)	1,620	1,680	60	3.7
Other customs duty				
Textiles, clothing and footwear	150	170	20	13.3
Passenger motor vehicles	380	430	50	13.2
Other imports	1,350	1,310	-40	-3.0
<i>less: Refunds and drawbacks</i>	700	700	0	0.0
Total excise and customs duty	46,150	47,230	1,080	2.3
Major Bank Levy	1,600	1,620	20	1.3
Agricultural levies	591	586	-5	-0.9
Visa application charges(b)	2,867	3,125	257	9.0
Other taxes(b)	4,762	4,745	-17	-0.3
Indirect taxation receipts	143,672	145,325	1,654	1.2
Taxation receipts	574,292	616,275	41,984	7.3
Sales of goods and services	19,594	20,792	1,199	6.1
Interest received	5,805	7,654	1,848	31.8
Dividends and distributions	6,150	6,889	738	12.0
Other non-taxation receipts	15,600	16,532	932	6.0
Non-taxation receipts	47,149	51,867	4,717	10.0
Total receipts	621,441	668,142	46,701	7.5
<i>Memorandum:</i>				
Total excise	31,780	30,010	-1,770	-5.6
Total customs duty	14,370	17,220	2,850	19.8
Capital gains tax(c)	21,300	23,200	1,900	8.9

- a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
- b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.
- c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.

Table 5.7: Australian Government general government (cash) receipts

	Actual	Estimates				
	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m	\$m
Individuals and other withholding taxes						
Gross income tax withholding	239,669	269,600	286,700	280,800	295,200	315,200
Gross other individuals	57,432	69,500	69,700	70,100	71,600	76,500
<i>less: Refunds</i>	38,048	42,100	37,000	37,700	36,100	36,200
Total individuals and other withholding tax	259,052	297,000	319,400	313,200	330,700	355,500
Fringe benefits tax	3,331	3,630	3,540	3,550	3,460	3,480
Company tax	123,308	138,400	128,700	119,800	130,200	128,600
Superannuation fund taxes	26,546	9,610	16,560	23,260	23,060	25,310
Petroleum resource rent tax	1,638	2,350	2,750	2,700	2,850	2,500
Income taxation receipts	413,876	450,990	470,950	462,510	490,270	515,390
Goods and services tax	73,498	81,761	86,009	89,330	94,559	100,305
Wine equalisation tax	1,100	1,150	1,140	1,190	1,230	1,270
Luxury car tax	960	1,140	870	840	870	910
Excise and customs duty						
Petrol	5,015	5,600	7,350	7,750	7,500	7,750
Diesel	11,744	13,110	15,830	16,720	17,380	18,180
Other fuel products	1,521	2,760	2,080	2,150	2,160	2,220
Tobacco	12,604	12,700	12,900	13,450	14,200	14,650
Beer	2,461	2,590	2,640	2,840	2,900	3,000
Spirits	3,213	3,390	3,540	3,810	3,900	4,020
Other alcoholic beverages(a)	1,456	1,640	1,680	1,810	1,840	1,900
Other customs duty						
Textiles, clothing and footwear	192	190	170	170	130	170
Passenger motor vehicles	361	440	430	440	210	180
Other imports	1,378	1,530	1,310	1,330	650	690
<i>less: Refunds and drawbacks</i>	818	700	700	700	700	700
Total excise and customs duty	39,126	43,250	47,230	49,770	50,170	52,060
Major Bank Levy	1,454	1,540	1,620	1,650	1,710	1,800
Agricultural levies	626	631	586	593	613	614
Visa application charges(b)	1,982	2,995	3,125	3,319	3,460	3,574
Other taxes(b)	3,964	4,593	4,745	5,130	4,964	4,820
Indirect taxation receipts	122,710	137,060	145,325	151,822	157,576	165,353
Taxation receipts	536,586	588,050	616,275	614,332	647,846	680,743
Sales of goods and services	17,725	19,200	20,792	21,845	22,342	23,348
Interest received	2,446	6,115	7,654	7,168	6,930	7,160
Dividends and distributions	11,564	5,407	6,889	7,288	7,667	8,083
Other non-taxation receipts	16,036	16,820	16,532	20,604	16,136	15,784
Non-taxation receipts	47,772	47,543	51,867	56,905	53,076	54,375
Total receipts	584,358	635,593	668,142	671,238	700,922	735,118
Memorandum:						
Total excise	22,539	26,070	30,010	34,480	35,040	36,410
Total customs duty	16,588	17,180	17,220	15,290	15,130	15,650
Capital gains tax(c)	25,400	28,600	23,200	20,300	20,100	20,900

- a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
 b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.
 c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.

Variations in revenue estimates

The revenue estimates are the accrual accounting equivalent of the cash-based receipts estimates. Changes in revenue are generally driven by the same factors as receipts.

Revenues are usually higher than the cash equivalents because the amounts are generally recognised when they are owed rather than when they are paid. The differences between the accrual and cash amounts therefore generally reflect payment timing differences. Table 5.8 provides a reconciliation of the 2023–24 Budget revenue estimates with those at the October Budget and 2022 PEFO.

Table 5.8: Reconciliation of Australian Government general government revenue estimates from the 2022–23 October Budget and 2022 PEFO

	Estimates					Total \$m
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m	
	561,848	595,641	621,687	655,232	*	
Revenue at 2022 PEFO						
Changes from 2022 PEFO to 2022–23 October Budget						
Effect of policy decisions(a)	1,766	3,156	4,364	6,065	*	*
Effect of parameter and other variations	61,403	34,642	23,040	29,707	*	*
Total variations	63,168	37,798	27,403	35,772	*	*
Revenue at 2022–23 October Budget	625,016	633,439	649,091	691,004	*	*
Changes from 2022–23 October Budget to 2023–24 Budget						
Effect of policy decisions(a)	141	1,525	4,722	5,890	7,619	19,897
Effect of parameter and other variations	28,609	45,408	23,520	16,844	*	*
Total variations	28,750	46,933	28,242	22,734	*	*
Revenue at 2023–24 Budget	653,767	680,372	677,333	713,738	748,237	3,473,446

* Data is not available.

- a) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.

Since the October Budget, total revenue has been revised up by \$46.9 billion in 2023–24 and by \$156.7 billion over the 5 years from 2022–23 to 2026–27.

The changes in the individual heads of revenue accrual estimates relative to the October Budget are shown in Tables 5.9 and 5.10, for 2022–23 and 2023–24, respectively. For the 5-year accrual table, the accrual equivalent of Table 5.7, see Budget Statement 10, Note 3.

Additional revenue and receipts historical tables are available online and can be accessed at www.budget.gov.au.

Table 5.9: Reconciliation of 2022–23 general government (accrual) revenue

	Estimates		Change from October Budget	
	October Budget \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	262,800	272,300	9,500	3.6
Gross other individuals	65,600	73,000	7,400	11.3
<i>less: Refunds</i>	41,800	42,100	300	0.7
Total individuals and other withholding tax	286,600	303,200	16,600	5.8
Fringe benefits tax	3,440	3,510	70	2.0
Company tax	129,900	140,800	10,900	8.4
Superannuation fund taxes	12,670	9,670	-3,000	-23.7
Petroleum resource rent tax	2,790	2,230	-560	-20.1
Income taxation revenue	435,400	459,410	24,010	5.5
Goods and services tax	86,820	88,040	1,220	1.4
Wine equalisation tax	1,210	1,170	-40	-3.3
Luxury car tax	1,120	1,150	30	2.7
Excise and customs duty				
Petrol	5,600	5,600	0	0.0
Diesel	13,220	13,160	-60	-0.5
Other fuel products	2,700	2,760	60	2.2
Tobacco	12,400	12,700	300	2.4
Beer	2,650	2,620	-30	-1.1
Spirits	3,480	3,390	-90	-2.6
Other alcoholic beverages(a)	1,500	1,640	140	9.3
Other customs duty				
Textiles, clothing and footwear	180	190	10	5.6
Passenger motor vehicles	420	440	20	4.8
Other imports	1,440	1,530	90	6.3
<i>less: Refunds and drawbacks</i>	700	700	0	0.0
Total excise and customs duty	42,890	43,330	440	1.0
Major bank levy	1,570	1,560	-10	-0.6
Agricultural levies	623	631	8	1.2
Visa application charges(b)	2,565	2,995	430	16.8
Other taxes(b)	5,670	5,883	213	3.8
Indirect taxation revenue	142,468	144,759	2,291	1.6
Taxation revenue	577,868	604,169	26,301	4.6
Sales of goods and services	18,371	19,078	707	3.9
Interest	8,192	9,053	861	10.5
Dividends and distributions	5,695	5,361	-334	-5.9
Other non-taxation revenue	14,891	16,105	1,215	8.2
Non-taxation revenue	47,149	49,598	2,449	5.2
Total revenue	625,016	653,767	28,750	4.6
<i>Memorandum:</i>				
Total excise	26,070	26,150	80	0.3
Total customs duty	16,820	17,180	360	2.1
Capital gains tax(c)	21,900	28,600	6,700	30.6

- a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
 b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.
 c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.

Table 5.10: Reconciliation of 2023–24 general government (accrual) revenue

	Estimates		Change from October Budget	
	October Budget \$m	Budget \$m	\$m	%
Individuals and other withholding taxes				
Gross income tax withholding	278,600	289,300	10,700	3.8
Gross other individuals	68,900	73,600	4,700	6.8
less: Refunds	36,000	37,000	1,000	2.8
Total individuals and other withholding tax	311,500	325,900	14,400	4.6
Fringe benefits tax	3,460	3,500	40	1.2
Company tax	101,700	131,100	29,400	28.9
Superannuation fund taxes	20,520	16,620	-3,900	-19.0
Petroleum resource rent tax	2,430	2,770	340	14.0
Income taxation revenue	439,610	479,890	40,280	9.2
Goods and services tax	88,630	89,080	450	0.5
Wine equalisation tax	1,210	1,160	-50	-4.1
Luxury car tax	860	860	0	0.0
Excise and customs duty				
Petrol	6,850	7,350	500	7.3
Diesel	15,670	15,880	210	1.3
Other fuel products	2,140	2,100	-40	-1.9
Tobacco	12,600	12,900	300	2.4
Beer	2,700	2,670	-30	-1.1
Spirits	3,510	3,570	60	1.7
Other alcoholic beverages(a)	1,620	1,680	60	3.7
Other customs duty				
Textiles, clothing and footwear	150	170	20	13.3
Passenger motor vehicles	380	430	50	13.2
Other imports	1,350	1,310	-40	-3.0
less: Refunds and drawbacks	700	700	0	0.0
Total excise and customs duty	46,270	47,360	1,090	2.4
Major bank levy	1,620	1,640	20	1.2
Agricultural levies	591	586	-5	-0.9
Visa application charges(b)	2,867	3,125	257	9.0
Other taxes(b)	6,011	6,028	16	0.3
Indirect taxation revenue	148,060	149,839	1,778	1.2
Taxation revenue	587,670	629,729	42,058	7.2
Sales of goods and services	19,596	20,811	1,215	6.2
Interest	7,476	9,426	1,950	26.1
Dividends and distributions	6,169	6,913	744	12.1
Other non-taxation revenue	12,528	13,494	965	7.7
Non-taxation revenue	45,769	50,643	4,874	10.6
Total revenue	633,439	680,372	46,933	7.4
Memorandum:				
Total excise	31,850	30,090	-1,760	-5.5
Total customs duty	14,420	17,270	2,850	19.8
Capital gains tax(c)	21,300	23,200	1,900	8.9

- a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).
- b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.
- c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.

Appendix A: Tax Expenditures

This appendix contains an overview of Australian Government tax expenditures. Section 12 of the *Charter of Budget Honesty Act 1998* (CBHA) requires the publication of an overview of estimated tax expenditures.

The Government published an enhanced Tax Expenditures and Insights Statement (TEIS) on 28 February 2023. The TEIS provides an estimate of the revenue forgone from tax expenditures, along with distributional analysis on large tax expenditures and commonly utilised features of the tax system.

Tax benchmarks represent a standard tax treatment that applies to similar taxpayers or types of activities. Policy approaches can apply a tax treatment different from a standard approach, which can give rise to positive or negative tax expenditures. The choice of benchmark unavoidably involves judgment and may therefore be contentious in some cases.

Consistent with most OECD countries, estimates of tax expenditures reflect the extent to which a variation is utilised, similar to Budget estimates of outlays on demand-driven expenditure programs. This is known as the ‘revenue forgone’ approach which, in practice, involves estimating the difference in revenue between the actual and benchmark tax treatments but, importantly, assuming taxpayer behaviour is the same in each circumstance. Revenue forgone estimates therefore do not indicate the revenue gain to the Budget if a specific tax expenditure was abolished through policy change, as there may be significant changes in taxpayer behaviour.

Care needs to be taken when comparing tax expenditures with direct expenditures as they may measure different things. In addition, estimates from different editions of previously released Statements are generally not directly comparable, because of changes or modifications to – for example – benchmarks, individual tax expenditures, data used or modelling methodology.

The information in Table A.1 is derived from the 2022–23 TEIS, based on economic parameters as at the publication of the 2022–23 October Budget. It does not include the impact of policy decisions, or changes in the economic outlook since then on tax expenditures. The TEIS is not a statement of policy intent. The information and analysis presented in the TEIS and Table A.1 is intended to increase transparency about the impacts of tax expenditures and other features of the tax system.

Table A.1: Estimates of large measured tax expenditures

Tax type affected	Code	Title	Revenue forgone 2022-23* (\$m)	Average growth – 2018-19 to 2021-22 (%)	Average growth over FEs (%)
Positive tax expenditures and deductions					
CGT	E8	Main residence exemption – discount component	26,000	15.1	-8.9
Deductions		Rental deductions	24,400	-2.5	9.4
CGT	E15	Discount for individuals and trusts	23,690	16.3	-11.9
		Concessional taxation of employer superannuation contributions			
Super	C2		23,300	6.6	3.2
CGT	E7	Main residence exemption	22,000	14.5	-8.4
		Concessional taxation of superannuation entity earnings			
Super	C4		21,500	-0.9	1.5
Deductions		Work related expenses	9,900	4.4	3.4
GST	H26	Food	8,400	3.5	3.8
		Exemption for National Disability Insurance Scheme amounts			
Income	A25		8,080	58.7	19.2
Income	B69	Accelerated depreciation for business entities	7,800	N/A	N/A
GST	H14	Education	5,850	6.5	4.6
GST	H17	Health – medical and health services	5,000	2.3	7.0
Income	B85	Simplified depreciation rules	4,800	117.5	N/A
GST	H2	Financial supplies – input taxed treatment	4,650	-1.7	7.5
Income	B59	Lower company tax rate	3,600	52.5	-1.3
Income	A26	Exemption of Child Care Assistance payments	2,900	8.2	8.9
		Exemption from interest withholding tax on certain securities			
Income	B11		2,520	-5.4	0.5
FBT	D15	Exemption for public benevolent institutions (excluding hospitals)	2,450	6.7	3.2
		Deductibility of life and total and permanent disability insurance premiums provided inside of superannuation			
Super	C6		2,380	-3.2	4.3
		Medicare levy exemption for residents with taxable income below the low-income thresholds			
Income	A19		2,050	1.7	1.2
		Exemption for public and not-for-profit hospitals and public ambulance services			
FBT	D11		2,000	3.9	2.0
Income	A38	Exemption of Family Tax Benefit payments	1,790	-4.9	6.0
Income	B1	Local government bodies income tax exemption	1,770	1.8	1.1
GST	H5	Child care services	1,710	6.6	8.0
		Health – residential care, community care and other care services			
GST	H18		1,600	5.7	6.9
Deductions		Cost of managing tax affairs and other deductions	1,600	2.3	3.2

* For deductions, revenue forgone refers to the reduction in tax in relation to the specified income year due to the utilisation of deductions.

Table A.1: Estimates of large measured tax expenditures (continued)

Tax type affected	Code	Title	Revenue forgone 2022-23* (\$m)	Average growth – 2018-19 to 2021-22 (%)	Average growth over FEs (%)
Super	C3	Concessional taxation of personal superannuation contributions	1,550	25.0	-8.3
Income	A23	Concessional taxation of non-superannuation termination benefits	1,550	-9.1	N/A
Income	A17	Exemption of the Private Health Insurance Rebate	1,500	-2.8	1.5
Income	B23	Temporary loss carry-back for certain incorporated entities	1,480	N/A	N/A
Income	A56	Philanthropy – deduction for gifts to deductible gift recipients	1,405	2.6	-1.0
Super	C1	Concessional taxation of capital gains for superannuation funds	1,350	18.9	-8.8
Income	B80	Capital works expenditure deduction	1,270	1.3	-1.4
Income	A37	Exemption of certain income support benefits, pensions or allowances	1,260	6.5	0.0
Other	F6	Concessional rate of excise levied on aviation gasoline and aviation turbine fuel	1,190	-10.2	7.9
GST	H3	Financial supplies – reduced input tax credits	1,150	0.0	6.8
GST	H6	Water, sewerage and drainage	1,130	1.5	2.4
Income	B12	Exemption of inbound non-portfolio dividends from income tax	1,010	18.4	0.8
Negative tax expenditures					
Other	F21	Customs duty	-2,070	-0.5	-14.9
Other	F4	Luxury car tax	-1,120	11.9	-0.9

*For deductions, revenue forgone refers to the reduction in tax in relation to the specified income year due to the utilisation of deductions.



Statement 6: Expenses and Net Capital Investment

This Statement presents estimates of the Australian Government general government sector (GGS) expenses and net capital investment disaggregated by function. Expenses are the accrual accounting equivalent of cash-based payments. The Government also reports spending on an underlying cash basis (including details about payments) in *Statement 3: Fiscal Strategy and Outlook*.

The Government remains focused on responsible domestic economic management at a time of uncertainty around the world. The Government has provided targeted cost-of-living relief and funding to support a stronger, more secure economy and address legacy issues, while maintaining the commitment to avoid fiscal policy adding to inflationary pressures while these are at their highest.

GGS expenses are expected to grow from \$684.1 billion in 2023–24 to \$771.8 billion in 2026–27. Total expenses are expected to be 26.6 per cent of GDP in 2023–24 and to remain around that level over the forward estimates. Real growth in expenses over the forward estimates is expected to average around 1.5 per cent per annum.

Together, the social security and welfare, health, defence and education functions account for 66 per cent of all government expenses in 2023–24.

Major expense trends from 2023–24 over the forward estimates include movements in the following functions:

- **Defence** – the increase in expenses reflects the planned investment in Defence capabilities which will now be reprioritised to support the Government’s response to the *Defence Strategic Review*.
- **Education** – the increase in expenses reflects the Government’s continued investment in schools and decision to increase the base rate of payments to students through the 2023–24 Budget measure *Increase to Working Age Payments*.
- **Health** – the increase in expenses is driven by expected growth in the assistance to the states for public hospitals and measures to strengthen Medicare and stem the decline in bulk billing in response to the findings of the *Strengthening Medicare Taskforce Report*.
- **Social security and welfare** – the increase in expenses is due largely to the Government’s investment through the 2023–24 Budget measures *Increase to Working Age Payments* and *Increased Support for Commonwealth Rent Assistance Recipients*. Also contributing to this growth is funding for the outcome of the Fair Work Commission’s decision on the Aged Care Work Value Case which increased minimum award wages by 15 per cent from 30 June 2023 for many aged care workers.

- **Recreation and culture** – the increase in expenses reflects the Government’s contributions for venue infrastructure for the 2032 Brisbane Olympic and Paralympic Games provided through the 2023–24 Budget measure *2032 Brisbane Olympic and Paralympic Games – venue infrastructure*, as well as funding for the Macquarie Point Precinct and the University of Tasmania stadium in Launceston.
- **Fuel and Energy** – the increase in expenses is partially due to the *Energy Price Relief Plan* in this Budget which will deliver cost of living relief by reducing the impact of rising energy prices through targeted energy bill relief, progressing gas market reforms and limiting the price of coal.

Analysis in this Statement is presented in both nominal and real terms to allow for international comparisons of functional expenditure. Examining trends in estimated function expenses in real terms (that is adjusted for inflation) illustrates the underlying drivers of growth, other than inflation.

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Statement 6: Expenses and Net Capital Investment

Overview

Australian Government general government sector (GGS) expenses are expected to increase from \$644.8 billion in 2022–2023 to \$771.8 billion in 2026–2027, with expenses as a percentage of GDP remaining relatively stable over the forward estimates. Additional spending has been provided to deliver targeted cost-of-living relief, to invest in a stronger economy, and to deal with the legacy of unfunded programs.

Average annual real growth in expenses over the forward estimates is expected to be 1.5 per cent which shows the Government's commitment to responsible and sustainable economic and fiscal management.

Table 6.1.1: Estimates of general government sector expenses

	October Budget		Revised		Estimates		
	2022–23	2022–23	2023–24	2024–25	2025–26	2026–27	
Total expenses (\$b)	650.9	644.8	684.1	715.4	743.3	771.8	
Real growth on previous year (%) ^(a)	-2.2	-3.3	1.9	1.5	1.3	1.3	
Per cent of GDP	26.2	25.3	26.6	27.1	26.8	26.4	

a) Real growth is calculated using the Consumer Price Index.

As a percentage of GDP, total expenses are expected to be 26.6 per cent in 2023–24 and remain broadly stable over the forward estimates. More detail about GGS expenses can be seen at a program level for the top 20 programs by expenses in Table 6.3.1.

As set out in Table 6.1.2, government payments are estimated to increase in both nominal and real terms over the period 2023–24 to 2026–27, with average annual real growth in payments estimated to be 1.8 per cent over the forward estimates.

Table 6.1.2: Estimates of general government sector payments

	October Budget		Revised		Estimates		
	2022–23	2022–23	2023–24	2024–25	2025–26	2026–27	
Total payments (\$b)	644.1	631.4	682.1	706.3	737.5	763.6	
Real growth on previous year (%) ^(a)	-2.2	-4.3	3.7	0.6	1.9	1.0	
Per cent of GDP	25.9	24.8	26.5	26.8	26.6	26.1	

a) Real growth is calculated using the Consumer Price Index.

As a percentage of GDP, total payments are expected to be broadly stable over the forward estimates. More detail about GGS payments can be seen at a program level for the top 20 programs by payments in Table 6.3.2 and in *Statement 3: Fiscal Strategy and Outlook*.

Table 6.2 provides a reconciliation of expense estimates between the October Budget and the 2023–24 Budget.

Table 6.2: Reconciliation of expense estimate

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	Total \$m
2022–23 October Budget expenses	650,922	666,465	702,253	730,960	2,750,600
Changes from 2022–23 October Budget to 2023–24 Budget					
Effect of policy decisions(a)	1,749	13,013	10,145	8,460	33,368
Effect of economic parameter variations					
Total economic parameter variations	-352	327	2,761	5,566	8,301
<i>Unemployment benefits</i>	-65	-591	323	861	527
<i>Prices and wages</i>	12	499	1,554	2,924	4,988
<i>Interest and exchange rates</i>	478	742	706	681	2,607
<i>GST payments to the States</i>	-776	-323	177	1,100	178
Public debt interest	-269	-1,554	-3,813	-5,769	-11,405
Program specific parameter variations	-1,338	-822	-1,914	-2,029	-6,104
Other variations	-5,923	6,656	5,950	6,137	12,819
Total variations	-6,134	17,620	13,129	12,364	36,979
2023–24 Budget expenses	644,788	684,085	715,382	743,324	2,787,579

- a) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.

The Government is investing in key programs that will assist Australians with cost of living pressures, including support to strengthen Medicare, funding to increase the JobSeeker Payment and the maximum rates of Commonwealth Rent Assistance, and targeted Energy Price Relief. Over the 4 years from 2022–23 to 2025–26, policy decisions will increase expenses by \$33.4 billion.

Economic parameters have increased expenses by \$8.3 billion over the 4 years from 2022–23 to 2026–27. The main driver in economic parameter variations is related to an increase in prices and wages, which includes an adjustment to the indexation methodology for a range of government programs. For additional detail about this change see Box 6.1.

Other variations (\$12.8 billion), variations associated with Public Debt Interest (-\$11.4 billion) and program specific variations (-\$6.1 billion) have reduced expenses by \$4.7 billion over the 4 years to 2025–26.

Box 6.1: Indexation funding increase helping organisations address cost and wage pressures.

Funding for a range of government programs, including major programs such as the Medicare Benefits Schedule, aged care home support programs, and programs that fund community sector organisations is indexed for wage and price growth. This long-standing framework, implemented in 1996, uses indices that are a weighted average of movements in prices and wages, and include an incentive for programs to improve their efficiency over time.

In this Budget the Government has updated the methodology for calculating the indexation factors to better align with changes in economic conditions. The wages growth component of the index has been updated to growth in the Wage Price Index (a measure not available in 1996) and the previous arrangement to average the wage component over a 5-year period has been removed. A productivity offset remains in place, based on the long run rate of productivity growth that underlies the Budget medium term forecasts.

This revised framework will provide additional indexation funding for organisations, including community sector organisations, above the indexation increase which would otherwise have been delivered in the 2023–24 Budget. Over the period ahead, it will provide indexation to these programs that is more closely aligned with current economic conditions.

Estimated expenses by function

Estimates of GGS expenses by function for the period 2022–23 to 2026–27 are set out in Table 6.3. The social security and welfare, health, defence and education functions account for 66 per cent of all government expenses in 2023–24 (see Box 6.2). Changes to the levels of expenditure within these functions significantly affect total government spending. Further details of spending trends in all functions are set out under individual function headings.

Table 6.3: Estimates of expenses by function^(a)

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
General public services	30,106	29,126	30,155	29,413	29,498
Defence	40,059	42,850	44,568	49,465	48,840
Public order and safety	7,384	7,434	7,063	6,398	6,425
Education	45,876	48,258	50,385	52,114	53,732
Health	107,710	106,538	108,860	112,174	116,293
Social security and welfare	226,378	250,280	263,074	277,054	288,442
Housing and community amenities	7,135	7,940	8,074	7,767	5,864
Recreation and culture	4,840	4,776	4,809	5,133	5,363
Fuel and energy	8,953	13,006	16,521	12,107	13,962
Agriculture, forestry and fishing	4,737	5,156	3,227	3,045	2,999
Mining, manufacturing and construction	4,905	5,022	4,696	4,418	4,444
Transport and communication	13,461	17,508	17,733	16,744	15,225
Other economic affairs	14,935	12,447	11,647	11,274	11,100
Other purposes	128,309	133,743	144,569	156,217	169,591
Total expenses	644,788	684,085	715,382	743,324	771,779

a) The functions are based on an international standard classification of functions of government that is incorporated into the Government Finance Statistics (GFS) reporting framework.

Box 6.2: Where does government spending go in 2023–24?

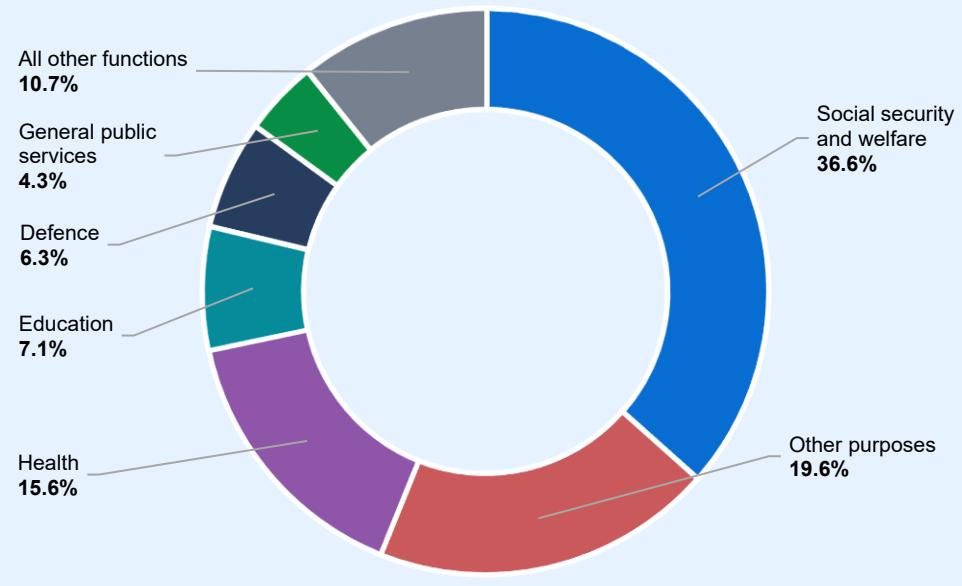
Government spending provides a wide range of services to the community. The most significant component of government spending relates to social security and welfare, with over one third of total expenses providing support to the aged, families with children, people with disabilities, veterans, carers and unemployed people.

Around a sixth of government expenses occur in health, including Medicare Benefits Schedule and Pharmaceutical Benefits Scheme expenditure.

The Government also provides significant investment under the education function, supporting government and non-government schools, as well as higher education and vocational education and training.

Defence is another significant component of government expenditure, providing capability to the Australian Defence Force to protect Australia's security and defend our national interests.

Chart 6.1: Expenses by function in 2023–24



The estimates presented in the chart above are explained in greater detail under each individual function in the following pages.

Program expenses

The top 20 expense programs in the 2023–24 financial year are presented in Table 6.3.1. These programs represent more than two thirds of total expenses in that year.

Table 6.3.1: Top 20 programs by expense

Program(a)	Function	Estimates				
		2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Revenue assistance to the States and Territories	Other purposes	88,021	92,470	96,345	101,782	105,261
Support for Seniors	SSW	54,873	59,192	61,684	64,590	67,322
National Disability Insurance Scheme(b)	SSW	36,654	41,922	46,765	51,852	55,936
Aged Care Services	SSW	26,900	32,668	35,894	37,988	39,854
Medical Benefits	Health	28,245	30,413	32,242	34,114	35,975
Assistance to the States for Healthcare Services	Health	25,658	28,392	30,456	32,215	34,296
Commonwealth Debt Management	Other purposes	22,152	22,611	23,890	26,224	29,077
Financial Support for People with Disability	SSW	19,392	21,043	21,800	22,608	23,046
Support for Families (c)	SSW	-	18,323	19,276	19,955	20,355
Pharmaceutical Benefits	Health	18,733	18,218	18,121	18,300	18,319
Non-Government Schools National Support	Education	16,646	17,441	18,131	18,681	19,260
Job Seeker Income Support	SSW	13,867	13,830	15,483	15,999	15,915
Child Care Subsidy	SSW	10,626	12,716	13,474	14,160	14,958
Financial Support for Carers	SSW	10,570	11,539	12,238	12,923	13,369
Government Schools National Support	Education	10,264	10,845	11,266	11,676	12,108
National Partnership Payments - Road Transport	Transport and communication	7,109	9,801	10,065	9,542	8,778
Public Sector Superannuation - Benefits(d)	Other purposes; General public services	9,392	9,668	9,691	10,061	10,179
Fuel Tax Credits Scheme	Fuel and energy	7,466	9,583	9,874	10,473	11,218
Defence Force Superannuation - Benefits(d)	Other purposes; General public services	9,730	9,482	9,920	10,416	10,950
Air Force Capabilities	Defence	8,430	8,846	9,399	9,520	10,164
Sub-total		424,727	479,006	506,016	533,080	556,342
Other programs		220,061	205,079	209,366	210,244	215,437
Total expenses		644,788	684,085	715,382	743,324	771,779

- a) The entry for each program includes eliminations for inter-agency transactions within that program.
- b) This program is a combination of agency costs, support for participants and administered expenses.
- c) This program is a new program at the 2023–24 Budget and reflects the majority of the expenditure of the October Budget program Family Assistance.
- d) This program is a combination of superannuation nominal interest and accrual expenses.

Program payments

The top 20 payment programs in the 2023–24 financial year are presented in Table 6.3.2. Although broadly similar to the top 20 expense programs there are some differences in the timing of reporting between payments and expenses. Additionally, the reported payment figures include expenditure capital investment but exclude depreciation.

Table 6.3.2: Top 20 programs by payment

Program(a)	Function	Estimates				
		2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Revenue assistance to the States and Territories	Other purposes	88,958	92,448	96,354	101,797	105,273
Support for Seniors	SSW	54,851	58,870	61,710	64,616	67,446
National Disability Insurance Scheme(b)	SSW	35,026	41,013	46,083	51,102	55,126
Aged Care Services	SSW	25,770	31,778	35,863	37,955	39,822
Medical Benefits	Health	28,213	30,368	32,219	34,108	35,970
Assistance to the States for Healthcare Services	Health	25,661	28,392	30,456	32,215	34,296
Financial Support for People with Disability	SSW	19,468	20,994	21,878	22,692	23,127
Commonwealth Debt Management	Other purposes	17,724	19,799	21,241	27,061	25,969
Support for Families (c)	SSW	-	18,430	19,441	20,111	20,567
Pharmaceutical Benefits	Health	18,643	18,227	18,118	18,296	18,312
Non-Government Schools National Support	Education	16,656	17,451	18,141	18,691	19,264
Job Seeker Income Support	SSW	14,125	13,939	15,661	16,199	16,090
Child Care Subsidy	SSW	10,543	12,467	13,376	14,279	14,946
Financial Support for Carers	SSW	10,590	11,492	12,257	12,953	13,416
Army Capabilities	Defence	9,745	11,389	12,285	11,957	14,497
Government Schools National Support	Education	10,305	10,857	11,279	11,688	12,114
Air Force Capabilities	Defence	4,635	10,646	11,056	10,106	13,869
Navy Capabilities	Defence	6,282	9,810	9,560	11,100	12,172
National Partnership Payments - Road Transport	Transport and communication	7,109	9,801	10,065	9,542	8,778
Fuel Tax Credits Scheme	Fuel and Energy	6,804	9,443	9,813	10,383	11,106
Sub-total		411,107	477,617	506,854	536,852	562,159
Other programs		220,284	204,443	199,441	200,697	201,410
Total payments		631,392	682,060	706,296	737,549	763,569

- a) The entry for each program includes eliminations for inter-agency transactions within that program.
- b) This program is a combination of agency costs, support for participants and administered expenses.
- c) This program is a new program at the 2023–24 Budget and reflects the majority of the expenditure of the October Budget program Family Assistance.

General government sector expenses

General public services

The general public services function includes expenses to support the organisation and operation of government such as those related to the Parliament, the Governor-General, the conduct of elections, the collection of taxes and management of public funds and debt, assistance to developing countries to reduce poverty and achieve sustainable development, particularly countries in the Pacific region, contributions to international organisations, and foreign affairs. It also includes expenses related to research in areas not otherwise connected with a specific function, those associated with overall economic and statistical services, as well as government superannuation benefits (excluding nominal interest expenses on unfunded liabilities, which are included under the nominal superannuation interest sub-function in the other purposes function).

Table 6.4: Summary of expenses – general public services

Sub-function	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Legislative and executive affairs	1,574	2,003	1,901	1,538	1,560
Financial and fiscal affairs	9,309	9,137	9,038	9,257	8,687
Foreign affairs and economic aid	7,622	7,166	8,179	7,294	7,725
General research	3,735	4,140	4,255	4,361	4,280
General services	918	992	946	963	986
Government superannuation benefits	6,947	5,687	5,835	6,001	6,260
Total general public services	30,106	29,126	30,155	29,413	29,498

Total general public services expenses are estimated to increase by 1.3 per cent in nominal terms but decrease by 6.4 per cent in real terms over the period 2023–24 to 2026–27.

Expenses under the **legislative and executive affairs** sub-function largely reflect the expenditure profile of the Australian Electoral Commission which includes costs expected to be incurred to support a referendum in 2023–24 and a federal election in 2024–25.

Expenses in the **financial and fiscal affairs** sub-function are expected to decrease in real terms reflecting the termination of a number of tax compliance measures. This is partially offset by the 2023–24 Budget measure *GST compliance program – 4 year extension*.

Total expenses under the **foreign affairs and economic aid** sub-function reflect the impact of financing provided through Export Finance Australia and the payment cycles of Australia's contributions under funding arrangements for multilateral funds. Contributing to the nominal growth in this subfunction is the 2023–24 Budget measure *Maintaining Support for an Effective Foreign Service*.

Table 6.4.1 sets out the major components of the **foreign affairs and economic aid** sub-function.

Table 6.4.1: Trends in the major components of foreign affairs and economic aid sub-function expense

Component(a)	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Foreign aid(b)	4,536	4,087	5,136	4,209	4,477
Diplomacy(c)	1,378	1,439	1,409	1,452	1,520
Payments to international organisations	426	459	459	459	459
Passport services	423	363	354	330	365
International police assistance	190	240	227	242	271
International agriculture research and development	119	124	120	122	125
Consular services	141	145	150	136	142
Finance and insurance services for Australian exporters and investors	283	152	169	188	233
Other	125	157	155	155	133
Total	7,622	7,166	8,179	7,294	7,725

- a) The entry for each component includes eliminations for inter-agency transactions within that component.
- b) The foreign aid figures reflect aid spending by the Department of Foreign Affairs and Trade in accrual terms. This differs from the international measure of aid reporting, Official Development Assistance (ODA), which is in cash terms. Aid spending by other entities is usually reflected in other sub-functions.
- c) Diplomacy includes departmental expenditure for the Department of Foreign Affairs and Trade's operations, security and IT, overseas property and international climate change engagement.

The **general research** sub-function incorporates expenses incurred by the Department of Industry, Science and Resources, the Commonwealth Scientific and Industrial Research Organisation, the Australian Nuclear Science and Technology Organisation, the Australian Institute of Marine Science, the Department of Education, and the Australian Research Council.

While total expenses under this sub-function are expected to increase by 3.4 per cent in nominal terms, there are decreases in a number of components resulting in a real decline in expenses. This partially reflects the terminating funding provided to the Commonwealth Scientific and Industrial Research Organisation to address the impacts of COVID-19 on its commercial research activities.

Table 6.4.2: Trends in the major components of general research sub-function expense

Component(a)	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Research – science services and innovation fund	1,501	1,625	1,551	1,580	1,590
Discovery – research and research training	512	554	601	631	648
Science and technology solutions	415	455	446	474	475
Linkage – cross sector research partnerships	321	348	378	407	435
Supporting science and commercialisation	429	364	331	343	318
Research capacity	415	617	781	749	636
Other	143	177	167	176	177
Total	3,735	4,140	4,255	4,361	4,280

a) The entry for each component includes eliminations for inter-agency transactions within that component.

The **general services** sub-function incorporates expenses largely incurred by the Department of Finance, Australian Public Service Commission, and Comcare. The variation in the profile of expenses across the forward estimates largely reflects the impact of insurance claims expenditure and terminating departmental funding measures.

The decrease in expenses from 2022–23 to 2023–24 in the **government superannuation benefits** sub-function primarily reflects the use of different discount rates. In accordance with accounting standards, superannuation expenses for 2022–23 are calculated using the long-term government bond rate which best matched each individual scheme’s duration of liabilities at the start of the financial year. These rates are between 3.7 and 3.9 per cent per annum. In preparing the latest Long Term Cost Reports, the scheme actuaries have determined that a discount rate of 5.0 per cent should be applied to the 2023–24 Budget year and forward estimates as per usual practice.

Defence

The defence function includes expenses incurred by the Department of Defence (Defence) and other agencies which support *National Defence*. Defence expenses support:

- Australian military operations; and
- *National Defence* through strategic policy advice and the delivery of capabilities to achieve an Integrated Force, harnessing effects across the maritime, land, air, space, and cyber domains.

This function records the majority of expenses incurred by the Defence portfolio but does not include expenses incurred by the Department of Veterans' Affairs, superannuation payments to retired military personnel, related nominal superannuation interest, and housing assistance provided through Defence Housing Australia. These expenses are reported in the social security and welfare, general public services, other purposes, and housing and community amenities functions respectively.

Table 6.5: Summary of expenses – defence

Sub-function	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Defence	40,059	42,850	44,568	49,465	48,840
Total defence	40,059	42,850	44,568	49,465	48,840

Total expenses for the **defence** sub-function are estimated to increase by 14.0 per cent in nominal terms and by 5.3 per cent in real terms over the period 2023–24 to 2026–27. This reflects the funding required by Defence for capability investments which will be reprioritised to support the Government's response to the *Defence Strategic Review*. The Government's response represents a fundamental shift in Defence's force structure and posture, and sets out a blueprint for an Integrated Force and the reprioritisation of Defence capability investments. The Government's response includes commitments totalling \$19 billion over the forward estimates for nuclear-powered submarines, long-range strike capabilities, strengthened northern bases, workforce growth and retention, innovation, and regional partnerships.

The Government has made a provision in the Contingency Reserve for increased Defence funding over the medium term to implement the *Defence Strategic Review*. Defence funding will increase and rise above 2.3 per cent of GDP in 2032–33, based on current GDP projections. Over the next 12 months, Defence will reshape the Defence Integrated Investment Program to give effect to the findings and recommendations of the *Defence Strategic Review*.

Public order and safety

The public order and safety function includes expenses to support the administration of the federal legal system and the provision of legal services, including legal aid, to the community. Public order and safety expenses also include law enforcement, border protection and intelligence activities, and the protection of Australian Government property.

Table 6.6: Summary of expenses – public order and safety

Sub-function	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Courts and legal services	1,747	1,754	1,687	1,152	1,131
Other public order and safety	5,637	5,680	5,376	5,246	5,293
Total public order and safety	7,384	7,434	7,063	6,398	6,425

Total expenses for the public order and safety function are estimated to decrease by 13.6 per cent in nominal terms and by 20.2 per cent in real terms over the period 2023–24 to 2026–27.

Expenses within the **courts and legal services** sub-function are estimated to decrease reflecting the expiration of the National Legal Assistance Partnership on 30 June 2025, as well as the planned reporting and conclusion dates of the Royal Commission into the Robodebt Scheme, the Royal Commission into Violence, Abuse, Neglect and Exploitation of People with Disability and the Royal Commission into Defence and Veteran Suicide.

Total expenses within the **other public order and safety** sub-function are expected to decrease reflecting the termination of the Safer Communities grant program and the provision of supplementary funding on an annual basis to the Australian Border Force on the Budget year. The decrease is partially offset by the Government's investment through the 2023–24 Budget measure *Enduring Funding Mechanisms for AusCheck*.

Table 6.6.1 sets out the major components of the **other public order and safety** sub-function.

Table 6.6.1: Trends in the major components of other public order and safety sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Policing and law enforcement	4,027	4,090	3,976	3,841	3,865
Border protection	1,610	1,590	1,399	1,405	1,428
Total	5,637	5,680	5,376	5,246	5,293

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Education

The education function includes expenses to support the delivery of education services through higher education institutions, vocational education and training providers (including technical and further education institutions), and government (state and territory) and non-government primary and secondary schools.

Table 6.7: Summary of expenses – education

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Higher education	10,587	10,902	11,485	11,946	12,322
Vocational and other education	2,262	2,278	2,643	2,643	2,593
Schools	26,909	28,286	29,397	30,356	31,368
<i>Non-government schools</i>	16,646	17,441	18,131	18,681	19,260
<i>Government schools</i>	10,264	10,845	11,266	11,676	12,108
School education – specific funding	1,128	1,149	808	821	827
Student assistance	4,783	5,362	5,789	6,088	6,369
General administration	208	282	263	259	254
Total education	45,876	48,258	50,385	52,114	53,732

Total education function expenses are estimated to increase reflecting the Government's ongoing investment in schools, higher education and the 2023–24 Budget measure *Increase to Working Age Payments*.

Expenses for the **higher education** sub-function are estimated to increase largely due to the provision of 20,000 additional Commonwealth supported places commencing in 2023 and 2024 in the October Budget measure *Strengthening Australia's Higher Education Sector*.

Expenses for the **vocational and other education** sub-function are estimated to increase due to the continued provision of funding in the Contingency Reserve for a new long term national skills and training funding agreement with the states and territories, which is expected to commence from 1 January 2024.

Expenses for aggregate schools funding, comprising **schools – non-government schools** and **schools – government schools** are estimated to increase primarily reflecting the funding arrangements implemented under the Quality Schools Package.

Expenses for the **school education – specific funding** sub-function are estimated to decrease due to the termination of the October Budget measures *Student Wellbeing Boost* and *Schools Upgrade Fund* at the end of 2023–24.

Expenses for the **student assistance** sub-function are estimated to increase primarily due to the Government's 2023–24 Budget measure *Increase to Working Age Payments* and an expected increase in the number of people accessing the Student Payments program due to an anticipated increase in unemployment. The estimated increase in expenses is also driven by an increase in the value of Higher Education Loan Program (HELP) loans issued to students. The increase in the value of HELP loans is a result of the provision of 20,000 additional Commonwealth supported places commencing in 2023 and 2024 under the October Budget measure *Strengthening Australia's Higher Education Sector*, and the *Job-ready Graduates* higher education reform package announced in the 2020 July Economic and Fiscal Update. Expenses under HELP mainly reflect the estimated cost to the Government of providing concessional loans, which will vary with enrolment numbers, and the number and value of HELP loans.

Health

The health function includes expenses relating to medical services that are funded through Medicare, payments to the states and territories to deliver essential health services, including public hospitals, the Pharmaceutical Benefits and Repatriation Pharmaceutical Benefits Schemes, the Private Health Insurance Rebate, Aboriginal and Torres Strait Islander health programs, mental health services, and health workforce initiatives.

Table 6.8: Summary of expenses – health

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Medical services and benefits	36,982	39,300	41,313	43,396	45,471
Pharmaceutical benefits and services	19,592	19,106	19,035	19,214	19,232
Assistance to the states for public hospitals	25,658	28,392	30,456	32,215	34,296
Hospital services(a)	973	999	1,137	1,195	1,220
Health services	19,163	13,220	11,776	11,247	11,230
General administration	4,212	4,286	3,815	3,605	3,558
Aboriginal and Torres Strait Islander health	1,130	1,234	1,328	1,301	1,285
Total health	107,710	106,538	108,860	112,174	116,293

- a) The hospital services sub-function predominantly reflects Commonwealth funding to the states and territories for veterans' hospital services.

Expenses for the health function are expected to increase by 9.2 per cent in nominal terms and by 0.8 per cent in real terms over the period 2023–24 to 2026–27 primarily driven by expected growth in the **assistance to the states for public hospitals** and **medical services and benefits** sub-functions.

The **medical services and benefits** sub-function, which primarily consists of Medicare and Private Health Insurance Rebate expenses, comprises 36.9 per cent of total estimated health expenses for 2023–24. Expenses for medical benefits are expected to increase as a result of population growth, ongoing growth in the use of medical services, the use of high value items on the Medicare Benefits Schedule, and the Government's range of 2023–24 Budget measures to strengthen Medicare in response to the findings of the *Strengthening Medicare Taskforce Report* and stem the decline in bulk billing.

Table 6.8.1 sets out the major components of the **medical services and benefits** sub-function.

Table 6.8.1: Trends in the major components of medical services and benefits sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Medical benefits	28,245	30,413	32,242	34,114	35,975
Private health insurance	7,021	7,157	7,381	7,575	7,743
General medical consultations and services	715	720	720	706	720
Dental services(b)	344	350	358	359	360
Other	657	660	611	642	672
Total	36,982	39,300	41,313	43,396	45,471

- a) The entry for each component includes eliminations for inter-agency transactions within that component.
 b) Payments under the funding agreements on Public Dental Services for Adults from 2020–21 are provided for under the health services sub-function in Table 6.8.

Expenses for the **pharmaceutical benefits and services** sub-function are expected to increase by 0.7 per cent in nominal terms and decrease by 7.0 per cent in real terms over the period 2023–24 to 2026–27. The decrease in real terms is primarily due to the impacts of existing pricing policies under the Pharmaceutical Benefits Scheme. The Government is investing \$1.3 billion in the 2023–24 Budget to ensure access to existing pharmacy programs, support rural and remote pharmacies and deliver on improved pharmacy services.

Table 6.8.2 sets out the major components of the **pharmaceutical benefits and services** sub-function.

Table 6.8.2: Trends in the major components of pharmaceutical benefits and services sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Pharmaceutical benefits, services and supply	18,733	18,218	18,121	18,300	18,319
Immunisation	477	545	576	578	580
Veterans' pharmaceutical benefits	382	343	338	336	333
Total	19,592	19,106	19,035	19,214	19,232

- a) The entry for each component includes eliminations for inter-agency transactions within that component.

The Australian Government's contribution to public hospital funding is reported through the **assistance to the states for public hospitals** sub-function. Hospital services covered by this sub-function include all admitted services, programs that deliver hospital services in the home, and emergency department services. Expenditure for this sub-function is expected to increase reflecting the Government's agreement with states and territories for the Commonwealth to fund 45 per cent of the efficient growth in activity-based services for public hospitals from 2020–21 to 2024–25.

The **hospital services** sub-function consists mainly of payments to the states and territories to deliver veterans' hospital services. This increase in expenditure largely reflects an anticipated return to pre-COVID-19 use of hospital services by veterans and their dependants.

Expenses in the **health services** sub-function include expenses associated with the delivery of population health, medical research, mental health, blood and blood products, other allied health services, health infrastructure and disbursements from the Medical Research Future Fund. The decrease in **health services** expenditure is largely driven by the termination of measures responding to the COVID-19 pandemic after 2023–24. Terminating measures include the 2023–24 Budget measures *COVID-19 Response* and *COVID-19 Aged Care Response*, and the October Budget measure *COVID-19 Package – vaccines and treatments*.

The **general administration** sub-function includes the Government's general administrative costs associated with health care, funding for primary health care and coordination, investment in health workforce measures, and support for rural health initiatives. Expenditure for this sub-function is expected to decrease largely reflecting the cessation of temporary and targeted measures to respond to the COVID-19 pandemic in 2023–24.

Expenses in the **Aboriginal and Torres Strait Islander health** sub-function are expected to increase by 4.2 per cent in nominal terms and decrease by 3.7 per cent in real terms over the period 2023–24 to 2026–27. The increase in real expenses from 2022–23 to 2023–24 reflects the Government's commitment to close the gap for First Nations peoples' health and wellbeing through the 2023–24 Budget measure *Improving Health Outcomes for Aboriginal and Torres Strait Islander people* and the October Budget measure *Strengthening First Nations Health*. The decrease in real expenses from 2023–24 to 2026–27 reflects that a number of these measures terminate over the forward estimates period.

Social security and welfare

The social security and welfare function includes expenses for pensions and services to the aged, assistance to the unemployed and the sick, people with disabilities and families with children, and income support and compensation for veterans and their dependants. It also includes assistance provided to Indigenous Australians that has not been included under other functions.

Table 6.9: Summary of expenses – social security and welfare

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Assistance to the aged	84,844	95,214	99,698	104,664	109,287
Assistance to veterans and dependants	7,741	8,385	8,351	8,400	8,384
Assistance to people with disabilities	69,429	78,332	82,602	89,129	94,087
Assistance to families with children	39,622	45,123	47,904	50,020	52,174
Assistance to the unemployed and the sick	13,867	13,830	15,483	15,999	15,915
Other welfare programs	2,700	1,717	1,601	1,523	1,377
Assistance for Indigenous Australians nec	2,872	3,049	3,080	3,091	2,996
General administration	5,302	4,630	4,355	4,228	4,221
Total social security and welfare	226,378	250,280	263,074	277,054	288,442

Expenses in the social security and welfare function are estimated to increase by 15.2 per cent in nominal terms and by 6.5 per cent in real terms over the period 2023–24 to 2026–27. This is largely driven by the 2023–24 Budget measures *Increase to Working Age Payments* and *Increased Support for Commonwealth Rent Assistance Recipients*, as well as growth in the **assistance to the aged** and **assistance to people with disabilities** sub-functions.

The **assistance to the aged** sub-function is estimated to increase by 14.8 per cent in nominal terms and by 6.0 per cent in real terms over the period 2023–24 to 2026–27. The Aged Care Services program is a key driver of this growth with funding of \$11.3 billion over the period 2023–24 to 2026–27 to implement the Fair Work Commission’s decision on the *Aged Care Work Value Case* which increased minimum award wages by 15 per cent from 30 June 2023 for many aged care workers. The other significant driver of growth in this sub-function is the Support for Seniors program which is estimated to increase by 5.1 per cent in real terms over the period reflecting the expected increase in the number of Age Pension recipients as the Australian population ages.

Expenses in the Aged Care Quality program are estimated to decrease reflecting terminating funding provided in the 2021–22 Budget measures *Aged Care – Government response to the Royal Commission into Aged Care Quality and Safety – residential aged care quality and safety* and *Aged Care – Government response to the Royal Commission into Aged Care Quality and Safety – home care*, as well as terminating COVID-19 support measures. This reduction is partially offset by the 2023–24 Budget measure *Aged Care Regulatory Reform* which builds on the October Budget measure *Fixing the Aged Care Crisis*, and the October Budget measure *COVID-19 Package – aged care*.

Expenses for **veterans’ community care and support** are estimated to increase by 12.9 per cent in nominal terms and by 4.4 per cent in real terms over the period 2023–24 to 2026–27, reflecting additional funding for increased care minutes and the requirement for registered nurses to be on site 24 hours per day, 7 days a week as part of the October Budget measure *Fixing the Aged Care Crisis*.

Table 6.9.1 sets out the major components of the **assistance to the aged** sub-function.

Table 6.9.1: Trends in the major components of assistance to the aged sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Support for Seniors	54,873	59,192	61,684	64,590	67,322
Aged Care Services	26,900	32,668	35,894	37,988	39,854
Veterans' Community Care and Support	942	899	954	998	1,016
Aged Care Quality	1,223	1,504	320	259	250
Access and information	646	637	642	631	644
National Partnership Payments –					
Assistance to the Aged	34	30	0	0	0
Other	226	283	204	199	201
Total	84,844	95,214	99,698	104,664	109,287

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Expenses for **assistance to veterans and dependants** are expected to remain constant in nominal terms and decrease by 7.6 per cent in real terms over the period 2023–24 to 2026–27. The real decrease is mainly attributable to the declining population of aged veterans and their dependents with the decrease partially offset by an increase in compensation payments for younger veterans.

Expenses for the **assistance to people with disabilities** sub-function are expected to increase by 20.1 per cent in nominal terms and by 11.0 per cent in real terms over the period 2023–24 to 2026–27, largely reflecting an increase in the number of people with a disability participating in the National Disability Insurance Scheme and increases in individual support costs.

National Cabinet has committed to a National Disability Insurance Scheme Financial Sustainability Framework. While the Scheme remains demand driven, the goal of the Financial Sustainability Framework is to moderate growth in the National Disability Insurance Scheme to no more than 8 per cent by 1 July 2026, with further moderation of growth as the Scheme matures.

Expenses for the **assistance to people with disabilities** sub-function also includes expenses associated with Financial Support for People with Disability – primarily the Disability Support Pension – and Financial Support for Carers, both components are expected to increase reflecting growth in estimated recipient numbers.

Table 6.9.2 sets out the major components of the **assistance to people with disabilities** sub-function.

Table 6.9.2: Trends in the major components of assistance to people with disabilities sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
National Disability Insurance Scheme(b)	36,654	41,922	46,765	51,852	55,936
National Disability Insurance Scheme – Quality and Safeguards	90	139	142	75	71
Financial Support for People with Disability	19,392	21,043	21,800	22,608	23,046
Financial Support for Carers	12,318	13,213	13,895	14,594	15,033
National Partnership Payments – Assistance to People with Disabilities	975	2,015	0	0	0
Total	69,429	78,332	82,602	89,129	94,087

a) The entry for each component includes eliminations for inter-agency transactions within that component.
b) Includes both Commonwealth and State contributions to the cost of the National Disability Insurance Scheme delivered through the National Disability Insurance Agency, which is a Commonwealth agency in the general government sector, and the cost of the NDIS program administered by the Department of Social Services.

Expenses for the **assistance to families with children** sub-function are expected to increase by 15.6 per cent in nominal terms and by 6.8 per cent in real terms over the period 2023–24 to 2026–27. The major programs impacting this trend include Family Assistance, Parents Income Support, and the Child Care Subsidy.

Family Assistance expenses are expected to increase, largely driven by the October Budget measure *Boosting Parental Leave to Enhance Economic Security, Support and Flexibility for Australia's Families* which increases paid parental leave by 2 weeks each year from 1 July 2024 until 1 July 2026.

Parents Income Support expenses are expected to increase primarily driven by the 2023–24 Budget measure *Parenting Payment (Single) – improved support for single parents* through which the Government will extend eligibility for Parenting Payment (Single) to principal carers with a youngest child under 14 years of age.

The **assistance to families with children** sub-function profile also includes an increase driven by the child care subsidy component. The increase primarily reflects the October Budget measure *Plan for Cheaper Child Care*, which will increase, from 1 July 2023, the maximum Child Care Subsidy (CCS) rate from 85 per cent to 90 per cent for families for the first child in care; increase the CCS rate for all families earning less than \$530,000 in household income; and maintain the current CCS rates for families with multiple children aged 5 years or under in care.

Table 6.9.3 sets out the major components of the **assistance to families with children** sub-function.

Table 6.9.3: Trends in the major components of assistance to families with children sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Family Assistance	19,872	21,460	22,767	23,910	24,830
Child Care Subsidy	10,626	12,716	13,474	14,160	14,958
Parents income support	5,918	7,501	8,200	8,503	8,942
Child Support	1,834	1,886	1,923	1,954	1,982
Support for the child care system	355	348	344	322	322
Families and Children	746	926	907	877	842
Family relationship services	252	267	270	276	281
Other	20	20	20	18	17
Total	39,622	45,123	47,904	50,020	52,174

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Expenses for the **assistance to the unemployed and the sick** sub-function are estimated to increase by 15.1 per cent in nominal terms and increase by 6.3 per cent in real terms over the period 2023–24 to 2026–27. This is due to the 2023–24 Budget measure *Increase to Working Age Payments* which will increase the base rate of working age payments by \$40 per fortnight from 20 September 2023 and extend eligibility for the existing higher single JobSeeker Payment rate for recipients aged over 60 years to recipients aged 55 years and over who are on the payment for 9 or more continuous months. The increase is also driven by an increase in the expected number of recipients as a result of higher anticipated unemployment.

Expenses for the **other welfare programs** sub-function are expected to decrease as a result of the termination of the extended support for the *Family and Domestic and Sexual Violence Responses National Partnership Agreement* on 30 June 2025.

Expenditure to support First Nations people is reported across several functions. In this Budget, the Government is investing \$1.9 billion over the period 2022–23 to 2026–27 in measures that provide critical investment in key areas of health, aged care, infrastructure, employment, justice, women’s safety and housing initiatives for First Nations people. While the Government is increasing expenditure across a range of functions to support First Nations people and drive progress against targets and priority reforms under the *National Agreement on Closing the Gap*, expenses for the **assistance for Indigenous Australians not elsewhere classified (nec)** sub-function are estimated to decrease. This is due to the cessation of payments from the Commonwealth to the Northern Territory under the National Partnership on Northern Territory Remote Aboriginal Investment which terminates 30 June 2024 and terminating initiatives under the Indigenous Advancement Strategy. The Government is currently working in partnership with the Aboriginal Peak Organisations Northern Territory and the Northern Territory Government to design options for future investment in remote Aboriginal communities.

Expenses for the **general administration** sub-function are estimated to decrease over the period 2023–24 to 2026–27 reflecting the cessation of additional funding to respond to the COVID-19 pandemic as well as the implementation of measures by Services Australia that involve higher upfront service delivery and ICT costs.

Housing and community amenities

The housing and community amenities function includes expenses for the Government's contribution to the National Housing and Homelessness Agreement, other Australian Government housing programs, the expenses of Defence Housing Australia (DHA), urban and regional development programs and environmental protection initiatives.

Table 6.10: Summary of expenses – housing and community amenities

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Housing	3,460	3,466	3,474	3,364	3,397
Urban and regional development	1,980	2,104	2,265	2,069	717
Environment protection	1,696	2,369	2,335	2,334	1,750
Total housing and community amenities	7,135	7,940	8,074	7,767	5,864

Total expenses under the housing and community amenities function are expected to decrease by 26.1 per cent in nominal terms and by 31.8 per cent in real terms over the period 2023–24 to 2026–27.

The Government is addressing concerns about rental affordability through the 2023–24 Budget measure *Increased Support for Commonwealth Rent Assistance Recipients*. This additional support of \$2.7 billion over the five years to 2026–27 is reported in a range of sub-functions in the social security and welfare function.

The **housing** sub-function includes the Government's contribution to the National Housing and Homelessness Agreement, the provision of housing for the general public and people with special needs, and DHA expenses. Expenses for this sub-function are estimated to decrease driven by fewer payments under the National Rental Affordability Scheme which is now closed to new applicants. These impacts are partially offset by additional expenses related to the Housing Australia Future Fund and DHA.

The **urban and regional development** sub-function comprises urban development, services to territories, and regional development programs. Expenses for this sub-function are estimated to decrease over the period 2023–24 to 2026–27 primarily reflecting the profile of funding for regional development programs included in the October Budget measure *Responsible Investment to Grow Our Regions* and the conclusion of the Regional Growth Fund and Building Better Regions Fund.

The **environment protection** sub-function includes expenses for a variety of initiatives, including the protection and conservation of the environment, water and waste management, pollution abatement and environmental research. Expenses for this sub-function are estimated to decrease over the period 2023–24 to 2026–27 primarily due to the re-profiling of project funding under the National Water Grid Fund, the expected profile of grant payments through the Regional Hydrogen Hubs Program, and the cessation of temporary investment in environmental assessments in the October Budget measure *Sustaining Environmental Assessments*, prior to the establishment of Environment Protection Australia, as part of the Government’s 2023–24 Budget measure *Nature Positive Plan – better for the environment, better for business*.

Recreation and culture

The recreation and culture function includes expenses to support public broadcasting and cultural institutions, funding for the arts and the film industry, assistance to sport and recreation activities, as well as the management and protection of national parks and other world heritage areas. This function also includes expenses relating to the protection and preservation of historic sites and buildings, including war graves.

Table 6.11: Summary of expenses – recreation and culture

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Broadcasting	1,680	1,671	1,745	1,794	1,798
Arts and cultural heritage	1,835	1,869	1,822	1,860	1,811
Sport and recreation	638	556	551	800	1,066
National estate and parks	686	680	692	679	688
Total recreation and culture	4,840	4,776	4,809	5,133	5,363

Total expenses under the recreation and culture function are estimated to increase by 12.3 per cent in nominal terms and by 3.7 per cent in real terms over the period 2023–24 to 2026–27, predominantly driven by the Government’s investment in the **sport and recreation** sub-function through the 2023–24 Budget.

Expenses under the **broadcasting** sub-function reflect the 5-year funding terms for the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service Corporation (SBS) from 1 July 2023.

Table 6.11.1 sets out the major components of the **broadcasting** sub-function.

Table 6.11.1: Trends in the major components of broadcasting sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
ABC general operational activities	976	989	1,039	1,065	1,053
SBS general operational activities	437	402	419	433	442
ABC transmission and distribution services	194	202	208	214	218
SBS transmission and distribution services	74	78	79	82	85
Total	1,680	1,671	1,745	1,794	1,798

a) The entry for each component includes eliminations for inter-agency transactions within that component.

The Government is investing in the **arts and cultural heritage** sub-function through the 2023-24 Budget measures *Revive – National Cultural Policy and Location Incentive* and *National Cultural Policy – National Collecting Institutions – sustainability*. Although this investment increases funding in the arts sector, expenses in this sub-function are estimated to decrease largely resulting from lower expenses for the Australian Screen Production Incentive after a one-off increase in 2023-24 due to the impact of COVID-19 on eligible activities.

Expenses under the **sport and recreation** sub-function are estimated to increase significantly over the period 2023-24 to 2026-27, reflecting contributions for venue infrastructure for the 2032 Brisbane Olympic and Paralympic Games provided through the 2023-24 Budget measure *2032 Brisbane Olympic and Paralympic Games – venue infrastructure*, as well as funding for the Macquarie Point Precinct and the University of Tasmania stadium in Launceston provided through the 2023-24 Budget measure *National Approach for Sustainable Urban Development*.

Expenses under the **national estate and parks** sub-function are estimated to increase by 1.2 per cent in nominal terms and decrease by 6.5 per cent in real terms over the period 2023-24 to 2026-27, largely due to investment in the renewal and repair of heritage-listed infrastructure across sites managed by the Sydney Harbour Federation Trust in 2023-24 and 2024-25 through the 2023-24 Budget measure *Sydney Harbour Federation Trust – infrastructure improvements*. Additional support is also being provided for the management of Australia's terrestrial and marine Commonwealth parks through the 2023-24 Budget *Protecting Australia's Iconic National Parks*.

Fuel and energy

The fuel and energy function includes expenses for the Fuel Tax Credits and Product Stewardship Waste (Oil) schemes administered by the Australian Taxation Office. It also includes expenses related to improving Australia's energy efficiency, resource related initiatives, and programs to support the production and use of renewable energy.

Table 6.12: Summary of expenses – fuel and energy

Sub-function	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Fuel and energy	8,953	13,006	16,521	12,107	13,962
Total fuel and energy	8,953	13,006	16,521	12,107	13,962

In the 2023–24 Budget the *Energy Price Relief Plan* measure will reduce the impact of rising energy prices through targeted energy bill relief, progressing gas market reforms and limiting the price of coal. This investment in fuel and energy is a part of an expected nominal increase of 7.4 per cent over the period 2023–24 to 2026–27.

The major program within this sub-function is the Fuel Tax Credits Scheme which is expected to increase because of an expected increase in the use of fuels that are eligible for the Fuel Tax Credits Scheme.

Expenses under the Resources and Energy component are expected to decrease expenses over the period 2023–24 to 2026–27, as the temporary assistance for the cost of energy price relief provided through the 2023–24 Budget measure *Energy Price Relief Plan* is phased out. The decline also reflects the funding profile associated with programs such as the Northern Endeavour Decommissioning Program and the Critical Minerals Development Program.

Expenses under the Renewable Energy component reflect the profile of expenses for the concessional component of concessional loans made by the Clean Energy Finance Corporation, primarily those expected to be made in the October Budget measure *Powering Australia – Rewiring the Nation*. The variation in expenses over the forward estimates reflects the expected timing of loans made under this measure.

Table 6.12.1 sets out the major components of the **fuel and energy** sub-function.

Table 6.12.1: Trends in the major components of fuel and energy sub-function expense

Component(a)	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Fuel Tax Credits Scheme	7,466	9,583	9,874	10,473	11,218
Resources and Energy(b)	805	2,005	1,236	153	114
Renewable Energy	421	1,101	5,128	1,223	2,391
Other	261	317	283	257	240
Total	8,953	13,006	16,521	12,107	13,962

- a) The entry for each component includes eliminations for inter-agency transactions within that component.
- b) Part of this component relating to payments made to states and territories was previously reported under 'Other' and has been moved to Resources and Energy to better reflect the purpose of the expenses

Agriculture, forestry and fishing

The agriculture, forestry and fishing function include expenses to support assistance to primary producers, forestry, fishing, land and water resources management, quarantine services, and contributions to research and development.

Table 6.13: Summary of expenses – agriculture, forestry and fishing

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Wool industry	67	74	84	95	95
Grains industry	224	266	266	268	269
Dairy industry	55	52	50	50	49
Cattle, sheep and pig industry	252	266	276	285	288
Fishing, horticulture and other agriculture	553	460	376	358	388
General assistance not allocated to specific industries	44	44	45	45	45
Rural assistance	433	303	301	353	373
Natural resources development	1,793	2,453	614	425	344
General administration	1,317	1,239	1,215	1,167	1,148
Total agriculture, forestry and fishing	4,737	5,156	3,227	3,045	2,999

Total expenses under the agriculture, forestry and fishing function are estimated to decrease over the period 2023–24 to 2026–27. This largely reflects the scheduled completion of water reform activities under the *Murray-Darling Basin Plan 2012 (Basin Plan)* in 2023–24 and ahead of the first statutory review of the *Basin Plan* by 2026 within the **natural resources development** sub-function.

Expenses for the **rural assistance** sub-function partially offset the overall decrease in the function with an increase of 22.9 per cent in nominal terms and by 13.5 per cent in real terms over the period 2023–24 to 2026–27, due to the timing of concessional loan discount expenses on loans issued by the Regional Investment Corporation.

Mining, manufacturing and construction

The mining, manufacturing and construction function includes expenses for programs designed to promote the efficiency and competitiveness of Australian industries. The major components include the Research and Development Tax Incentive and industry assistance programs.

Table 6.14: Summary of expenses – mining, manufacturing and construction

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Mining, manufacturing and construction	4,905	5,022	4,696	4,418	4,444
Total mining, manufacturing and construction	4,905	5,022	4,696	4,418	4,444

Total expenses under the mining, manufacturing and construction function are expected to decrease by 11.5 per cent in nominal terms and by 18.3 per cent in real terms over the period 2023–24 to 2026–27.

Expenses for the Research and Development Tax Incentive administered by the Australian Taxation Office are expected to increase over the period 2023–24 to 2026–27 due to the increases in number and value of expected claims following the reopening of international markets post COVID-19.

Expenses under the Growing Business Investment component are expected to decrease over the period 2023–24 to 2026–27, reflecting the funding profile of the Modern Manufacturing Initiative and other industry support programs, including reductions in funding for the Entrepreneurs' Program and the reprioritisation of funding for the Manufacturing Modernisation Fund to support other measures, including the 2023–24 Budget measure *Enhanced Support for Small and Medium sized Businesses and Startups*.

The Northern Australia Infrastructure Facility offers debt and equity finance to projects that contribute to the establishment or enhancement of economic activity in northern Australia. Expenses are expected to decrease over the period 2023–24 to 2026–27, due to changes in concessional loan discount expenses associated with the expected commitment of concessional loans across the forward estimates.

Table 6.14.1 sets out the major components of the **mining, manufacturing and construction** sub-function.

Table 6.14.1: Trends in the major components of mining, manufacturing and construction sub-function expense

Component(a)	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Research and Development Tax Incentive	3,555	3,315	3,416	3,509	3,617
Growing Business Investment	717	767	644	303	237
Northern Australia Infrastructure Facility	200	492	272	209	206
Other	433	450	365	397	384
Total	4,905	5,022	4,696	4,418	4,444

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Transport and communication

The transport and communication function includes expenses to support the infrastructure and regulatory framework for Australia's transport and communication sectors.

Table 6.15: Summary of expenses – transport and communication

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Communication	1,627	1,924	1,719	1,663	1,631
Rail transport	3,035	4,065	4,342	3,867	3,279
Air transport	432	448	347	400	292
Road transport	7,663	10,337	10,613	10,096	9,310
Sea transport	461	473	494	489	494
Other transport and communication	242	261	217	229	218
Total transport and communication	13,461	17,508	17,733	16,744	15,225

Total expenses under this function are estimated to decrease in nominal terms by 13.0 per cent and by 19.7 per cent in real terms from 2023–24 to 2026–27.

Expenses under the **communication** sub-function relate to communications activities and support for the digital economy through the Department of Infrastructure, Transport, Regional Development, Communications and the Arts, and the Australian Communications and Media Authority. Total expenses under this sub-function are estimated to decrease from 2023–24 to 2026–27 primarily reflecting the profile of funding for communications programs included in the October Budget measure *Better Connectivity Plan for Regional and Rural Australia*, and the conclusion of the Mobile Black Spot Program and Connecting Northern Australia initiative.

Expenses under the **rail transport** sub-function primarily consist of grants provided under the Infrastructure Investment Program. Expenses are estimated to increase from 2022–23 to 2023–24, and decrease from 2023–24 to 2026–27. The initial increase and subsequent decrease in expenditure reflects the schedules of major rail infrastructure projects, including the completion of projects under the METRONET program.

Expenses under the **air transport** sub-function primarily relate to activities of the safety regulator Civil Aviation Safety Authority and aviation related initiatives. Total expenses are estimated to decrease from 2023–24 to 2026–27 due to the conclusion of a number of aviation initiatives, including Enhanced Regional Security Screening, upgrades to Hobart and Newcastle Airports, and the Regional Aviation Access Program.

Expenses under the **road transport** sub-function primarily consist of grants provided under the Infrastructure Investment Program and are estimated to increase from 2022–23 to 2023–24, and then decrease from 2023–24 to 2026–27. The increase and subsequent decrease in expenditure, reflects the Government's continued investment in priority road infrastructure projects, including through the October Budget measure *Building a Better Future through considered Infrastructure Investment*, the realignment of project profiles to more accurately reflect delivery schedules, and the completion of the Bruce Highway and Road Safety Program projects.

Total expenses under the **other transport and communication** sub-function are estimated to decrease from 2023–24 to 2026–27, reflecting the short-term program support provided through the 2023–24 Budget measure *Supporting Transport Priorities*.

Other economic affairs

The other economic affairs function includes expenses on tourism and area promotion, labour market assistance, immigration, industrial relations, and other economic affairs not elsewhere classified (nec).

Table 6.16: Summary of expenses – other economic affairs

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Tourism and area promotion	208	184	189	181	182
Total labour and employment affairs	7,521	5,550	5,414	5,175	4,957
<i>Vocational and industry training</i>	4,511	2,309	2,064	1,822	1,540
<i>Labour market assistance to job seekers and industry</i>	2,214	2,348	2,488	2,518	2,575
<i>Industrial relations</i>	797	893	862	834	841
Immigration	3,673	3,531	3,001	2,979	3,027
Other economic affairs nec	3,533	3,183	3,043	2,939	2,934
Total other economic affairs	14,935	12,447	11,647	11,274	11,100

Total expenses for the other economic affairs function are estimated to decrease by 10.8 per cent in nominal terms and by 17.6 per cent in real terms over the period 2023–24 to 2026–27.

Expenses under the **tourism and area promotion** sub-function are expected to decrease over the period 2023–24 to 2026–27 with the decline in 2023–24 largely due to the cessation of the COVID-19-related additional tourism marketing campaigns as international travel resumed, and from 2023–24 reflects stable expenditure in nominal terms.

Expenses under the **vocational and industry training** sub-function are expected to decrease reflecting the cessation of the Boosting Apprenticeship Commencements wage subsidy which is closed to new applicants.

Expenses under the **labour market assistance to job seekers and industry** sub-function are expected to increase as a result of the estimated profile of the caseload of job seekers in the Workforce Australia employment services system.

Expenses under the **industrial relations** sub-function reflect higher than expected payments for employee entitlements under the *Fair Entitlements Guarantee Act 2012* from 2022–23 to 2023–24, and lower than expected payments from 2024–25 to 2026–27.

The main components of the **immigration** sub-function relate to the management of unlawful non-citizens, the provision of migration and citizenship services, and refugee and humanitarian assistance. Expenses under this sub-function are expected to decrease over the period 2023–24 to 2026–27 primarily reflecting the forecast reduction of the detainee population in both onshore and offshore detention.

Table 6.16.1 sets out the major components of the **immigration** sub-function.

Table 6.16.1: Trends in the major components of immigration sub-function expense

Component(a)	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Management of unlawful non-citizens	1,884	1,833	1,447	1,427	1,456
Citizenship, visas and migration	891	860	787	781	807
Regional co-operation and refugee and humanitarian assistance	898	838	768	771	764
Total	3,673	3,531	3,001	2,979	3,027

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Expenses under the **other economic affairs nec** sub-function are expected to decrease primarily due to the Government's economic response to the COVID-19 pandemic measures being unwound. A reduction in 2023–24 occurs as a result of the conclusion of the COVID-19 Business Support Payment to the states and territories in 2022–23.

The decrease in expenditure for the promotion of Australia's export and other international economic interests is primarily driven by the cessation of the temporary support provided as part of the response to the COVID-19 pandemic as well as redirection of funding from the Export Market Development Grants program to fund Government priorities in the Foreign Affairs and Trade portfolio.

Expenses for the Bureau of Meteorology (the Bureau) are expected to decrease by 5.4 per cent in real terms from 2022–23 to 2023–24 reflecting the anticipated completion of projects to strengthen the Bureau's ICT security and resilience and observations network. The decrease in real terms from 2023–24 to 2026–27 reflects the Bureau's departmental expenses over the forward estimates.

Table 6.16.2 provides further details of the major components of the **other economic affairs nec** sub-function.

Table 6.16.2: Trends in the major components of other economic affairs nec sub-function expense

Component(a)	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Economic Response to the Coronavirus	339	0	0	0	0
Promotion of Australia's export and other international economic interests	471	449	405	341	338
Operating costs for:					
Department of Industry, Science and Resources	696	701	623	608	562
Australian Securities and Investments Commission	654	635	619	618	634
Bureau of Meteorology	525	517	518	519	536
IP Australia	241	248	256	264	272
Australian Competition and Consumer Commission	230	242	233	195	200
Australian Prudential Regulation Authority	229	238	239	243	243
Other	148	152	150	150	150
Total	3,533	3,183	3,043	2,939	2,934

a) The entry for each component includes eliminations for inter-agency transactions within that component.

Other purposes

The other purposes function includes expenses incurred in the servicing of public debt interest, and assistance to state, territory and local governments. This function also includes items classified as natural disaster relief, the Contingency Reserve, and expenses related to the nominal interest on unfunded liabilities for government superannuation benefits.

Table 6.17: Summary of expenses – other purposes

Sub-function	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Public debt interest	22,152	22,611	23,890	26,224	29,077
<i>Interest on Commonwealth Government's behalf</i>	22,152	22,611	23,890	26,224	29,077
Nominal superannuation interest	12,334	13,631	13,941	14,637	15,033
General purpose inter-government transactions	89,841	95,947	99,872	105,443	108,790
<i>General revenue assistance - states and territories</i>	88,021	92,470	96,345	101,782	105,261
<i>Local government assistance</i>	1,820	3,476	3,527	3,661	3,529
Natural disaster relief	3,533	1,610	898	275	264
Contingency reserve	449	-56	5,967	9,638	16,427
Total other purposes	128,309	133,743	144,569	156,217	169,591

Total expenses under the other purposes function are estimated to increase by 26.8 per cent in nominal terms and by 17.2 per cent in real terms over the period 2023–24 to 2026–27.

Expected expenses under the **public debt interest** sub-function have reduced since the October Budget, largely reflecting lower expected levels of Australian Government Securities (AGS) on issue. While lower than the October Budget, **public debt interest** is still expected to increase by 28.6 per cent in nominal terms and by 18.8 per cent in real terms over the period 2023–24 to 2026–27.

The increase in **nominal superannuation interest** expenses between 2022–23 and 2023–24 primarily reflects the use of different discount rates. In accordance with accounting standards, superannuation expenses for 2022–23 are calculated using the long-term government bond rate, which best matched each individual scheme's duration of liabilities at the start of the financial year. These rates are between 3.7 and 3.9 per cent per annum. In preparing the latest Long Term Cost Reports, the scheme actuaries have determined that a discount rate of 5.0 per cent should be applied to the estimates in the budget year and forward estimates as per usual practice.

Expenses under the **general purpose inter-government transactions** sub-function is made up of general revenue assistance paid to state and territory governments, and local government assistance. Expenses are expected to increase for the sub-function over the period 2023–24 to 2026–27. Nearly all the expenses under this sub-function relate to **general revenue assistance** paid to state and territory governments, which is expected to increase in real terms from 2023–24 to 2026–27, largely comprising payments of GST entitlements provided on an 'untied' basis. Payments to state and territory governments tied to specific purposes are reported under the relevant sections in this Statement. Further information on general revenue assistance to the states and territories can be found in Budget Paper No. 3, *Federal Financial Relations*.

Expenses under **local government assistance** are expected to increase from 2022–23 to 2023–24 largely reflecting that expenses were artificially low in 2022–23 because 75 per cent of the 2022–23 Financial Assistance Grants were paid in 2021–22.

The **natural disaster relief** sub-function reflects financial support provided by the Australian Government to affected states and territories under the Natural Disaster Relief and Recovery Arrangements and, since November 2018, the Disaster Recovery Funding Arrangements (DRFA). The sub-function also reflects departmental funding for the National Emergency Management Agency. The majority of the funding profile over the forward estimates reflects expected payments to the states in relation to disaster events that have already occurred. As a general rule, as no provision is made for future disasters the amount reduces over time.

A provision is included in the **natural disaster relief** sub-function in 2023–24 and 2024–25 acknowledging the expected significant impact on future government spending from the floods in 2022, and potential future events. Future unquantifiable costs will include the Commonwealth's up to 75 per cent share of the costs of rebuilding of essential public assets damaged by the floods, under Category B of the DRFA.

The **contingency reserve** sub-function in the 2023–24 Budget decrease expenses by \$0.1 billion in 2023–24, and increase expenses by \$6.0 billion in 2024–25, and by \$9.6 billion in 2025–26 and \$16.4 billion in 2026–27. A key component of this is the conservative bias allowance (CBA), which makes provision for the tendency for the estimate of expenses for existing Government policy (excluding GST payments to the states) to be revised upwards in the forward years. The 2023–24 Budget includes a provision of:

- nil in the Budget year 2023–24
- ½ of a percentage point of total general government sector (GGS) expenses in the first forward year 2024–25 (\$3.1 billion)
- 1 per cent of GGS expenses in the second forward year 2025–26 (\$6.4 billion)
- 2 per cent of GGS expenses in the third forward year 2026–27 (\$13.1 billion).

The drawdown of the CBA decreased expenses by \$1.4 billion in 2023–24, \$1.3 billion in 2024–25, \$2.5 billion in 2025–26 and \$3.0 billion in 2026–27. This is consistent with long standing practice and does not represent a saving or offset to spending measures.

In this Budget, the remaining savings from the October Budget measure *Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses* was allocated to GGS agencies. In the October Budget, these savings were provisioned in the Contingency Reserve over 3 years from 2023–24. The Government has allocated these savings over 4 years rather than 3 (2023–24 to 2026–27), with no net impact on underlying cash.

The Contingency Reserve also includes estimates for policy decisions that have been announced but cannot yet be included in entity estimates, usually due to some uncertainty as to their final cost and/or outcomes, or as they are subject to negotiations.

In general, the Contingency Reserve can include:

- Commercial-in-confidence and national security-in-confidence items that cannot be disclosed separately and programs that are yet to be renegotiated with state and territory governments
- the effect, on the budget and forward estimates, of economic parameter revisions received late in the process and hence not able to be allocated to individual entities or functions
- decisions taken but not yet announced by the Government, and decisions made too late for inclusion against individual entity estimates
- provisions for other specific events and pressures that are reasonably expected to affect the budget estimates, including the continuation of terminating measures.

General government net capital investment

Net capital investment is broadly defined as the sale and acquisition of non-financial assets, less depreciation expenses. It provides a measure of the overall growth in capital assets (including buildings and infrastructure, specialist military equipment, and computer software) after taking into account depreciation and amortisation as previously acquired assets age.

Government capital spending involves acquisition of physical assets, financial assets and provision of grants and subsidies to others (primarily state and territory governments), which they then use to acquire assets. Government capital spending involves acquisition of physical assets, financial assets and provision of grants and subsidies to others (primarily state and territory governments), which they then use to acquire assets.

Australian Government general government sector (GGS) net capital investment is expected to be \$10.4 billion in 2023–24, which is in line with the net capital investment in 2022–23. This reflects reprioritised investments in military capabilities by the Department of Defence to support the implementation of the Government’s response to the *Defence Strategic Review* and the achievement of an Integrated Force.

Details of movements are further explained in the following section.

Table 6.18: Estimates of total net capital investment

	October Budget	Revised	Estimates			
	2022–23	2022–23	2023–24	2024–25	2025–26	2026–27
Total net capital investment (\$m)	12,781	10,441	10,431	7,229	5,449	9,271
Per cent of GDP	0.5	0.4	0.4	0.3	0.2	0.3

Reconciliation of net capital investment since the October Budget

A reconciliation of the net capital investment estimates, showing the effect of policy decisions and parameter and other variations since the October Budget, is provided in Table 6.19.

Table 6.19: Reconciliation of net capital investment estimate

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	Total \$m
2022–23 October Budget net capital investment	12,781	11,883	8,976	9,939	43,578
Changes from 2022–23 October Budget to 2023–24 Budget					
Effect of policy decisions(a)	-10	734	712	493	1,929
Effect of parameter and other variations	-2,329	-2,187	-2,458	-4,982	-11,956
Total variations	-2,339	-1,452	-1,746	-4,489	-10,028
2023–24 Budget net capital investment	10,441	10,431	7,229	5,449	33,550

a) Excludes secondary impacts on public debt interest of policy decisions and offsets from the Contingency Reserve for decisions taken.

Forecast net capital investment for 2023–24 has decreased by \$1.5 billion since the October Budget. This decrease is driven by a decrease of \$2.2 billion from a result of parameter and other variations partially offset by an increase from policy decisions of \$0.7 billion.

Net capital investment estimates by function

Estimates for Australian Government general government sector net capital investment by function for the period 2022–23 to 2026–27 are provided in Table 6.20.

Table 6.20: Estimates of net capital investment by function

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
General public services	477	308	700	-185	438
Defence	8,592	8,768	8,695	6,293	9,958
Public order and safety	-59	-83	-210	-139	-225
Education	24	36	43	42	13
Health	411	-379	10	-69	-83
Social security and welfare	253	-95	-262	-510	-453
Housing and community amenities	468	284	11	30	-29
Recreation and culture	186	396	256	-32	-106
Fuel and energy	14	2	-3	0	-9
Agriculture, forestry and fishing	50	386	2	-37	-44
Mining, manufacturing and construction	-21	-3	-26	-23	-30
Transport and communication	-27	144	-2,152	-52	-87
Other economic affairs	82	-52	-250	-269	-413
Other purposes	-8	719	415	399	340
Total net capital investment	10,441	10,431	7,229	5,449	9,271

A significant component of the Government’s net capital investment occurs in the defence function and relates primarily to the acquisition of military equipment. Major factors contributing to changes in net capital investment, expected to occur in the following functions, include:

- **General public services** – the increase in net capital investment from 2023–24 to 2026–27 largely reflects depreciation and amortisation of existing assets, and the timing of building and equipment purchases.
- **Defence** – the net capital investment from 2023–24 to 2026–27 reflects funding for capability investments. The implementation of the Government’s response to the *Defence Strategic Review* and the achievement of an Integrated Force will require reprioritisation of the Defence Integrated Investment Program and major investments in military capabilities such as ships, submarines, aircraft and missile systems, as well as enabling ICT capabilities, infrastructure and the Defence estate.
- **Health** – the decrease in net capital investment from 2022–23 to 2026–27 largely reflects the reductions in National Medical Stockpile procurements related to the COVID-19 pandemic.
- **Social security and welfare** – the decrease in net capital investment from 2022–23 to 2026–27 is largely driven by the depreciation of prior Commonwealth investments into Services Australia’s assets such as ICT capabilities and infrastructure. This is partially offset by Commonwealth investment in ICT capabilities and infrastructure.

- **Housing and community amenities** – the decrease in net capital investment in 2024–25 largely reflects a change in Defence Housing Australia’s property investment strategy to better meet the housing needs of the Australian Defence Force.
- **Recreation and culture** – the decrease in net capital investment from 2023–24 to 2026–27 reflects the expected completion of capital investments by the National Capital Authority, and up-front capital investment in infrastructure projects across sites managed by the Sydney Harbour Federation Trust and within the Mutitjulu community in the Uluru-Kata Tjuta National Park under the 2023–24 Budget measures *Sydney Harbour Federation Trust – infrastructure improvements and Protecting Australia’s Iconic National Parks*.
- **Transport and communication** – the variable profile of net capital investment reflects the sale of non-financial assets through the 850/900 MHz and 2.4 Gigahertz Spectrum Auctions.
- **Other economic affairs** – the decrease in net capital investment from 2023–24 reflects the phasing down of investment under the second and third tranches of projects to strengthen the Bureau of Meteorology’s ICT security and resilience, and observations network.
- **Other purposes** – the increase in net capital investment in 2023–24 reflects a provision for the procurement of additional COVID-19 vaccines and treatments for the National Medical Stockpile in the October Budget measure *COVID-19 Package – vaccines and treatments*.

Table 6.21 reports the acquisition of non-financial assets by function before taking into account depreciation or amortisation.

Table 6.21: Australian Government general government sector purchases of non-financial assets by function

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
General public services	2,067	1,849	2,273	1,605	2,034
Defence	14,402	15,108	15,637	13,798	18,135
Public order and safety	789	772	638	714	633
Education	33	44	51	50	20
Health	497	246	155	66	60
Social security and welfare	1,245	866	641	337	358
Housing and community amenities	886	474	432	370	377
Recreation and culture	718	866	740	453	375
Fuel and energy	46	13	9	11	3
Agriculture, forestry and fishing	149	486	106	69	61
Mining, manufacturing and construction	17	35	14	18	11
Transport and communication	96	271	72	79	43
Other economic affairs	943	821	651	621	493
Other purposes	8	399	417	401	342
General government purchases of non-financial assets	21,897	22,251	21,835	18,593	22,943

Appendix A: Expense by function and sub-function

Table 6A.1: Estimates of expenses by function and sub-function

	Actual		Estimates			
	2021–22 \$m	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
General public services						
Legislative and executive affairs	1,864	1,574	2,003	1,901	1,538	1,560
Financial and fiscal affairs	8,898	9,309	9,137	9,038	9,257	8,687
Foreign affairs and economic aid	6,096	7,622	7,166	8,179	7,294	7,725
General research	3,291	3,735	4,140	4,255	4,361	4,280
General services	903	918	992	946	963	986
Government superannuation benefits	10,221	6,947	5,687	5,835	6,001	6,260
Total general public services	31,273	30,106	29,126	30,155	29,413	29,498
Defence	38,246	40,059	42,850	44,568	49,465	48,840
Public order and safety						
Courts and legal services	1,611	1,747	1,754	1,687	1,152	1,131
Other public order and safety	5,047	5,637	5,680	5,376	5,246	5,293
Total public order and safety	6,658	7,384	7,434	7,063	6,398	6,425
Education						
Higher education	10,656	10,587	10,902	11,485	11,946	12,322
Vocational and other education	2,077	2,262	2,278	2,643	2,643	2,593
Schools	25,036	26,909	28,286	29,397	30,356	31,368
<i>Non-government schools</i>	15,365	16,646	17,441	18,131	18,681	19,260
<i>Government schools</i>	9,671	10,264	10,845	11,266	11,676	12,108
School education - specific funding	721	1,128	1,149	808	821	827
Student assistance	4,401	4,783	5,362	5,789	6,088	6,369
General administration	333	208	282	263	259	254
Total education	43,225	45,876	48,258	50,385	52,114	53,732
Health						
Medical services and benefits	37,306	36,982	39,300	41,313	43,396	45,471
Pharmaceutical benefits and services	16,273	19,592	19,106	19,035	19,214	19,232
Assistance to the states for public hospitals	24,230	25,658	28,392	30,456	32,215	34,296
Hospital services(a)	1,049	973	999	1,137	1,195	1,220
Health services	21,691	19,163	13,220	11,776	11,247	11,230
General administration	4,648	4,212	4,286	3,815	3,605	3,558
Aboriginal and Torres Strait Islander health	989	1,130	1,234	1,328	1,301	1,285
Total health	106,185	107,710	106,538	108,860	112,174	116,293

Table A1: Estimates of expenses by function and sub-function (continued)

	Actual	Estimates				
	2021–22	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m	\$m
Social security and welfare						
Assistance to the aged	76,283	84,844	95,214	99,698	104,664	109,287
Assistance to veterans and dependants	7,480	7,741	8,385	8,351	8,400	8,384
Assistance to people with disabilities	61,040	69,429	78,332	82,602	89,129	94,087
Assistance to families with children	37,375	39,622	45,123	47,904	50,020	52,174
Assistance to the unemployed and the sick	15,866	13,867	13,830	15,483	15,999	15,915
Other welfare programs	16,175	2,700	1,717	1,601	1,523	1,377
Assistance for Indigenous Australians nec	2,492	2,872	3,049	3,080	3,091	2,996
General administration	4,716	5,302	4,630	4,355	4,228	4,221
Total social security and welfare	221,427	226,378	250,280	263,074	277,054	288,442
Housing and community amenities						
Housing	4,154	3,460	3,466	3,474	3,364	3,397
Urban and regional development	1,337	1,980	2,104	2,265	2,069	717
Environment protection	1,542	1,696	2,369	2,335	2,334	1,750
Total housing and community amenities	7,033	7,135	7,940	8,074	7,767	5,864
Recreation and culture						
Broadcasting	1,559	1,680	1,671	1,745	1,794	1,798
Arts and cultural heritage	1,579	1,835	1,869	1,822	1,860	1,811
Sport and recreation	537	638	556	551	800	1,066
National estate and parks	595	686	680	692	679	688
Total recreation and culture	4,270	4,840	4,776	4,809	5,133	5,363
Fuel and energy						
	9,437	8,953	13,006	16,521	12,107	13,962
Agriculture, forestry and fishing						
Wool industry	58	67	74	84	95	95
Grains industry	199	224	266	266	268	269
Dairy industry	55	55	52	50	50	49
Cattle, sheep and pig industry	249	252	266	276	285	288
Fishing, horticulture and other agriculture	412	553	460	376	358	388
General assistance not allocated to specific industries	35	44	44	45	45	45
Rural assistance	334	433	303	301	353	373
Natural resources development	722	1,793	2,453	614	425	344
General administration	1,121	1,317	1,239	1,215	1,167	1,148
Total agriculture, forestry and fishing	3,185	4,737	5,156	3,227	3,045	2,999
Mining, manufacturing and construction						
	3,816	4,905	5,022	4,696	4,418	4,444

Table 6A.1: Estimates of expenses by function and sub-function (continued)

	Actual		Estimates			
	2021–22 \$m	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Transport and communication						
Communication	1,941	1,627	1,924	1,719	1,663	1,631
Rail transport	1,701	3,035	4,065	4,342	3,867	3,279
Air transport	1,169	432	448	347	400	292
Road transport	6,026	7,663	10,337	10,613	10,096	9,310
Sea transport	440	461	473	494	489	494
Other transport and communication	225	242	261	217	229	218
Total transport and communication	11,503	13,461	17,508	17,733	16,744	15,225
Other economic affairs						
Tourism and area promotion	189	208	184	189	181	182
Total labour and employment affairs	7,592	7,521	5,550	5,414	5,175	4,957
<i>Vocational and industry training</i>	4,664	4,511	2,309	2,064	1,822	1,540
<i>Labour market assistance to job seekers and industry</i>	2,265	2,214	2,348	2,488	2,518	2,575
<i>Industrial relations</i>	662	797	893	862	834	841
Immigration	3,409	3,673	3,531	3,001	2,979	3,027
Other economic affairs nec	10,592	3,533	3,183	3,043	2,939	2,934
Total other economic affairs	21,781	14,935	12,447	11,647	11,274	11,100
Other purposes						
Public debt interest	18,517	22,152	22,611	23,890	26,224	29,077
<i>Interest on Commonwealth Government's behalf</i>	18,517	22,152	22,611	23,890	26,224	29,077
Nominal superannuation interest	8,974	12,334	13,631	13,941	14,637	15,033
General purpose inter-government transactions	81,679	89,841	95,947	99,872	105,443	108,790
<i>General revenue assistance - states and territories</i>	77,531	88,021	92,470	96,345	101,782	105,261
<i>Local government assistance</i>	4,148	1,820	3,476	3,527	3,661	3,529
Natural disaster relief	5,840	3,533	1,610	898	275	264
Contingency reserve	0	449	-56	5,967	9,638	16,427
Total other purposes	115,011	128,309	133,743	144,569	156,217	169,591
Total expenses	623,050	644,788	684,085	715,382	743,324	771,779

a) The hospital services sub-function predominantly reflects Commonwealth funding to the states and territories for veterans' hospital services.



Statement 7: Debt Statement

The Debt Statement provides information on Government gross debt, net debt, Australian Government Securities (AGS) issuance and interest costs over the forward estimates.

Gross and net debt as a share of GDP are expected to be lower each year over the forward estimates compared to the October Budget. Gross debt is estimated to peak at 36.5 per cent of GDP at 30 June 2026, 10.4 percentage points lower and 5 years earlier than estimated at the October Budget.

- Gross debt is estimated to be 35.8 per cent of GDP at 30 June 2024, more than 4 percentage points lower than estimated at the October Budget.
- Net debt is estimated to be 22.3 per cent of GDP at 30 June 2024, more than 3 percentage points lower than estimated at the October Budget.

Interest payments on AGS as a share of GDP are expected to be lower than at the October Budget by the end of the forward estimates, primarily driven by lower issuance of AGS from the improved outlook for the underlying cash balance as well as the impact of lower yields on AGS.

- Interest payments on AGS are estimated to be \$19.8 billion in 2023–24, increasing to \$26.0 billion by 2026–27. Over the 4 years to 2025–26, interest payments on AGS are expected to be \$9.9 billion lower than estimated at the October Budget.



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Statement 7: Debt Statement

Australian Government Securities on issue

Estimates of AGS on issue are published in both face value and market value terms in this Statement.

- The **face value** of AGS on issue (also referred to as gross debt) is the amount the Government pays back to investors at maturity, independent of fluctuations in market prices.⁴⁶ The total face value of AGS on issue changes when new securities are issued, or when securities are repurchased or reach maturity.
- The **market value** of AGS on issue represents the value of securities as traded on the secondary market, which changes continuously with movements in market prices (often quoted as a yield to maturity). Consistent with external reporting standards, the market value of AGS on issue is reported in the Australian Government general government sector balance sheet.

The *Commonwealth Inscribed Stock Act 1911* (CIS Act) requires the Treasurer to issue a direction stipulating the maximum face value of relevant AGS that may be on issue.

Effective from 7 October 2020, the then Treasurer directed that the maximum face value of AGS that can be on issue is \$1,200 billion. The estimated face value of AGS on issue subject to the Treasurer's direction (end-of-year and within-year peak)⁴⁷ in each year of the forward estimates remains below \$1,200 billion.

Gross debt is estimated to be \$923 billion (35.8 per cent of GDP) at 30 June 2024, increasing to \$1,067 billion (36.5 per cent of GDP) at 30 June 2027.

Gross debt is expected to be lower across each year of the forward estimates than at the October Budget. The improvement is primarily driven by the improved outlook for the underlying cash balance as well as the impact of lower yields on AGS.

⁴⁶ For Treasury Indexed Bonds (TIBs), the final repayment amount paid to investors includes an additional amount to reflect the impact of inflation over the life of the security.

This additional amount is not included in the calculation of face value.

⁴⁷ End-of-year values are estimates of AGS on issue at 30 June for the particular year.

The precise timing and level of within-year peaks of AGS on issue cannot be determined with accuracy. The timing of the within-year peak is therefore reported to the given month in the particular year.

Table 7.1 presents estimates of AGS on issue.

Table 7.1: Estimates of AGS on issue subject to the Treasurer's Direction^{(a)(b)}

	Estimates				
	2022-23 \$b	2023-24 \$b	2024-25 \$b	2025-26 \$b	2026-27 \$b
Face value – end-of-year	887	923	958	1,015	1,067
Per cent of GDP	34.9	35.8	36.3	36.5	36.5
Face value – within-year peak(c)	913	951	996	1,051	1,106
Per cent of GDP(c)	35.9	36.9	37.7	37.9	37.9
Month of peak(c)	Nov-22	Apr-24	Apr-25	Apr-26	Apr-27
Market value – end-of-year	859	903	944	1,002	1,059
Per cent of GDP	33.7	35.0	35.8	36.1	36.2

- a) The Treasurer's Direction applies to the face value of AGS on issue. This table also shows the equivalent market value of AGS that are subject to the Treasurer's Direction.
- b) The stock and securities that are excluded from the current limit set by the Treasurer's Direction are outlined in subsection 51JA(2A) of the CIS Act.
- c) The precise within-year timing of cash receipts and payments is not known. Estimated peaks of AGS on issue are therefore subject to considerable uncertainty.

Source: The Australian Office of Financial Management (AOFM).

Changes in AGS on issue since the October Budget

The reduction in total face value of AGS on issue primarily reflects the cumulative improvement of \$100.4 billion in the underlying cash balance since the October Budget. Table 3.3 in *Statement 3: Fiscal Strategy and Outlook* reconciles changes in decisions and variations.

The reduction also reflects a cumulative change in program funding requirements due to the timing of some cash transfers⁴⁸. Much of this impact in 2022–23 is offset by a build-up of the Australian Office of Financial Management (AOFM) cash reserves as the improvement in the underlying cash balance outpaces the reduction in debt issuance.

Further details on the changes to the underlying cash balance and headline cash balance since the October Budget can be found in *Statement 3: Fiscal Strategy and Outlook*.

⁴⁸ The AOFM revised the planned volume of Treasury Bond issuance for 2022–23 to around \$85 billion in January 2023 compared to \$95 billion in October 2022.

Table 7.2: Estimates of AGS on issue subject to the Treasurer's Direction – reconciliation from the 2022–23 October Budget to the 2023–24 Budget

	2022-23 \$b	2023-24 \$b	2024-25 \$b	2025-26 \$b
Total face value of AGS on issue subject to the Treasurer's Direction as at 2022-23 October Budget	927	1,004	1,091	1,159
Factors affecting the change in face value of AGS on issue from 2022-23 October Budget to 2023-24 Budget^(a)				
Cumulative receipts decisions	-0.1	-1.9	-7.3	-13.7
Cumulative receipts variations	-28.2	-73.2	-96.2	-111.7
Cumulative payment decisions	1.2	15.0	25.8	34.8
Cumulative payment variations	-13.9	-11.1	-9.8	-9.8
Cumulative change in net investments in financial assets(b)	-1.0	-1.9	-1.5	-0.3
Other contributors	2.6	-7.4	-43.6	-43.7
Total face value of AGS on issue subject to the Treasurer's Direction as at 2023-24 Budget	887	923	958	1,015

a) Cumulative impact of decisions and variations from 2022–23 to 2025–26. Increases to payments are shown as positive and increases to receipts are shown as negative.
b) Change in net cash flows from investments in financial assets for policy purposes only.
Note: End-of-year data.

Breakdown of AGS currently on issue

Table 7.3 provides a breakdown of the AGS on issue by type of security as at 1 May 2023.

Table 7.3: Breakdown of current Australian Government Securities on issue

	On issue as at 1 May 2023	
	Face value \$m	Market value \$m
Treasury Bonds	818,250	777,387
Treasury Indexed Bonds	38,835	50,442
Treasury Notes	37,500	37,288
Total AGS subject to Treasurer's Direction^(a)	894,585	865,117
Other stock and securities	5	5
Total AGS on issue	894,590	865,122

a) The stock and securities that are excluded from the current limit set by the Treasurer's Direction are outlined in subsection 51JA(2A) of the CIS Act.

Source: AOFM.

Appendix A provides further information on the different types of securities.

Treasury Bonds

As at 1 May 2023, there were 28 Treasury Bond lines on issue, with a weighted average term to maturity of around 7 years and the longest maturity extending to June 2051.

Table 7.4: Treasury Bonds on issue

Coupon Per cent	Maturity	On issue as at 1 May 2023 \$m	Timing of interest payments ^(a)	21-Apr	21-Oct
2.75	21-Apr-24	35,900	Twice yearly	21-Apr	21-Oct
0.25	21-Nov-24	41,300	Twice yearly	21-Nov	21-May
3.25	21-Apr-25	41,500	Twice yearly	21-Apr	21-Oct
0.25	21-Nov-25	39,200	Twice yearly	21-Nov	21-May
4.25	21-Apr-26	39,100	Twice yearly	21-Apr	21-Oct
0.50	21-Sep-26	37,800	Twice yearly	21-Sep	21-Mar
4.75	21-Apr-27	36,700	Twice yearly	21-Apr	21-Oct
2.75	21-Nov-27	31,400	Twice yearly	21-Nov	21-May
2.25	21-May-28	30,200	Twice yearly	21-May	21-Nov
2.75	21-Nov-28	34,100	Twice yearly	21-Nov	21-May
3.25	21-Apr-29	35,800	Twice yearly	21-Apr	21-Oct
2.75	21-Nov-29	34,700	Twice yearly	21-Nov	21-May
2.50	21-May-30	37,100	Twice yearly	21-May	21-Nov
1.00	21-Dec-30	38,700	Twice yearly	21-Dec	21-Jun
1.50	21-Jun-31	38,100	Twice yearly	21-Jun	21-Dec
1.00	21-Nov-31	41,800	Twice yearly	21-Nov	21-May
1.25	21-May-32	39,300	Twice yearly	21-May	21-Nov
1.75	21-Nov-32	29,000	Twice yearly	21-Nov	21-May
4.50	21-Apr-33	23,600	Twice yearly	21-Apr	21-Oct
3.00	21-Nov-33	21,100	Twice yearly	21-Nov	21-May
3.75	21-May-34	17,400	Twice yearly	21-May	21-Nov
3.50	21-Dec-34	14,000	Twice yearly	21-Dec	21-Jun
2.75	21-Jun-35	10,850	Twice yearly	21-Jun	21-Dec
3.75	21-Apr-37	12,300	Twice yearly	21-Apr	21-Oct
3.25	21-Jun-39	10,300	Twice yearly	21-Jun	21-Dec
2.75	21-May-41	13,800	Twice yearly	21-May	21-Nov
3.00	21-Mar-47	14,200	Twice yearly	21-Mar	21-Sep
1.75	21-Jun-51	19,000	Twice yearly	21-Jun	21-Dec

a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.

Source: AOFM.

Treasury Indexed Bonds

As at 1 May 2023, there were 7 Treasury Indexed Bond (TIB) lines on issue, with a weighted average term to maturity of around 9 years and the longest maturity extending to February 2050.

Table 7.5: Treasury Indexed Bonds on issue

Coupon Per cent	Maturity	\$m	On issue as at 1 May 2023					
			Quarterly	20-Sep	20-Dec	20-Mar	20-Jun	
3.00	20-Sep-25	8,043	Quarterly	20-Sep	20-Dec	20-Mar	20-Jun	
0.75	21-Nov-27	6,900	Quarterly	21-Nov	21-Feb	21-May	21-Aug	
2.50	20-Sep-30	6,843	Quarterly	20-Sep	20-Dec	20-Mar	20-Jun	
0.25	21-Nov-32	4,200	Quarterly	21-Nov	21-Feb	21-May	21-Aug	
2.00	21-Aug-35	4,350	Quarterly	21-Aug	21-Nov	21-Feb	21-May	
1.25	21-Aug-40	4,350	Quarterly	21-Aug	21-Nov	21-Feb	21-May	
1.00	21-Feb-50	4,150	Quarterly	21-Feb	21-May	21-Aug	21-Nov	

a) Where the timing of an interest payment falls on a non-business day, the payment will occur on the following business day.

Source: AOFM.

Treasury Notes

As at 1 May 2023, there were 9 Treasury Note lines on issue. Treasury Notes do not pay a coupon.

Table 7.6: Treasury Notes on issue

Maturity	\$m	On issue as at 1 May 2023	
		Timing of interest payment	
12-May-23	3,500	At maturity	12-May
26-May-23	8,000	At maturity	26-May
9-Jun-23	7,000	At maturity	9-Jun
23-Jun-23	4,000	At maturity	23-Jun
7-Jul-23	2,500	At maturity	7-Jul
21-Jul-23	4,000	At maturity	21-Jul
11-Aug-23	3,000	At maturity	11-Aug
25-Aug-23	2,000	At maturity	25-Aug
8-Sep-23	3,500	At maturity	8-Sep

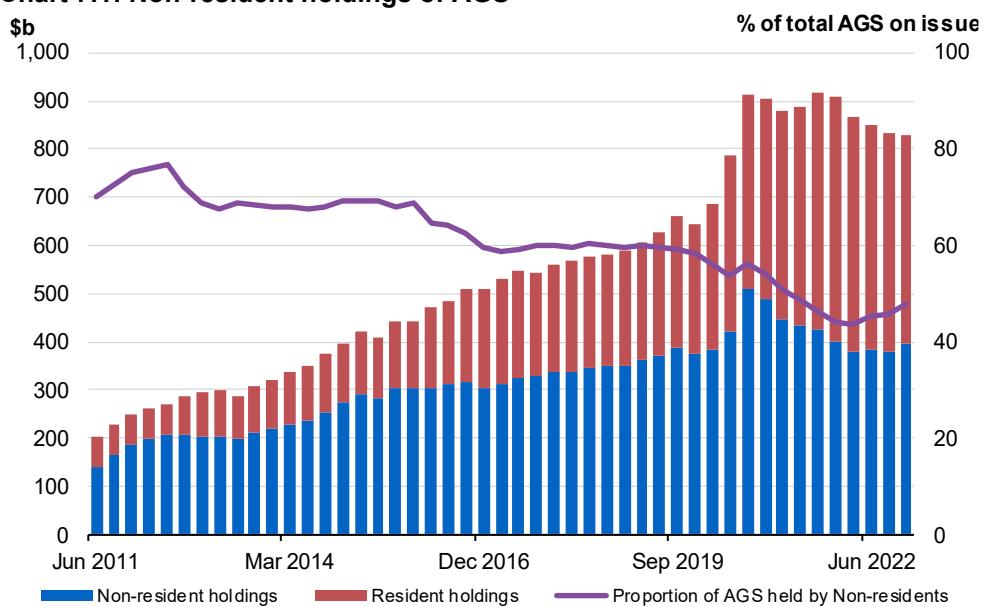
Source: AOFM.

The Government will commence issuing green bonds from mid-2024. Further details on Australian Government green bonds can be found in Box 3.4 in *Statement 3: Fiscal Strategy and Outlook*.

Non-resident holdings of AGS on issue

As at the December 2022 quarter, the proportion of non-resident holdings of AGS was around 48 per cent (Chart 7.1). This proportion is down from historical highs of around 76 per cent in 2012. While the value of non-resident holdings of AGS have increased significantly over this time, the proportion has fallen since the rate of buying by non-resident investors has not matched the rate of issuance. In addition, the Reserve Bank of Australia's bond purchase operations in 2020 and 2021 reduced the amount of AGS available to other investors, including non-residents.

Chart 7.1: Non-resident holdings of AGS



Note: Data refer to the repo-adjusted market value of holdings.

Source: ABS Balance of Payments and International Investment Position, Australia December 2022, AOFM, RBA.

Net debt

Net debt is equal to the sum of interest-bearing liabilities (which include AGS on issue measured at market value) less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placement). As net debt incorporates both selected financial assets and liabilities at their fair value, it provides a broader measure of the Government's financial obligations than gross debt.

Not all government assets or liabilities are included in the measurement of net debt. For example, the Government's unfunded superannuation liability is not accounted for in net debt, nor are holdings of equities, for example those held by the Future Fund or the Government's equity investment in the NBN.

Table 7.7: Liabilities and assets included in net debt

	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Liabilities included in net debt					
Deposits held	406	406	406	406	406
Government securities ^(a)	858,661	902,988	943,825	1,001,798	1,058,666
Loans	30,161	31,007	31,518	31,895	31,916
Lease liabilities	19,610	19,073	18,572	17,271	16,005
Total liabilities included in net debt	908,839	953,474	994,322	1,051,369	1,106,994
Assets included in net debt					
Cash and deposits	64,365	60,841	38,538	33,624	34,591
Advances paid	76,862	76,032	83,061	91,341	98,566
Investments, loans and placements	219,031	241,748	252,171	261,244	270,909
Total assets included in net debt	360,258	378,621	373,770	386,208	404,066
Net debt	548,581	574,852	620,552	665,161	702,928

a) Government securities are presented at market value.

Changes in net debt since the October Budget

Net debt is expected to be lower than estimated at the October Budget across each year of the forward estimates. This improvement primarily reflects a lower financing requirement as a result of the Government's improved outlook in the underlying cash balance, partially offset by lower levels of cash and deposits held at bank.

Table 7.8: Net debt – reconciliation from the 2022–23 October Budget to the 2023–24 Budget

	2022-23 \$b	2023-24 \$b	2024-25 \$b	2025-26 \$b
Net debt as at 2022-23 October Budget	572.2	634.1	702.8	766.8
Changes in financing requirement	-39.4	-75.6	-125.1	-135.0
Impact of yields on AGS	20.1	15.7	12.7	9.3
Asset and other liability movements	-4.3	0.7	30.1	24.0
<i>Cash and deposits</i>	-9.4	7.5	41.1	39.3
<i>Advances paid</i>	-0.2	-0.6	-3.2	-7.7
<i>Investments, loans and placements</i>	6.7	-4.8	-7.1	-7.3
<i>Other movements</i>	-1.4	-1.5	-0.7	-0.3
Total movements in net debt from 2022-23 October Budget to 2023-24 Budget	-23.6	-59.2	-82.2	-101.6
Net debt as at 2023-24 Budget	548.6	574.9	620.6	665.2

Interest on AGS

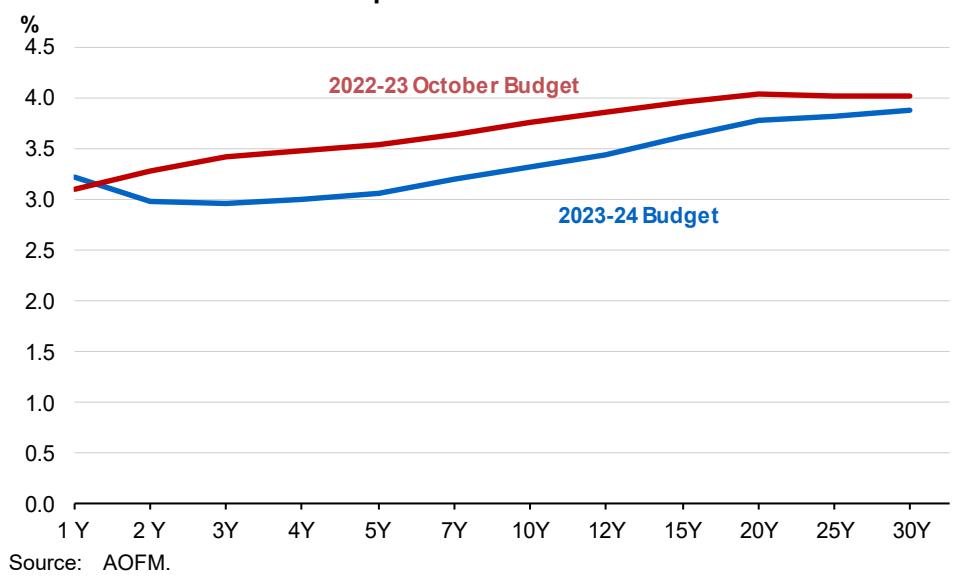
Estimates of the interest payments and expense of AGS on issue include the cost of AGS already on issue and future AGS issuance.

- The cost of AGS already on issue reflects the actual yield at the time of issuance.
- The expected cost of future AGS issuance is based on a recent average of daily spot rates across the yield curve at the time of a budget estimates update.

Interest payments on AGS are estimated to be lower across each year of the forward estimates when compared to October Budget. This improvement is primarily driven by a lower financing requirement resulting from an improved outlook for the underlying cash balance. To a lesser extent, lower yields are also contributing to the reduction in interest payments.

Chart 7.2 shows the yield curve assumptions underpinning the October Budget and the 2023–24 Budget. Yields are generally lower compared to the October Budget, reflecting some moderation in market expectations for inflation and future cash rates. This has resulted in an assumed weighted average cost of borrowing of around 3.4 per cent for future issuance of Treasury Bonds over the forward estimates, compared with around 3.8 per cent at the October Budget. This remains significantly above the 2.2 per cent at PEFO.

Chart 7.2: Yield curve assumptions from 2023–24 to 2026–27



By the end of the forward estimates total interest payments are \$27.1 billion, of which \$26.0 billion relates to AGS on issue (Table 7.9). Compared with the October Budget, interest payments as a share of GDP are estimated to be lower across each year of the forward estimates driven by the improved outlook for the underlying cash balance and lower yields.

Interest receipts are estimated to be higher across each year of the forward estimates than at the October Budget.

Net interest payments as a share of GDP in 2022–23 are estimated to remain at same level as October Budget. Over the forward estimates, net interest payments as a share of GDP are expected to be lower than October Budget reaching 0.8 per cent by 2025–26 before dropping to 0.7 per cent in 2026–27.

Table 7.9: Interest payments, interest receipts and net interest payments^(a)

	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Interest payments on AGS(b)	17,724	19,799	21,238	27,061	25,969
Per cent of GDP	0.7	0.8	0.8	1.0	0.9
Interest payments(c)	18,792	21,052	22,382	28,186	27,147
Per cent of GDP	0.7	0.8	0.8	1.0	0.9
Interest receipts	6,115	7,654	7,168	6,930	7,160
Per cent of GDP	0.2	0.3	0.3	0.2	0.2
Net interest payments(d)	12,677	13,398	15,214	21,256	19,987
Per cent of GDP	0.5	0.5	0.6	0.8	0.7

- a) Interest payments and receipts are a cash measure, with the relevant amount recognised in the period in which the interest payment is made or interest is received.
- b) The increase in 2025–26 primarily reflects a Treasury Indexed Bond line maturing in that year.
- c) Interest payments include interest payments on AGS, loans and other borrowing, as well as interest payments on lease liabilities.
- d) Net interest payments are equal to the difference between interest payments and interest receipts.

Appendix A: AGS issuance

The AOFM is responsible for issuing AGS and managing the Government's financing activities. The AOFM currently issues 3 types of securities:

- **Treasury Bonds:** medium to long-term securities with a fixed annual rate of interest payable every 6 months.
- **Treasury Indexed Bonds (TIBs):** medium to long-term securities for which the capital value of the security is adjusted for movements in the consumer price index (CPI). Interest on TIBs is paid quarterly, at a fixed rate, on the adjusted capital value.
- **Treasury Notes:** short-term discount securities which mature within one year of issuance. The volume of Treasury Notes on issue will vary over the course of the year, depending on the size and profile of the within-year funding requirements.

Within these 3 broad categories of AGS, issuance is undertaken into a limited number of maturities (known as lines). The number of lines on issue is determined by the AOFM as part of its debt portfolio management role. Each line has a fixed maturity date (the date on which the Government repays the principal it has borrowed) and, for Treasury Bonds and TIBs, a coupon rate (the annual fixed interest rate paid on the security).

Concentrating AGS issuance into a limited number of lines (rather than issuing securities with a specific tenor, such as 10 years) ensures each line is sufficiently large that it can be more readily traded in the secondary market. Strong liquidity in the secondary market is attractive to investors and intermediaries, promotes demand for AGS and assists in lowering borrowing costs. All AGS issuance is undertaken in Australian dollars.

The AOFM exercises operational independence in the execution of its duties. Its announced issuance program for each year is determined on the basis of maturing AGS, net new issuance required to fund the Budget and operational considerations.

Operational considerations often mean that the annual issuance program may not be equivalent to the financing task for a particular year. For example, the AOFM may decide there is merit in holding higher or lower cash balances. The AOFM may also choose to smooth issuance across several financial years in order to reduce changes in AGS issuance from one financial year to the next.

The AOFM aims to maintain an AGS yield curve out to a 30-year benchmark bond. This facilitates a lower risk profile of maturing debt, broadens the investor base and helps to reduce the impact of interest rate volatility on budget outcomes. Further details on the AOFM's debt issuance program are available on the AOFM website at www.aofm.gov.au.

The AOFM publishes an issuance program for the budget year only. Estimates beyond the budget year are based on a set of technical assumptions and will vary with changes to these assumptions and budget estimates.

Appendix B: Interest on AGS

The interest costs related to AGS are presented in both cash and accrual accounting terms. The difference between the cash interest payments and accrual interest expense generally relates to the timing of when the interest cost is recognised.

- **Interest payments** are recognised in the period when they are paid during the life of the security.
- **Interest expense** is recognised in the period in which an expense is incurred during the life of the security, rather than when it is actually paid.

Table 7.10 shows changes in interest expense, interest income and net interest expense over the forward estimates.

Table 7.10: Interest expense, interest income and net interest expense^(a)

	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Interest expense on AGS	22,129	22,591	23,878	26,214	29,067
Per cent of GDP	0.9	0.9	0.9	0.9	1.0
Total interest expense(b)	26,789	27,762	33,076	31,064	35,316
Per cent of GDP	1.1	1.1	1.3	1.1	1.2
Interest income	9,053	9,426	8,669	8,561	9,069
Per cent of GDP	0.4	0.4	0.3	0.3	0.3
Net interest expense(c)	17,736	18,336	24,407	22,503	26,247
Per cent of GDP	0.7	0.7	0.9	0.8	0.9

- a) Interest expense is an accrual measure, with the relevant amount recognised in the period in which the expense is incurred, but not necessarily paid.
 b) Total Interest expense includes interest expense on AGS, loans and other borrowing, as well as interest expense on lease liabilities and other financing costs (including debt not expected to be repaid (DNER)).
 c) Net interest expense is equal to the difference between interest expenses and interest income.

Statement 8: Forecasting Performance and Sensitivity Analysis

Economic and fiscal forecasts and projections in the Budget are underpinned by a range of assumptions and judgements based on best available information at the time of preparation. In practice, economic and fiscal circumstances can evolve in ways that differ from expectations.

This statement assesses:

1. The performance of past forecasts based on the variance between forecasts and actuals
2. The uncertainty around current forecasts using confidence interval analysis
3. The sensitivity of current forecasts to changes in key assumptions:
 - Iron ore prices
 - Yields on Australian Government Securities

The economic impact of other key variables, including metallurgical and thermal coal, liquefied natural gas prices, population and participation are considered in *Budget Statement 2: Economic Outlook*. The fiscal impact of key developments and Australia's climate change outlook are considered in *Budget Statement 3: Fiscal Strategy and Outlook*.



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Statement 8: Forecasting Performance and Sensitivity Analysis

Assessing past forecasting performance

This section assesses the variance between historical forecasts and outcomes (forecast errors) for real and nominal GDP, tax receipts, non-tax receipts, payments and the underlying cash balance.

Forecasts are prepared using a range of techniques:

- Macroeconomic forecasts are prepared consistent with a national accounting framework using econometric models, spreadsheet analysis and professional judgement.
- Tax receipts forecasts are generally prepared using a 'base plus growth' methodology. The last outcome for each head of revenue is the base to which growth rates are applied, using appropriate economic parameters.
- Payments forecasts are generally prepared through analysis of payment program data, costings for new policies and historical trends in programs, in consultation with relevant agencies.

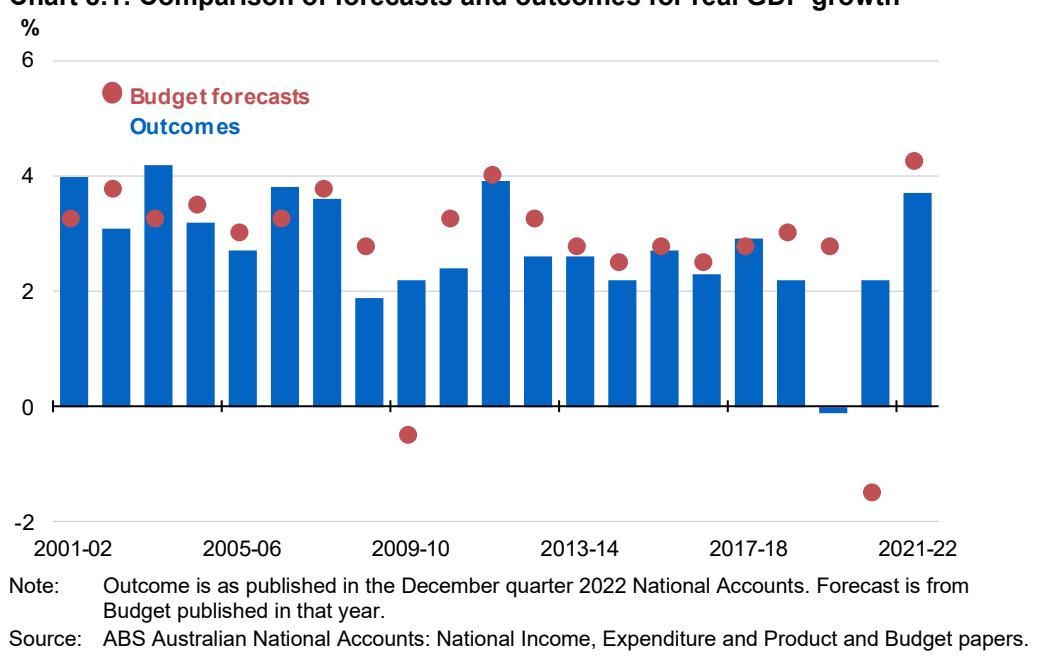
Forecasts are based on assumptions and judgements. Forecast accuracy depends on whether assumptions and judgements prove to be correct, and the reliability of the modelled economic and fiscal relationships.

Economic forecasting performance

Real GDP forecasts incorporate assumptions for exchange rates, interest rates, commodity prices and population growth. The forecasts also incorporate judgements about how domestic and international developments will affect Australia's economy.

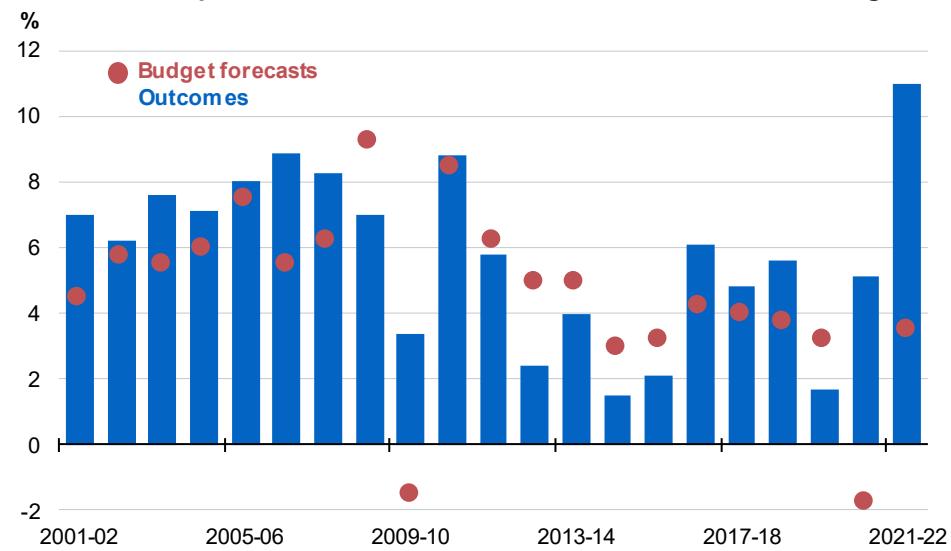
Real GDP grew by 3.7 per cent in 2021–22 rather than the 4¼ per cent growth forecast at the 2021–22 Budget (Chart 8.1). The overestimate of real GDP growth in 2021–22 was primarily due to weaker-than-expected household consumption during the Delta wave of the pandemic.

Chart 8.1: Comparison of forecasts and outcomes for real GDP growth



Nominal GDP forecasts include a price component that adds additional uncertainty compared to real GDP forecasts. Price uncertainty relates to domestic prices and wages, prices of imported goods, and world prices for Australia's exports including commodities. Since the early 2000s, nominal GDP forecast errors have largely reflected volatility in global commodity prices.

Nominal GDP grew by 11 per cent in 2021–22 rather than the 3½ per cent growth forecast at the 2021–22 Budget (Chart 8.2). The large underestimate in nominal GDP reflected higher-than-expected commodity prices, with Russia's invasion of Ukraine pushing up global energy prices and the price of Australian coal and LNG exports. Treasury regularly reviews the methodology and assumptions that feed into the economic outlook. An example of this approach are the revisions to technical assumptions for commodity prices outlined in Box 2.4 *Budget Statement 2: Economic Outlook*.

Chart 8.2: Comparison of forecasts and outcomes for nominal GDP growth

Note: Outcome is as published in the December quarter 2022 National Accounts. Forecast is from Budget published in that year.

Source: ABS Australian National Accounts: National Income, Expenditure and Product and Budget papers.

Fiscal forecasting performance

Fiscal forecast errors are driven by economic and demographic forecast errors, along with unanticipated changes in demand for government programs. Government policies announced after the Budget can also affect fiscal forecast errors. These errors are larger in years where additional unexpected spending is required to support the economy. Further information on Budget outcomes can be found in the 2021–22 *Final Budget Outcome*.

Total receipts

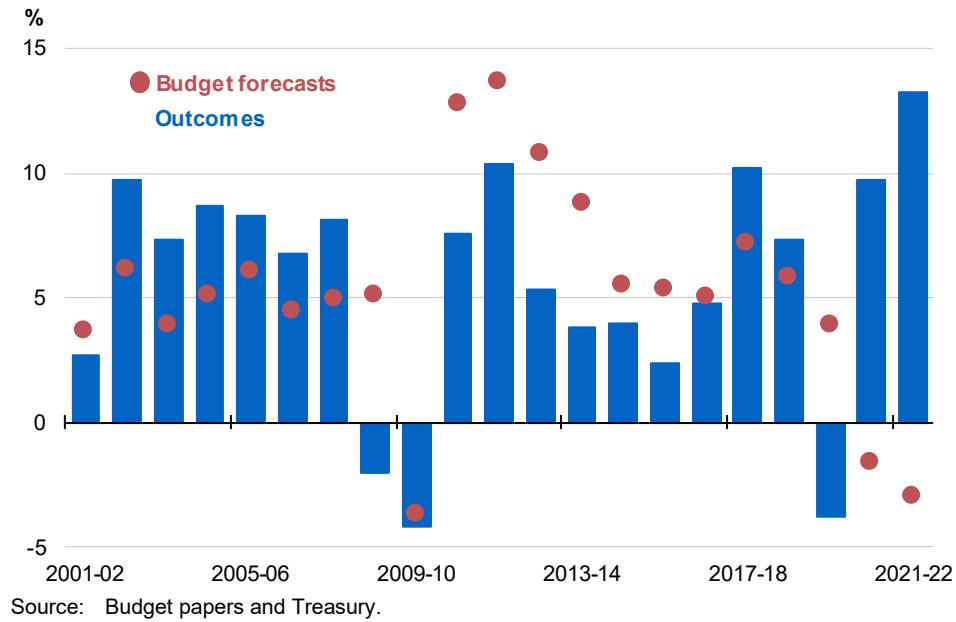
Total receipts are comprised of tax and non-tax receipts (for example, dividends from investment funds). Tax receipts account for over 90 per cent of total receipts and are therefore the main driver of forecasting performance.

Total receipts grew 12.4 per cent in 2021–22 rather than the 3.6 per cent decline forecast at the 2021–22 Budget. Total receipts were \$102.3 billion higher than forecast.

Tax receipts

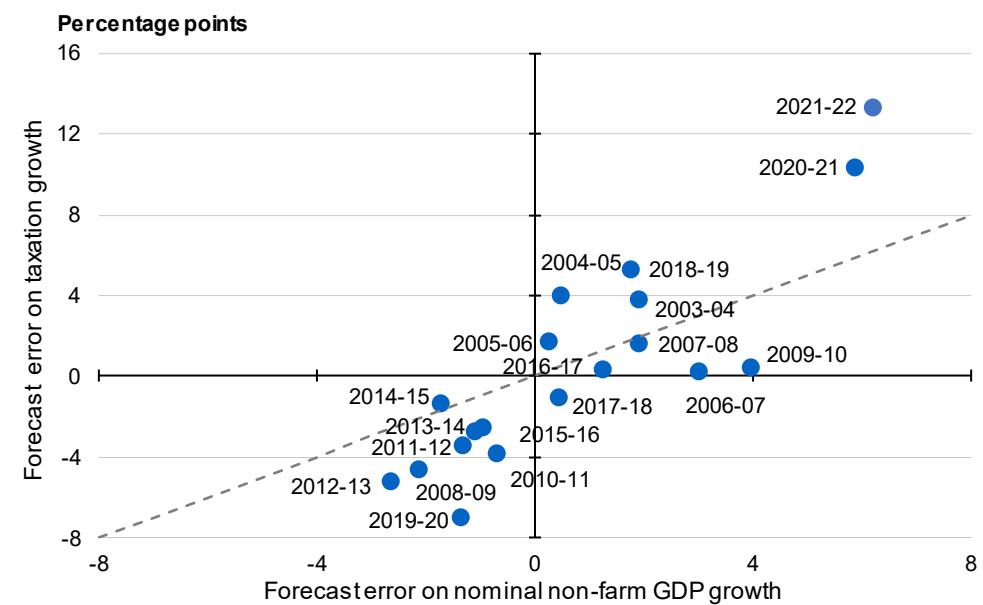
Tax receipts grew 13.2 per cent in 2021–22 rather than the 3 per cent decline forecast at the 2021–22 Budget (Chart 8.3). Tax receipts were \$91.0 billion higher than forecast. This outcome reflected growth in most revenue heads, driven by stronger-than-expected economic outcomes and higher-than-expected commodity prices.

Chart 8.3: Comparison of forecasts and outcomes for tax receipts growth



On average, nominal GDP forecast errors are magnified in tax receipts forecast errors, owing to the progressive nature of Australia's personal income tax system (Chart 8.4).

Chart 8.4: Forecast errors for nominal non-farm GDP and tax receipts growth^(a)



a) Excludes CGT.

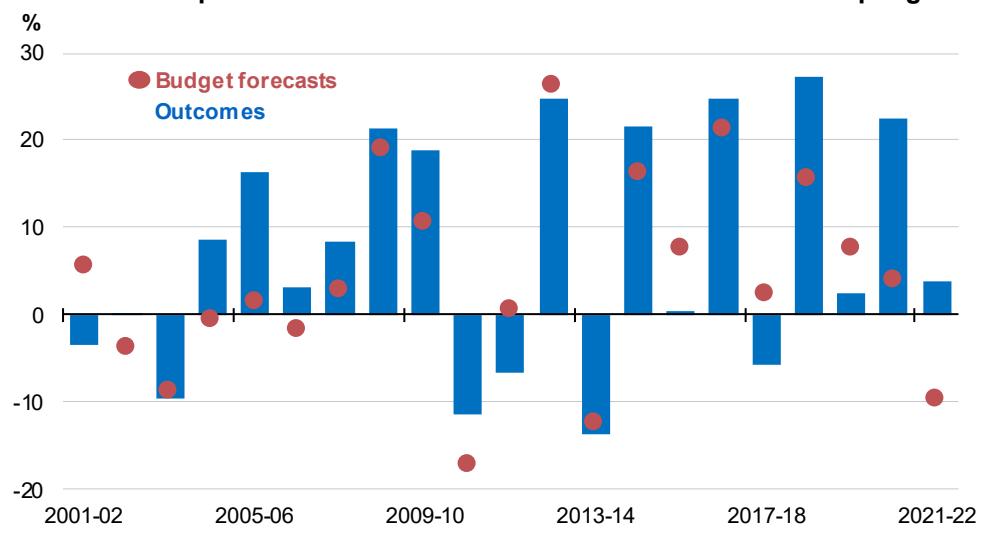
Source: ABS Australian National Accounts: National Income, Expenditure and Product, Treasury.

Non-tax receipts

Forecast variances for non-tax receipts are generally driven by uncertainty around market outcomes which impact investment earnings and resource royalties.

Non-tax receipts grew 3.9 per cent in 2021–22 rather than the 9.7 per cent decline forecast at the 2021–22 Budget (Chart 8.5). Non-tax receipts were \$11.3 billion higher in 2021–22 than forecast in the 2021–22 Budget. This outcome reflected higher-than-expected Future Fund investment earnings. Further information on Budget outcomes can be found in the *2021–22 Final Budget Outcome*.

Chart 8.5: Comparison of forecasts and outcomes for non-tax receipts growth



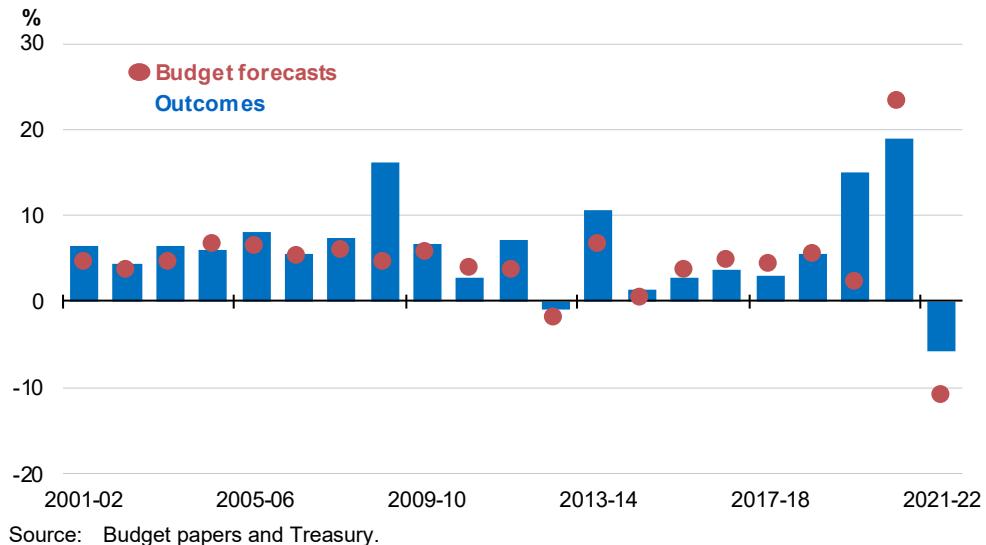
Source: Budget papers and Treasury.

Payments

Payments forecasting performance is affected by growth in indexation factors (for example, CPI growth) and demand for government programs. Demand-driven programs, such as payments to individuals for social welfare, form the bulk of Australian government expenditure and vary with economic conditions.

Payments declined 5.8 per cent in 2021–22 rather than the 10.9 per cent decline forecast at the 2021–22 Budget (Chart 8.6). Payments were \$27.6 billion higher in 2021–22 than forecast in the 2021–22 Budget. This outcome reflected additional COVID-19 response measures – particularly the *COVID-19 Response Package – National COVID-19 Disaster Payment* and *COVID-19 Response Package – COVID-19 Business Support* – which were announced in the 2021–22 Mid-Year Economic and Fiscal Outlook, as well as higher-than-anticipated spending on existing measures including the *Pandemic Leave Disaster Payment* which were announced in the 2020–21 Budget.

Chart 8.6: Comparison of forecasts and outcomes for payments growth

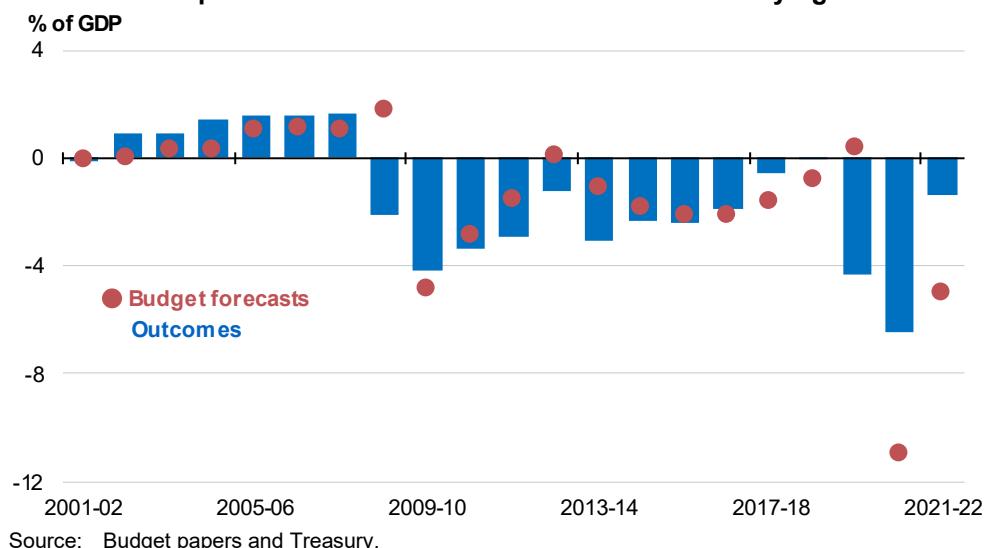


Underlying cash balance

Underlying cash balance forecasting performance is driven by the forecast errors of total receipts and payments.

The underlying cash deficit was 1.4 per cent of GDP in 2021–22 rather than the forecast deficit of 5 per cent of GDP (Chart 8.7). The underlying cash deficit was \$74.7 billion smaller than forecast. The better-than-expected underlying cash balance outcome in 2021–22 reflected the challenges of forecasting during COVID–19.

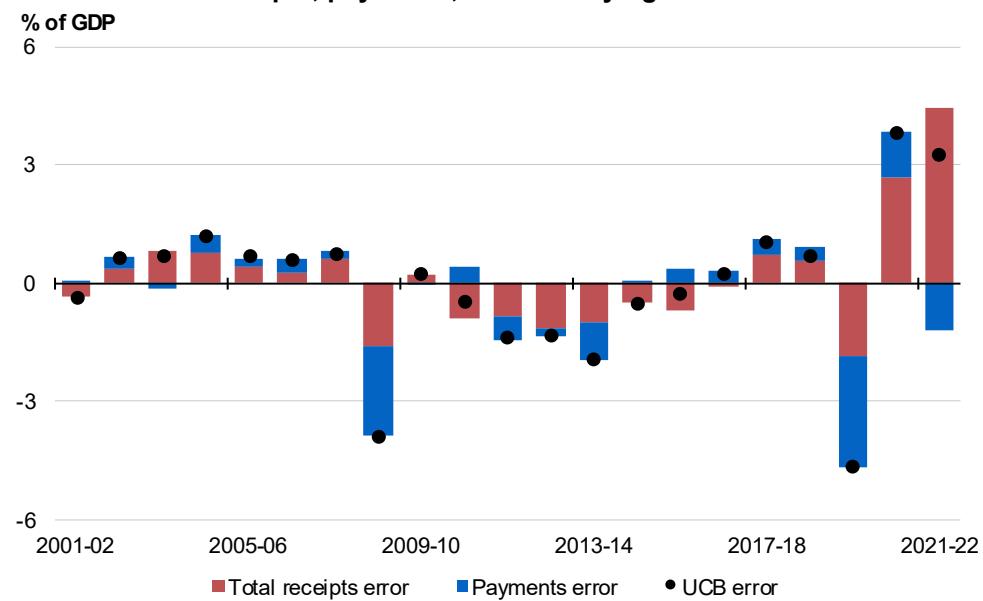
Chart 8.7: Comparison of forecasts and outcomes for underlying cash balance



Over the past 2 decades, outside major downturns, forecast errors for the underlying cash balance⁴⁹ largely reflect forecast errors of total receipts (Chart 8.8). A key contributing factor is the volatility of global commodity prices and its impact on tax receipts.

Large forecast errors for payments in 2008–09 and 2019–20 reflected unexpected Government payment assistance during the Global Financial Crisis and COVID–19. Overestimates of receipts tend to coincide with underestimates of payments during economic shocks, magnifying underlying cash balance forecast errors.

Chart 8.8: Total receipts, payments, and underlying cash balance forecast errors



Source: Budget papers and Treasury.

⁴⁹ Between 2005–06 and 2019–20, the underlying cash balance was equal to receipts less payments, less net Future Fund earnings. In all other years, the underlying cash balance is equal to receipts less payments.

Assessing forecast uncertainty – confidence interval analysis

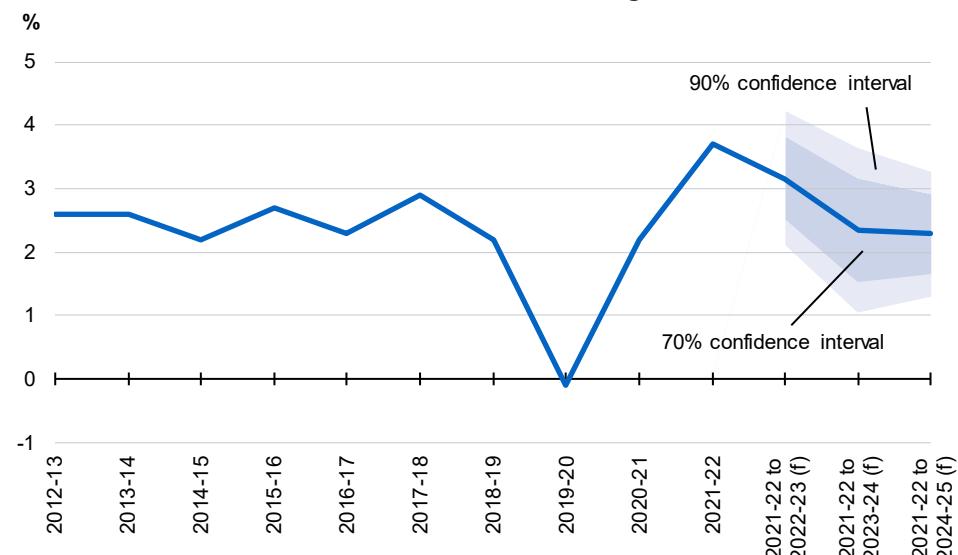
Confidence intervals illustrate the uncertainty around current forecasts based on historical patterns of forecast errors. Confidence interval analysis assumes that future forecast errors are consistent with the distribution of past forecast errors⁵⁰ (1998–99 to 2021–22). Based on past forecasting performance, there is a 70 and 90 per cent probability that the forecasts will lie within the 70 and 90 per cent confidence interval bands.

Future forecast errors may not have the same distribution as historical forecast errors. The large forecast errors in 2019–20 and 2020–21, related to COVID-19, are an example of events not previously captured in the historical error sample. Large disruptive events are difficult to predict and could occur again in the future.

Economic uncertainty based on historical forecast errors

Average annualised growth in real GDP in the 3 years to 2024–25 is expected to be around $2\frac{1}{4}$ per cent. The 70 per cent confidence interval ranges from $1\frac{3}{4}$ per cent to 3 per cent. The 90 per cent confidence interval ranges from $1\frac{1}{4}$ per cent to $3\frac{1}{4}$ per cent (Chart 8.9).

Chart 8.9: Confidence intervals around real GDP growth rate forecasts



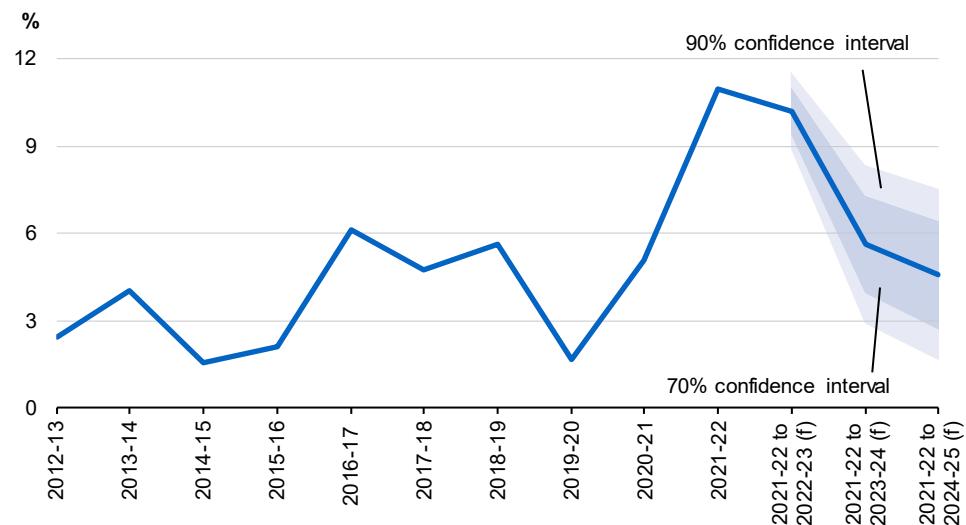
Note: The line shows the outcomes and the 2023–24 Budget forecasts. Annual growth rates are reported for the outcomes. Average annualised growth rates from 2021–22 are reported for 2022–23 onwards. Confidence intervals are based on the root mean squared errors (RMSEs) of Budget forecasts from 1998–99 onwards and are a statistical assessment that does not take account of any change in circumstance in the economic outlook. (f) are forecasts.

Source: ABS Australian National Accounts: National Income, Expenditure and Product, Treasury.

⁵⁰ See Treasury Working Paper: *Estimates of Uncertainty around Budget Forecasts* (2013).

The confidence intervals around the nominal GDP forecasts are wider than those around the real GDP forecasts, reflecting the additional uncertainty around domestic prices and commodity prices. Average annualised growth in nominal GDP in the 3 years to 2024–25 is expected to be around 4½ per cent, with the 70 per cent confidence interval ranging from 2¾ per cent to 6½ per cent. The 90 per cent confidence interval ranges from 1½ per cent to 7½ per cent (Chart 8.10).

Chart 8.10: Confidence intervals around nominal GDP growth rate forecasts



Note: See note to Chart 8.9.

Source: ABS Australian National Accounts: National Income, Expenditure and Product, Treasury.

Fiscal uncertainty based on historical forecast errors

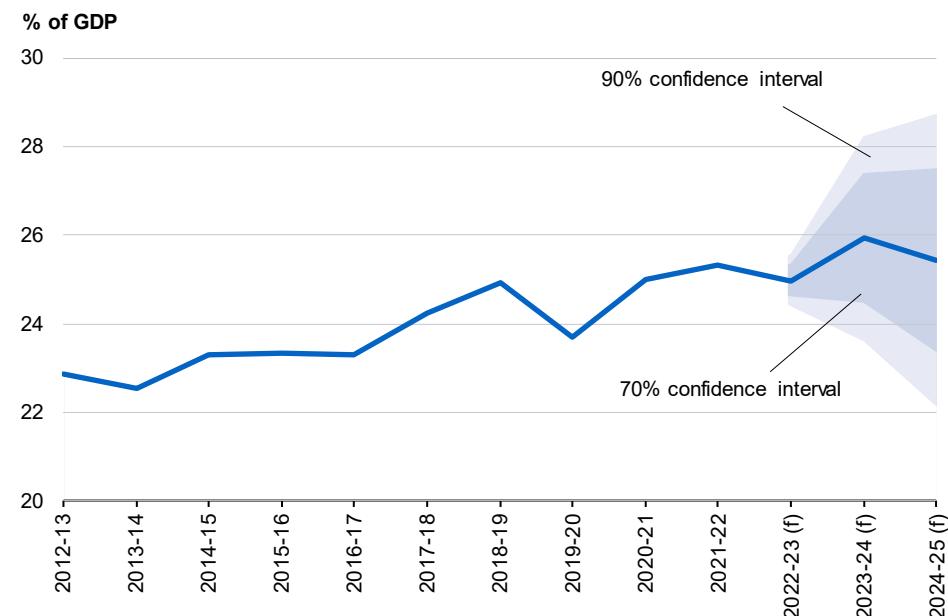
Fiscal estimates are based on economic and demographic forecasts as well as estimates of the impact of spending and revenue measures.

Historical variations caused by subsequent policy decisions not known at the time of forecast are excluded because these decisions do not relate to the forecasting errors presented in this section. Payment estimates do not exclude the public debt interest associated with these subsequent policy decisions because this cannot be separately identified. GST is reported as a Commonwealth tax in the budget. From the 2023–24 Budget, the analysis of forecast errors will incorporate GST data to provide a better indication of the uncertainty surrounding fiscal forecast estimates.

Total receipts

Total receipts (including GST) are expected to be around 25.9 per cent of GDP in 2023–24, with the 70 per cent confidence interval ranging from 24.5 per cent to 27.4 per cent of GDP. The 90 per cent confidence interval ranges from 23.6 per cent to 28.2 per cent. The uncertainty around receipts forecasts increases with time (Chart 8.11).

Chart 8.11: Confidence intervals around total receipts forecasts^(a)



a) Includes Future Fund earnings from 2000-21 onwards.

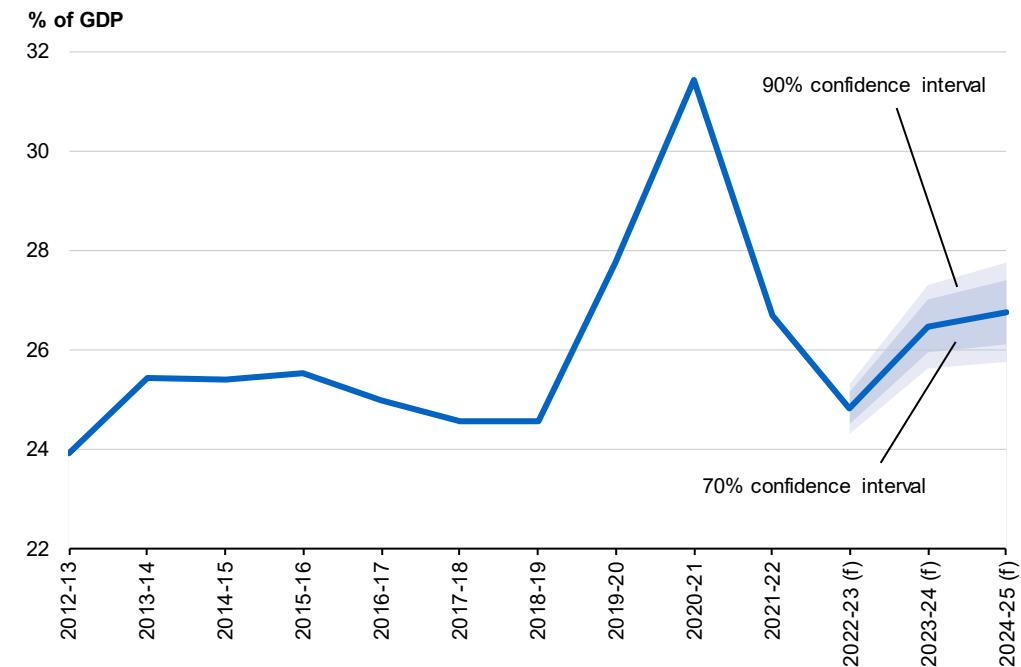
Note: The central line shows the outcomes and the 2023-24 Budget forecasts. Confidence intervals use RMSEs for Budget forecasts from the 1999-2000 Budget onwards. (f) are forecasts.

Source: Budget papers and Treasury.

Payments

The confidence interval for payments is narrower than receipts because there is greater certainty around payments forecasts. Payments (including GST) are expected to be around 26.5 per cent of GDP in 2023-24, with the 70 per cent confidence interval ranging from 25.9 per cent to 27.0 per cent of GDP. The 90 per cent confidence interval ranges from 25.6 per cent to 27.3 per cent (Chart 8.12).

Chart 8.12: Confidence intervals around payments forecasts^(a)



a) Includes GST payments.

Note: See note to Chart 8.11.

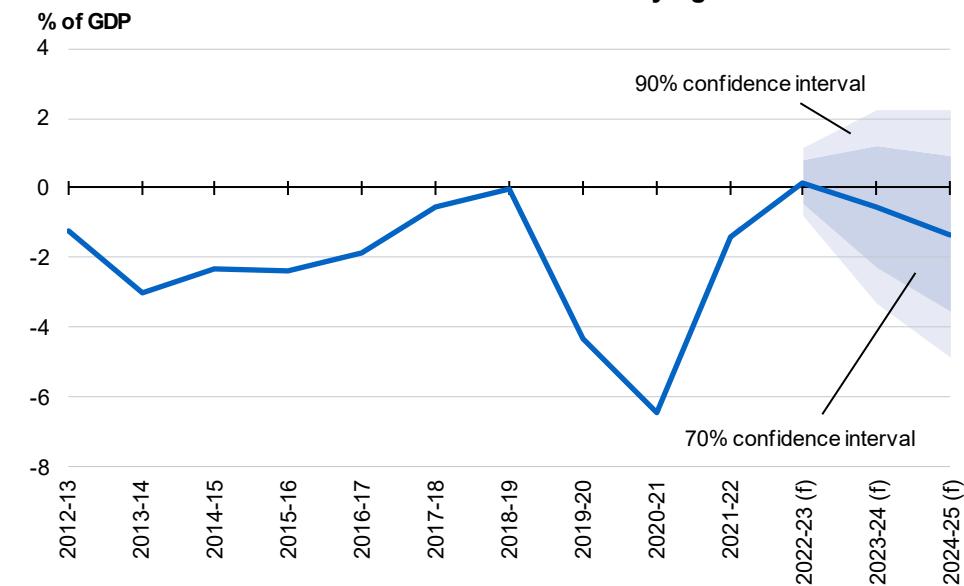
Source: Budget papers and Treasury.

Underlying cash balance

The underlying cash deficit in 2023–24 is expected to be 0.5 per cent of GDP, with the 70 per cent confidence interval ranging from a deficit of 2.3 per cent to a surplus of 1.2 per cent of GDP. The 90 per cent confidence interval ranges from a deficit of 3.3 per cent to a surplus of 2.2 per cent.

The uncertainty around underlying cash balance forecasts reflects forecast errors in receipts and payments which increase with time (Chart 8.13).

Chart 8.13: Confidence intervals around the underlying cash balance forecasts



Note: See note to Chart 8.11.

Source: Budget papers and Treasury.

Assessing current forecasts through sensitivity analysis

Undertaking sensitivity analysis allows for an assessment of the importance of key assumptions. The following sensitivity analyses are considered due to their variability and importance for the Budget:

- Higher and lower iron ore prices in 2023–24 and 2024–25.
- Higher and lower yields over the medium term.

For illustrative purposes, the upper and lower sensitivities are broadly symmetric, even where not equally probable.

Movements in iron ore prices

The forecasts for nominal GDP and tax receipts are sensitive to commodity price assumptions, particularly iron ore prices. Iron ore is Australia's largest export by value, representing around 22 per cent of the total value of goods and services exports in 2021–22. See *Budget Statement 2: Economic Outlook* for more information on developments in commodity prices.

Iron ore prices are volatile and sensitive to global market developments. Table 8.1 considers the impact of a permanent US\$10 per tonne increase and decrease in the iron ore price on nominal GDP and tax receipts relative to the baseline forecast.

Table 8.1: Sensitivity analysis of a US\$10 per tonne movement in iron ore prices

	US\$10/tonne FOB ^(a) increase		US\$10/tonne FOB decrease	
	2023-24	2024-25	2023-24	2024-25
Nominal GDP (\$billion)	5.1	2.5	-5.1	-2.5
Tax receipts (\$billion)	0.5	0.5	-0.5	-0.5

a) Prices are presented in free-on-board (FOB) terms which exclude the cost of freight.

Source: Treasury.

The effects of a US\$10 per tonne increase and decrease in the iron ore price are broadly symmetric. The following discusses the effects of an increase for illustrative purposes. The US\$10 per tonne increase in the assumed price for iron ore exports is expected to result in an increase in nominal GDP of around \$5.1 billion in 2023–24 and around \$2.5 billion in 2024–25.

The economic response to a permanent change in the price of iron ore is derived from a commodity price shock in Treasury's Macroeconometric Model of Australia⁵¹. The model incorporates forward-looking financial markets, which anticipate the permanent increase (or decrease) in commodity prices. An increase in iron ore export prices leads to a higher terms of trade, which leads directly to higher output prices and nominal GDP. However, the appreciation in the exchange rate partially offsets the increase in export prices and acts to reduce domestic inflation through lower import prices.

The volume of output and exports of the mining sector increase in response to higher iron ore prices. The higher exchange rate leads to a substitution towards imports, which partially offsets the increase in exports and GDP.

A US\$10 per tonne increase in the assumed price for iron ore exports is expected to result in an increase in tax receipts of around \$0.5 billion in both 2023–24 and 2024–25. An increase in iron ore prices increases mining company profits and therefore company tax receipts. Lower domestic prices result in lower individuals and other withholding taxes and indirect tax receipts, partially offsetting the increase in company tax.

⁵¹ See Treasury Paper: *The Macroeconometric Model of Australia: Modelling Approach* (2021).

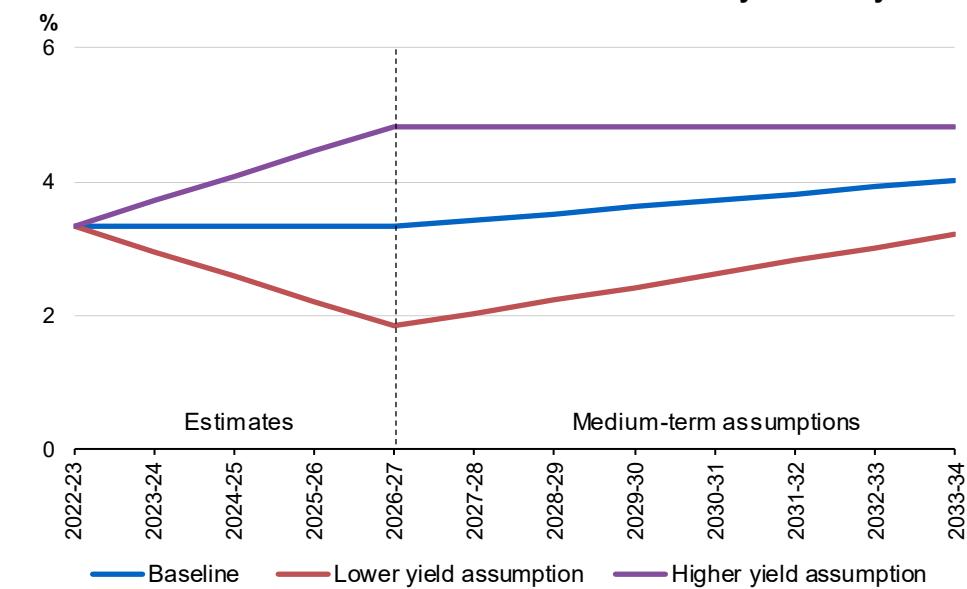
Movements in yields

Government borrowing costs are sensitive to yields on Australian Government Securities and the level of debt. See *Budget Statement 3: Fiscal Strategy and Outlook* for further information on yields. Given the uncertainty surrounding the global and domestic outlook and the impact on yields, Treasury makes the following technical assumptions:

- Over the forward estimates, government bond yields are fixed at rates observed immediately prior to the Budget update. This approach captures the latest market outlook while removing the effects of near-term volatility.
- Over the medium term, the 10-year bond yield converges linearly towards long-run nominal GDP growth. This leads to conservative debt dynamics, consistent with the approaches of comparable advanced economies. The 10-year bond yield approximates the average yield on new issuance. Other tenor yields are assumed to maintain their historical relativity to the 10-year bond yield.

The higher yield assumption has bond yields increasing by 150 basis points by the end of the forward estimates. The lower yield assumption has bond yields decreasing by 150 basis points by the end of the forward estimates. From the start of the medium term, yields in both analyses linearly converge over 15 years to the long-run yield assumption of nominal GDP growth (Chart 8.14). Other economic parameters are assumed to remain unchanged from baseline forecasts to isolate the direct impact on fiscal aggregates.

Chart 8.14: Baseline and alternative movements in the 10-year bond yield



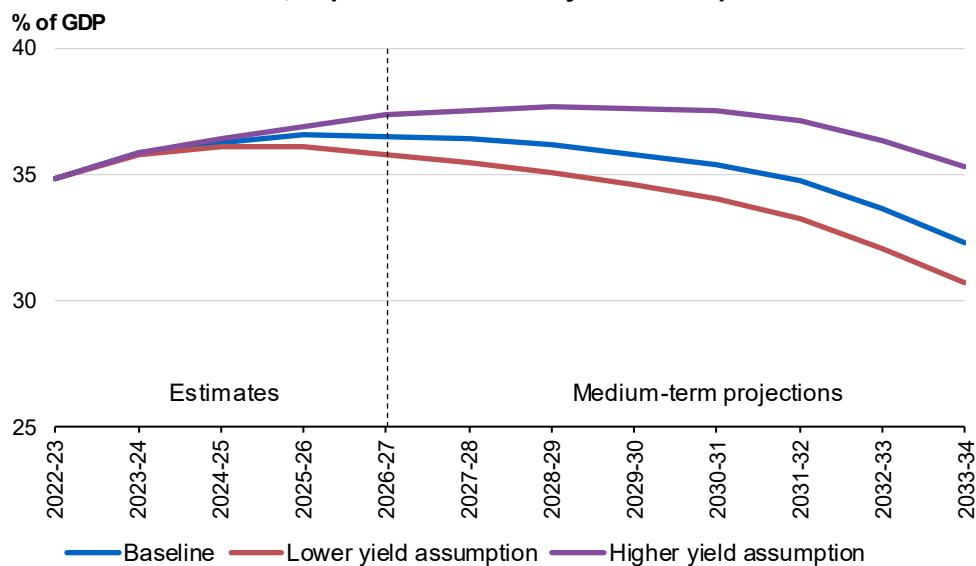
Source: Treasury.

Higher yields increase public debt interest paid and receipts earned on investments. As government interest bearing liabilities usually exceed interest bearing assets, higher yields lead to a deterioration in the underlying cash balance. Lower yields have the reverse effect, improving the underlying cash balance.

The higher yield assumption results in a deterioration to the underlying cash balance of 0.2 percentage points of GDP by 2033–34 and increases gross debt by 3.0 percentage points of GDP at 30 June 2034 (Chart 8.15).

The lower yield assumption results in an improvement to the underlying cash balance of 0.2 percentage points of GDP by 2033–34. Under the lower yield assumption, cumulative improvements to the underlying cash balance reduce gross debt by 1.6 percentage points of GDP at 30 June 2034.

Chart 8.15: Gross debt, impact of alternative yield assumptions



Source: Australian Office of Financial Management and Treasury.

Even under the higher yield assumption, projected Commonwealth gross debt as a share of GDP is less than 30 per cent of the average general government gross debt in the G7 countries today.



Statement 9: Statement of Risks

A range of factors may influence the actual budget outcome in future years. The *Charter of Budget Honesty Act 1998* requires these factors to be disclosed in a statement of risks in each Budget and Mid-Year Economic and Fiscal Outlook. This Statement outlines general fiscal risks, specific contingent liabilities and specific contingent assets that may affect the budget balances.



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Statement 9: Statement of Risks

Risks to the Budget – Overview

The forward estimates of revenue and expenses in the 2023–24 Budget incorporate assumptions and judgments based on the best information available at the time of publication, together with a range of economic assumptions and other forecasts and projections.

Events that could affect fiscal outcomes include:

- changes in economic and other parameters, which may be driven by domestic and global responses to inflationary pressures, the risk of further global energy price shocks, the ongoing uncertainty associated with the war in Ukraine, and the challenges associated with the transition towards net zero emissions.
- matters not included in the fiscal forecasts because of uncertainty about their timing, magnitude or likelihood.
- the realisation of contingent liabilities or assets.

The revenue and expense estimates and projections published in the 2023–24 Budget are based on a range of economic and other parameters that are consistent with the domestic and international outlook detailed in *Budget Statement 2: Economic Outlook*. Economic outcomes that differ from the parameters used in the Budget represent a material risk to the Budget estimates. *Budget Statement 8: Forecasting Performance and Sensitivity Analysis* examines the impact on receipts and payments of altering some of the key economic assumptions underlying the Budget estimates.

A significant portion of government expenditure is for demand-driven programs. Outcomes for these programs could differ from the estimates and projections due to changes in economic outcomes, particularly for inflation and wages growth. For a number of demand-driven support programs, including the National Disability Insurance Scheme, aged care programs and health programs, outcomes depend on the wide range of factors that affect the take-up of and cost of these programs.

Revenue forecasting relies heavily on the observed relationships between the economy, tax bases and tax revenues. Such relationships may shift over time as the economy changes, presenting further risk to the estimates. For example, the ability of entities to use tax losses to offset profits may continue to pose heightened challenges in estimating the profile for company and resource tax receipts in particular. Revenue forecasts also incorporate costings for new policies that typically involve a degree of uncertainty.

The estimates and projections of revenue are also subject to a number of general risks that can affect taxation collections. These general pressures include the ability of the tax system to keep pace with changes in the business environment, tax avoidance, court decisions and Australian Taxation Office rulings, and the outcome of compliance programs.

These pressures may result in a shift in the composition of taxation collected from the various tax bases or a change in the size of the tax base.

Many agencies rely on external revenue to fund the delivery of some of their services. Estimates included in the Budget for these agencies reflect the latest information regarding the likely scale of external revenue they will raise. Outcomes in relation to external revenue are not certain and depend on some common factors, including economic conditions, which can affect estimates for individual agencies and for the Budget as a whole.

The forward estimates in the Budget include the impact of all policy decisions, including those that remain unlegislated. Where legislation is not passed in time to enable commencement of the measure at the anticipated commencement date, the legislation is passed with amendments to the original decision, or is rejected, there is a risk of a variation to the fiscal position outlined in the Budget.

The risks associated with climate change

Over time, climate change is expected to have a significant impact on the Budget. The Australian Government is managing these impacts by reducing emissions and capturing the economic opportunities presented by the net zero transition. However, there is still significant uncertainty about how global emissions will evolve and the impacts that climate change will have on Australia.

Climate change has a number of channels through which it can affect macroeconomic and fiscal outcomes. These include the physical impacts of climate change, the indirect impacts climate change will have on Australia's industry mix, and the impacts of policy responses to reduce emissions or adapt to climate impacts. Each of these has the potential to affect receipts, payments, and the Australian Government's balance sheet. They also have the potential to influence general economic outcomes, which may in turn impact the Budget.

Budget Statement 3: Fiscal Strategy and Outlook discusses the fiscal impacts associated with climate change and the policy responses being taken in this Budget. These policy responses include the establishment of the Capacity Investment Scheme to drive renewable dispatchable capacity and ensure reliability in Australia's energy market. Details of this measure are included in Budget Paper No. 2. When it is implemented, the budget impact of this measure will depend on future developments in energy prices, which may present risks that are not fully reflected in the Budget estimates. These risks will be reflected in the *Statement of Risks* when this measure is fully designed and implemented, and if the risks meet the materiality thresholds for inclusion in the Statement.

The *Statement of Risks* details specific risks where they may have an impact on the Budget in the Budget year or forward estimates period. Some of these risks, such as those associated with the cyclone and related flooding reinsurance pool and disaster recovery arrangements, are likely to be exacerbated by climate change over time. Other specific risks may emerge that will impact the Budget beyond the forward estimates period. These would be included in this Statement when it is apparent that the potential impact on the Budget would exceed the materiality threshold.

Special Investment Vehicles

There are a number of funds that successive Governments have established to achieve policy outcomes. These include the National Reconstruction Fund, the Rewiring the Nation Fund, Export Finance Australia, the Clean Energy Finance Corporation, and the Northern Australia Infrastructure Facility. These funds have been established with robust governance arrangements, including independent boards, who are charged with making investment decisions to manage risk and deliver outcomes in line with specified investment mandates. Details of these funds are presented in Budget Paper No. 2 when they are established and, where relevant, presented in the ‘Government loans’ section of this Statement, including the total value of loans issued by each facility. Specific risks associated with these funds are included in this Statement at the time it is apparent that the risk associated with the investments exceed or are expected to exceed the materiality threshold.

Specific risks to the Budget

The Budget is subject to a number of contingent liabilities. A large number of these reflect indemnities, including those relating to the Department of Defence, the Future Fund Management Agency and Future Fund Board of Guardians, and the Reserve Bank of Australia. The Australian Government has also issued a number of guarantees, such as those relating to guarantee schemes for the banking and financial sector, payments by Export Finance Australia, and the superannuation liabilities of the Commonwealth Bank prior to its sale to the private sector. Other significant contingent liabilities relate to uncalled capital subscriptions and credit facilities to international financial institutions and legal cases concerning the Australian Government. The Government has robust and conservative strategies in place to reduce its potential exposure to these contingent liabilities.

Fiscal risks comprise general developments or specific events that may affect the fiscal outlook. Some developments or events raise the possibility of a fiscal impact. In other cases, the likelihood of a fiscal impact may be reasonably certain, but will not be included in the forward estimates because the timing or magnitude is not known.

Table 9.1 outlines how fiscal risks, assets and liabilities, and contingent assets and liabilities, are disclosed in the Budget.

Contingent liabilities, contingent assets and other fiscal risks with a possible impact on the forward estimates greater than \$20 million in any one year, or \$50 million over the forward estimates period, are summarised in Table 9.2. Risks that are new or that have materially changed are detailed by portfolio following Table 9.2. Information on contingent liabilities and contingent assets is also provided in the Australian Government’s annual consolidated financial statements, and in the annual financial statements of departments and other Government entities.

The Government also makes direct loans for policy purposes. All loans contain some element of credit risk that they will not be repaid in full, although in many cases this risk is small. Details of Government loans that exceeded \$200 million at 30 June 2022 are included at the conclusion of this Part.

Table 9.1: Disclosure of fiscal risks, contingent assets and contingent liabilities, and assets and liabilities in the Budget papers

Category	Type ^(a)	Disclosure
Fiscal Risks	Fiscal Risks	Statement of Risks
Contingent assets and contingent liabilities	Significant contingent assets and liabilities considered remote	Statement of Risks
	Unquantifiable contingent assets and liabilities that are improbable but not remote	Statement of Risks
	Quantifiable contingent assets and liabilities that are improbable but not remote	Statement of Risks
	Contingent assets and liabilities excluded on the basis of immateriality ^(b)	None
Assets and liabilities	Assets and liabilities that are probable and can be reliably measured	Balance sheet ^{(c) (d)}
	Assets and liabilities that are probable but have an uncertain timing or amount (provisions)	Balance sheet

a) Items that are described as probable have a 50 per cent or higher chance of occurrence.
b) Only risks with a possible impact on the forward estimates greater than \$20 million in any one year, or \$50 million over the forward estimates period, are considered material and disclosed in this Statement.
c) Unearned income from charging guarantee fees is shown as a liability in the balance sheet.
d) Additional disclosure to increase transparency on loans over \$200 million is included in this Statement.

Table 9.2: Summary of contingent liabilities and contingent assets in the Statement of Risks^(a)

Agriculture, Fisheries and Forestry	Status
Contingent liabilities – unquantifiable	
Commonwealth liabilities in respect of matching payments to industries for research and development contributions	Unchanged
Emergency pest and disease response arrangements	Modified
White spot syndrome virus and disease 2016 outbreak	Modified
Attorney-General's	Status
Significant but remote contingency	
Indemnities relating to the Air Security Officer Capability	Unchanged
Contingent liabilities – unquantifiable	
Native Title costs	Unchanged
Current and prospective investor-State claims against Australia	Modified
Contingent asset – unquantifiable	
Civil penalty relating to the <i>Anti-Money Laundering and Counter-Terrorism Financing Act 2006</i>	Modified
Climate Change, Energy, the Environment and Water	Status
Fiscal Risks	
Murray-Darling Basin Reform – risk assignment	Unchanged
Remediation of Jabiru Township	Unchanged
Snowy Hydro Limited	Modified
Significant but remote contingencies	
Snowy Hydro Limited – Board Members' indemnity	Unchanged
Snowy Hydro Limited – Termination of the Equity Subscription Agreements	Unchanged
Contingent liabilities – unquantifiable	
Gorgon liquefied natural gas and carbon dioxide storage project – long term liability	Unchanged
Liability for costs incurred in a national liquid fuel emergency	Unchanged
Snowy Hydro Limited – water releases	Removed
United States Strategic Petroleum Reserve Lease Agreement – indemnity under certain conditions	Unchanged
Contingent liability – quantifiable	
Underwriting of Transmission Projects	Modified
Defence	Status
Fiscal Risks	
Implementation of the nuclear-powered submarine program	Modified
Major operations of the Australian Defence Force in 2023-24	Modified
Significant but remote contingencies	
ADI Limited – Officers' and Directors' indemnities	Unchanged
Litigation cases	Unchanged
Remote contingencies	Unchanged
Contingent liabilities – unquantifiable	
Cockatoo Island Dockyard	Unchanged
Land decontamination, site restoration and decommissioning of Defence assets	Unchanged
Contingent liability – quantifiable	
Claims against the Department of Defence	Unchanged

Table 9.2: Summary of contingent liabilities and contingent assets in the Statement of Risks^(a) (continued)

Employment and Workplace Relations	Status
Fiscal Risk	
Recovery of inappropriately claimed VET FEE-HELP payments from VET providers	Unchanged
Contingent liabilities – quantifiable	
ParentsNext program	Modified
Workforce Australia – Employment Fund	New
Finance	Status
Significant but remote contingency	
Australian Naval Infrastructure Pty Ltd – Termination of the Equity Funding Agreement	Unchanged
Contingent liabilities – unquantifiable	
ASC Pty Ltd – Directors' and Executives' indemnities	Unchanged
ASC Pty Ltd – Guarantee of Indemnity from ASC in favour of ASC Shipbuilding Pty Limited	Unchanged
Australian Government general insurance fund – Comcover	Unchanged
Commonwealth Superannuation Corporation – immunity and indemnity	Unchanged
Finance owned estate	Unchanged
Future Fund Management Agency and Future Fund Board of Guardians – indemnity	Unchanged
Googong Dam	Unchanged
Indemnities for the Reserve Bank of Australia and private sector banks	Unchanged
Indemnities relating to other former asset sales, privatisations and information technology outsourcing projects	Modified
Foreign Affairs and Trade	Status
Fiscal Risk	
Export Finance Australia – National Interest Account	Modified
Contingent liability – quantifiable	
Export Finance Australia	Modified
Health and Aged Care	Status
Fiscal Risk	
Fair Work Commission decision – Aged Care Work Value Case	Modified
Contingent liabilities – unquantifiable	
Accommodation Payment Guarantee Scheme	Unchanged
Advance Purchasing Agreements for COVID-19 vaccines	Modified
Australian Red Cross Society – indemnities	Unchanged
Blood and blood products liability cover	Unchanged
CSL Ltd	Unchanged
Indemnities relating to vaccines	Unchanged
Major sporting events	Modified
Medical Indemnity Exceptional Claims Scheme	Unchanged
mRNA manufacturing Facility – indemnities	Unchanged
Contingent assets – unquantifiable	
Legal action seeking compensation	Unchanged

Table 9.2: Summary of contingent liabilities and contingent assets in the Statement of Risks^(a) (continued)

Home Affairs	Status
Fiscal Risk	
Regional processing arrangements	Unchanged
Contingent liabilities – unquantifiable	
Australian victims of terrorism overseas payment	Unchanged
Disaster recovery	Unchanged
Facilities, garrison, transferee arrivals and receptions, and health services in the Republic of Nauru – liability limit	Modified
Immigration detention services by state and territory governments – liability limit	Modified
Immigration detention services contract – liability limit	Modified
Industry, Science and Resources	Status
Fiscal Risk	
Rehabilitation of the Ranger Uranium Mine	Unchanged
Significant but remote contingencies	
Liability for damages caused by space and certain high-power rocket activities	Unchanged
Operations and maintenance of the Northern Endeavour and associated infrastructure	Unchanged
Contingent liabilities – unquantifiable	
Australian Nuclear Science and Technology Organisation – asbestos contamination	Unchanged
Australian Nuclear Science and Technology Organisation – indemnity	Unchanged
Australian Nuclear Science and Technology Organisation – legacy waste management to final disposal	Unchanged
Former British atomic test site at Maralinga	Unchanged
Land decontamination and site restoration for CSIRO property	Unchanged
Infrastructure, Transport, Regional Development, Communications and the Arts	Status
Fiscal Risks	
Australia Post's financial sustainability	New
Inland Rail – delivery	Modified
Significant but remote contingencies	
Inland Rail – Termination of the Equity Financing Agreement	Unchanged
Maritime Industry Finance Company Limited – Board Members' indemnity	Unchanged
Moorebank Intermodal Project – Glenfield Waste Site Easement	Unchanged
National Intermodal Corporation Limited – Termination of the Funding Agreement	Unchanged
Optus Financial Guarantee	Modified
Telstra Financial Guarantee	Modified
Tripartite deeds relating to the sale of federal leased airports	Unchanged
WSA Co Limited – Board Members' indemnities	Unchanged
WSA Co Limited – Sydney Metro – Western Sydney Airport indemnity	Unchanged
WSA Co Limited – Termination of the Equity Subscription Agreement	Unchanged

Table 9.2: Summary of contingent liabilities and contingent assets in the Statement of Risks^(a) (continued)

Infrastructure, Transport, Regional Development, Communications and the Arts (continued)	Status
Contingent liabilities – unquantifiable	
Australian Maritime Safety Authority incident costs	Unchanged
Aviation rescue and firefighting services potential per- and poly-fluoroalkyl substances contamination	Modified
Indemnity provided to the New South Wales Rural Fire Fighting Service in relation to the Jervis Bay Territory	Unchanged
Moorebank Intermodal Project – Georges River rail crossing	Unchanged
Service Delivery Arrangement Indemnities – Indian Ocean Territories, Norfolk Island and Jervis Bay Territory	Modified
Prime Minister and Cabinet	Status
Contingent liability – unquantifiable	
<i>McDonald v Commonwealth</i> (Stolen Wages Class Action)	Unchanged
Wreck Bay Aboriginal Community Council – housing liability in Wreck Bay Village, Jervis Bay Territory	Removed
Contingent liability – quantifiable	
Indigenous Land and Sea Corporation – Voyages Indigenous Tourism Australia	Unchanged
Social Services	Status
Fiscal Risks	
COVID-19 and disaster social welfare debt pause for specified areas	Modified
National Disability Insurance Scheme	Modified
Contingent asset – quantifiable	
National Redress Scheme	Modified
Treasury	Status
Significant but remote contingencies	
Asbestos Injuries Compensation Fund	Unchanged
Financial Claims Scheme	Modified
Guarantee for the National Housing Finance and Investment Corporation	Modified
Guarantee of state and territory borrowing	Modified
Guarantees under the <i>Commonwealth Bank Sale Act 1995</i>	Modified
Reserve Bank of Australia – Guarantee	Modified
Contingent liabilities – unquantifiable	
Compensation scheme of last resort	Modified
Establishment of a cyclone and related flooding reinsurance pool	Unchanged
Government guarantees for housing	Modified
Indemnities for specialised external advisers during the COVID-19 pandemic	Unchanged
International Monetary Fund – Poverty Reduction and Growth Trust	Modified
Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme	Modified
Terrorism insurance – commercial cover	Unchanged

Table 9.2: Summary of contingent liabilities and contingent assets in the Statement of Risks^(a) (continued)

Treasury (continued)	Status
Contingent liabilities – quantifiable	
Australian Taxation Office – tax disputes	Modified
International financial institutions – uncalled capital subscriptions	Modified
International Monetary Fund – New Arrangements to Borrow & Bilateral Borrowing Agreement	Modified
International Monetary Fund – Resilience and Sustainability Trust	Modified
Veterans' Affairs	Status
Fiscal Risk	
Defence Service Homes Insurance Scheme	Modified
a) Detailed descriptions of these items are in the following text.	
b) On 1 July 2022, the Government implemented a number of machinery of government changes. The presentation of the Statement of Risks has been updated to reflect the new portfolio structure. Where the only change to a risk is the movement between portfolios as a result of the machinery of government changes, it is marked as unchanged in the table above.	

Agriculture, Fisheries and Forestry

Contingent liabilities – unquantifiable

Commonwealth liabilities in respect of matching payments to industries for research and development contributions

Under several Acts, the Commonwealth provides matching contributions to encourage expenditure on research and development (R&D) and to increase the competitiveness and sustainability of industries within Australia. Matching contributions on eligible R&D are subject to an annual limit that is calculated based on the determined gross value of production (GVP cap) for the industries. There will be a R&D excess, which can be claimable in future years, where the cumulative R&D expenditure is more than the GVP cap. The Commonwealth's future liability in respect of the matching contributions is contingent on the GVP cap and is therefore unquantifiable.

Emergency pest and disease response arrangements

National emergency response arrangements for animal, plant and environmental pest and disease incursions are largely funded through cost-sharing agreements between Australian governments and affected agricultural industry bodies. Under the terms of the emergency response agreements, the Australian Government is typically liable for 50 per cent of the total government funding for a nationally agreed response to a pest or disease incursion. Funding is provided in the forward estimates for the Australian Government's contributions under the emergency response agreements which are paid to the state or territory governments undertaking relevant activities.

There are currently 13 national cost-shared emergency responses. An independent review of the program for Red Imported Fire Ants in Queensland has been undertaken and the outcomes of consideration of the review findings by the Queensland and Australian Governments may have significant financial implications. In the 2022–23 financial year, the 2 largest ever plant emergency responses were agreed. A large national response to address an outbreak of *Varroa destructor* (a parasitic mite that attacks honey bees) in New South Wales is ongoing. Since the October Budget, a significant response to eradicate polyphagous shot hole borer, present in metropolitan Perth, has also been agreed. In addition, the risk of foot and mouth disease and lumpy skin disease entering Australia remains heightened due to incursions in Indonesia.

Governments developed a draft Aquatic Emergency Animal Disease Deed (the Deed) covering aquatic emergency animal diseases. Consultation was undertaken with prospective industry signatories. If the Deed is finalised, potential liabilities for the Australian Government will be increased, the extent of which will depend on which parties sign the Deed and what emergency aquatic incursions occur that would be subject to the Deed arrangements.

The Government has provided \$134.1 million over 4 years from 2022–23 to bolster biosecurity capability in Australia and support neighbouring countries to address the risk of exotic animal diseases, including foot and mouth disease and lumpy skin disease, although risks associated with future incursions or expansions in current pest and disease incursions remain. In this Budget the Government will provide an additional \$845.0 million over 4 years from 2023–24 to maintain biosecurity policy, operational and technical functions on a sustainable basis, the cost of which will be partially met through the introduction of cost recovery arrangements for the clearance of low value imported cargo.

White spot syndrome virus and disease 2016 outbreak

The Commonwealth is responding to 2 claims related to the 2016 outbreak of white spot syndrome virus in Queensland. White spot syndrome virus was first detected in South East Queensland in December 2016 and 7 prawn farms on the Logan River were affected from late-2016 to early-2017. Prawns on the infected farms were destroyed to eradicate the disease as part of a joint industry, Commonwealth and state response.

Gold Coast Marine Aquaculture Pty Ltd has filed a claim in the Federal Court of Australia, claiming a breach of a duty to warn by the Commonwealth based on (amongst other things) the obligations in the Queensland *Biosecurity Act 2014*. Gold Coast Marine Aquaculture Pty Ltd alleges that the Commonwealth's alleged breach caused, or, contributed to the outbreak of white spot syndrome virus in Queensland's Logan River in December 2016 and resulting damage to Gold Coast Marine Aquaculture Pty Ltd.

A class action has been filed in the Supreme Court of Queensland led by Tweed Bait Pty Ltd on behalf of commercial fishers, handlers and wholesalers. The class action seeks compensation for loss and damage suffered as a result of the 2016 outbreak of white spot syndrome virus and white spot disease in Queensland's Logan River area and the Commonwealth's response to the outbreak.

A third class action has been filed in the Supreme Court of Queensland led by M&G Oyster Supplies Pty Ltd on behalf of parties who are not group members in the Tweed Bait class action. The Commonwealth does not have the particulars of the claims, as the proceedings have not yet been served.

Costs associated with this litigation or any future litigation relating to 2016 outbreak of white spot syndrome virus are not quantifiable until the matter is determined by the Court or otherwise resolved.

Attorney-General's

Significant but remote contingency

Indemnities relating to the Air Security Officer Capability

The Australian Government has provided an indemnity to 2 Australian airlines connected with agreements to allow Air Security Officers on board their aircraft. The indemnities are limited to \$2 billion per incident. The indemnity only applies where the airline(s) can establish that loss, damage or claim resulted from an act by an Air Security Officer, under or in connection with the Air Security Officer program. The indemnity applies to the extent that any loss, damage or claim is not covered by existing relevant insurance policies held by the airline.

Contingent liabilities – unquantifiable

Native Title costs

The Australian Government will likely be liable for any compensation found to be payable under the *Native Title Act 1993* in respect of compensable acts for which the Australian Government is responsible. While the High Court's decision in the *Timber Creek* litigation (*Northern Territory v Griffiths et al [2019] HCA 7*) provides guidance on the principles for calculating compensation under the *Native Title Act*, the Australian Government's liability cannot be quantified owing to uncertainty about the number and effect of compensable acts, and the value of Native Title affected by those acts.

Current and prospective investor-State claims against Australia

The Commonwealth has received a notice of arbitration from Singapore-registered company Zeph Investments Pte Ltd (Zeph) in relation to a dispute pertaining to the *Iron Ore Processing (Mineralogy Pty Ltd) Agreement Amendment Act 2020 (WA)*. Zeph has raised this claim under Chapter 11 (Investment) of the *Agreement Establishing the ASEAN-Australia-New Zealand Free Trade Area (AANZFTA)*.

Should Australia be unsuccessful in this proceeding, Australia would be liable for any compensation found to be payable to the claimant. Any such potential liability cannot be quantified at this stage.

The Commonwealth has also received requests for consultations from the same claimant (Zeph) in relation to 2 other potential claims and a notice of intent to bring an arbitration in relation to one of the claims. An investor-State claim has not been brought against Australia in relation to these 2 matters at this time.

Contingent asset – unquantifiable

Civil penalty relating to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006*

The Australian Transaction Reports and Analysis Centre (AUSTRAC) applied to the Federal Court of Australia for civil penalty orders against the following entities for alleged serious contraventions of the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* (AML/CTF Act):

- Crown Casino on 1 March 2022.
- the Star Pty Limited and the Star Entertainment QLD Limited on 30 November 2022.
- Skycity Adelaide on 7 December 2022.

AUSTRAC alleges that these entities failed to comply with obligations under the AML/CTF Act, including failures to properly assess money laundering and terrorism financing risks, and failures to undertake appropriate customer due diligence.

The outcomes of these matters are unknown, including whether any penalty is imposed by the Court and, if so, the quantum of such penalty.

Climate Change, Energy, the Environment and Water

Fiscal Risks

Murray-Darling Basin Reform – risk assignment

The Australian Government has committed to bridge the gap between the Baseline Diversion Limit (BDL) and the Sustainable Diversion Limits (SDLs) in the Basin Plan 2012 (Cth) through water recovery. On 1 July 2019, the SDLs took effect. The *Water Act 2007* (Cth) provides a risk assignment framework whereby entitlement holders with reductions in water allocations, or changes in the reliability of water allocations (where the gap has not been bridged and an accredited water resource plan is in place), may be eligible for a payment from the Commonwealth.

The total cost of the operation of the risk assignment framework is not able to be quantified at this time and remains a fiscal risk until the gap between the BDL and SDLs is fully bridged.

Remediation of Jabiru Township

A Memorandum of Understanding was signed in 2019 between the Australian Government, the Northern Territory Government, and Energy Resources Australia (ERA) which underpins the transfer of ownership of Jabiru to the Traditional Owners, and related make good and rehabilitation arrangements. On 26 June 2021, the Australian Government officially returned ownership of Jabiru to the Traditional Owners. Prior to the handover, the Australian Government signed a Remediation and Indemnity Deed between representatives of the traditional owners in Jabiru and the Northern Land Council.

Rehabilitation work to be completed in Jabiru includes renewal or upgrading of some essential services infrastructure (including water, sewerage, stormwater, landfill and roads), managing contamination in Jabiru Lake, management or removal of hazardous materials and chemicals, replacing asbestos tiled roofs and improving housing stock, and other ecological remediation. Expenditure for the rehabilitation work will be shared between the Australian Government, Northern Territory Government and ERA.

Snowy Hydro Limited

The Australian Government has committed to provide additional equity to Snowy Hydro Limited to support the delivery of the Snowy 2.0 pumped hydro project and the Hunter Power Project. These projects will improve the security and reliability of the National Electricity Market by providing reliable, dispatchable power and large-scale energy storage. Project risks for both projects include potential construction delays, cost pressures and cash flow forecasts.

The Government continues to monitor these risks through engagement and oversight of Snowy Hydro's activities, noting that cost and schedule reviews are currently underway on both projects to determine the impact of adverse weather conditions, global supply chain constraints, site conditions and COVID-19 related delivery challenges.

Significant but remote contingencies

Snowy Hydro Limited – Board Members' indemnity

The Australian Government has provided an indemnity for each of the Directors of Snowy Hydro Limited to protect them against certain claims relating to their employment as Directors. Until the indemnity agreements are varied or ceased, they will remain as contingent and unquantifiable liabilities.

Snowy Hydro Limited – Termination of the Equity Subscription Agreements

The Australian Government will provide sufficient funding to cover costs and liabilities incurred by Snowy Hydro Limited for the delivery of Snowy 2.0 and the Hunter Power Project, capped to the total remaining undrawn equity, in the event that the Commonwealth terminates the Equity Subscription Agreements between the Commonwealth and Snowy Hydro Limited.

Contingent liabilities – unquantifiable

Gorgon liquefied natural gas and carbon dioxide storage project – long-term liability

The Australian and Western Australian (WA) Governments have provided an indemnity to the Gorgon Joint Venture Partners (GJV) against independent third-party claims (relating to stored carbon dioxide) under common law following closure of the carbon dioxide sequestration project. The claims are subject to conditions equivalent to those set out in the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

The WA Government has indemnified the GJV, and the Australian Government has indemnified the WA Government for 80 per cent of any amount determined to be payable under that indemnity.

Liability for costs incurred in a national liquid fuel emergency

The Australian Government has responsibility for the *Liquid Fuel Emergency Act 1984* (the Act). In addition, the Australian Government and state and territory governments have entered into an inter-governmental agreement in relation to a national liquid fuel emergency (IGA 2006). Under the IGA, the Australian Government agrees to consult IGA parties on a likely shortage and, if necessary after those consultations, to advise the Governor-General of the Commonwealth of Australia to declare a national emergency under the Act.

The IGA contains 3 areas where the Australian Government may incur expenses in the unlikely event of a national liquid fuel emergency. These relate to the direct costs of managing a liquid fuel emergency and include the possibility of the Australian Government reimbursing the state and territory governments for costs arising from their responses, and potential compensation for industry arising from Australian Government directions under the Act.

United States Strategic Petroleum Reserve Lease Agreement – indemnity under certain conditions

On 3 June 2020, the Australian Government entered into a commercial leasing agreement with the United States (US) Department of Energy. This agreement facilitates the storage of Australia's first-ever government-owned strategic fuel reserve in the US Strategic Petroleum Reserve (SPR).

Under the lease agreement, the Australian Government indemnifies the US SPR for any liabilities incurred (subject to certain exceptions) arising from or related to: the transportation of crude oil to the SPR; third-party claims made in connection with the drawdown or delivery of the oil; and customs duties, fees or other charges which may arise from the Australian Government's non-compliance with US Customs Law.

Following the sale and delivery of all Australian oil held in the SPR in June 2022, the risk of any liability is currently significantly reduced. Australia continues to maintain its lease and a decision to store new reserves in the future could be made.

Contingent liability – quantifiable

Underwriting of Transmission Projects

Through the Rewiring the Nation Fund, the Australian Government has underwritten up to:

- \$75.8 million for early works for the Victoria to New South Wales Interconnector West (VNI West) NSW Section project (with a preferred route known as KerangLink) (signed 7 April 2022).
- \$181.5 million for the Coleambally to Wagga Wagga section of Project Energy Connect (signed 24 September 2021).
- \$385 million for the early procurement of long lead equipment (transformers, reactors, towers and conductors) for the VNI West project NSW section and the Humelink project (signed 1 March 2023).

The conditions for these underwriting agreements to be called on relate to the projects not achieving regulatory and approval requirements.

Defence

Fiscal Risks

Implementation of the nuclear-powered submarine program

On 14 March 2023, the Australian Government, alongside the governments of the United Kingdom and the United States of America, announced the optimal pathway for the nuclear-powered submarine program for Australia under the AUKUS trilateral security partnership.

The cost of the nuclear-powered submarine program is expected to be approximately \$9 billion over the forward estimates and between \$50 billion and \$58 billion over the medium term. Overall, the cost of the nuclear-powered submarine program is expected to amount to around 0.15 per cent of annual GDP per year, averaged out to 2054–55.

In the 2023–24 Budget, the Australian Government has agreed a number of measures to support the initial implementation of the nuclear-powered submarine program, which are detailed in Budget Paper No.2.

The total costs associated with the program will not be known until design and production processes are settled and commercial and other arrangements are finalised between governments and delivery partners.

Major operations of the Australian Defence Force in 2023–24

The 2023–24 estimates for the Department of Defence (Defence) include the cost of major operations of the Australian Defence Force in 2023–24 in the Middle East region, and to protect Australia’s borders and offshore maritime interests. Funding for major Defence operations is considered and provisioned on a year-by-year basis.

Significant but remote contingencies

ADI Limited – Officers’ and Directors’ indemnities

Under the sale agreements for ADI Limited, the Australian Government agreed to indemnify the Directors, officers and employees of ADI Limited for claims and legal costs associated with assistance related to the sale of the Australian Government’s shares in the company. The Australian Government has also provided an indemnity to ADI Limited for uninsured losses relating to specific heads of claims.

Litigation cases

The Department of Defence (Defence) is involved in a wide range of litigation and other claims for compensation and/or damages that may result in litigation where the matters are not able to be finalised by negotiation. The litigation includes common law liability claims, including for personal injury and property damage, investigations of Defence by Comcare and active prosecutions in relation to alleged breaches of the *Work Health and*

Safety Act 2011. A number of claims have been received seeking compensation for alleged loss or damage arising from Defence use of aqueous film forming foam that contained man-made per- and poly-fluoroalkyl substances. A number of claims have also been received following reviews into the Australian Defence Force and Defence culture. Claims may also arise from the disposal of assets to third parties where such assets contain hazardous materials, or components that have the potential to cause injury.

Remote contingencies

As at 30 June 2022, the Department of Defence carried 157 instances of quantifiable remote contingent liabilities valued at \$3.7 billion and 1,553 instances of unquantifiable remote contingent liabilities.

Details of these significant but remote contingent liabilities are not given due to commercial and/or national security sensitivities.

Contingent liabilities – unquantifiable

Cockatoo Island Dockyard

On 13 October 2001, Cockatoo Island Dockyard commenced proceedings against the Australian Government (Department of Defence) in the New South Wales (NSW) Supreme Court seeking full reimbursement from the Australian Government for personal injury claims costs incurred after 31 October 1995 in relation to asbestos exposure. Following decisions in the NSW Supreme Court on 17 December 2004 and 4 February 2005, and the NSW Court of Appeal on 23 November 2006, Cockatoo Island Dockyard was awarded a complete indemnity from the Australian Government for its uninsured exposure to asbestos damages claims, plus profit of 7.5 per cent. Defence continues to manage reimbursement of claims costs incurred by Cockatoo Island Dockyard.

Land decontamination, site restoration and decommissioning of Defence assets

The Department of Defence (Defence) has made a financial provision for the estimated costs involved in restoring, decontaminating and decommissioning Defence assets where a legal or constructive obligation has arisen. For cases where there is no legal or constructive obligation, the potential costs have not been assessed and are unquantifiable contingencies.

Contingent liability – quantifiable

Claims against the Department of Defence

The Department of Defence (Defence) has 38 instances of non-remote, quantifiable contingent liabilities in respect of claims against Defence valued at \$31.3 million. The estimated figure is determined by conducting an objective analysis of the probable amount payable for all matters managed by firms engaged by Defence through the Attorney-General's Whole of Australian Government Legal Services Panel and those being handled in-house by Defence Legal Division. However, the exact amount payable under those claims is uncertain. Defence is defending the claims or trying to resolve them through alternative dispute resolution measures.

Employment and Workplace Relations

Fiscal Risk

Recovery of inappropriately claimed VET FEE-HELP payments from VET providers

The Australian Government is undertaking compliance action, including court action, to recover VET FEE-HELP payments from VET providers where loans were issued inappropriately to students by providers. The Government has legislated a remedy, which commenced 1 January 2019, for VET FEE-HELP students who incurred debts under the VET FEE-HELP loan scheme following inappropriate conduct by VET providers. The Government will undertake recovery activities against VET providers in cases where the student was ineligible for a VET FEE-HELP loan.

There are potential financial risks to the Commonwealth in the event that it is unable to recover payments from VET providers where they have closed or entered into administration or liquidation.

The financial risk to the Commonwealth is currently unquantifiable as it depends on the receipt and assessment of applications from students, as well as outcomes from the Government's investigations into VET providers' conduct.

Contingent liabilities— quantifiable

ParentsNext program

ParentsNext supports parents to identify their education and employment related goals, to build their work readiness, and plan and prepare for employment by the time their youngest child starts school. The Government has announced its intention to abolish and develop a replacement voluntary program for ParentsNext interim arrangements to commence as soon as possible.

Under the current program, providers accumulate one-off credits which accrue to their provider's Participation Fund on commencement of a participant.

Currently, providers are forecast to spend less than the value of the available credits, creating an accumulating surplus of credits that present a contingent liability. As at 31 January 2023, there was \$101.3 million in unspent Participation Fund credits in the Participation Fund notional bank.

Workforce Australia – Employment Fund

Since July 2022, with the introduction of Workforce Australia, program participants have had access to the Employment Fund which can be used to purchase goods and services to help participants to get and keep a job.

- Providers accumulate a \$1,600 Employment Fund credit upon commencement of each participant in Workforce Australia Provider Services.
- Participants in Workforce Australia Online attract a \$300 Employment Fund credit, credited after a Participant has been in Digital Services for 2 months.

Currently, Employment Fund expenditure is expected to be less than the value of the available credits, creating an accumulating surplus of credits that present a contingent liability. As at 31 January 2023, there was \$397.2 million in unspent Employment Fund Credits in the Workforce Australia Employment Fund Notional Bank.

Finance

Significant but remote contingency

Australian Naval Infrastructure Pty Ltd – Termination of the Equity Funding Agreement

The Australian Government will provide sufficient funding to enable Australian Naval Infrastructure Pty Ltd (ANI) to meet the direct costs of termination that may be incurred by ANI in the event that the Commonwealth terminates the Equity Funding Agreement between the Commonwealth and ANI.

Contingent liabilities – unquantifiable

ASC Pty Ltd – Directors' and Executives' indemnities

The Australian Government has provided former Directors of the then Australian Submarine Corporation Pty Ltd (now known as ASC Pty Ltd – ASC) with indemnities in relation to any claim against them as a result of complying with ASC's obligations under the Process Agreement between the Electric Boat Corporation (EBC), the Australian Government and ASC; any claim against them as a result of complying with ASC's obligations under the Service Level Agreement between ASC, the Department of Defence, EBC and Electric Boat Australia; and any claims and legal costs arising from the Directors acting in accordance with the Board's tasks and responsibilities, as defined under the indemnity.

The Australian Government has provided Directors and senior executives of ASC with indemnities to mitigate personal risk and provide coverage for legal costs related to any legal proceedings that may arise in relation to the transaction to separate ASC Shipbuilding Pty Limited from ASC.

ASC Pty Ltd – Guarantee of Indemnity from ASC in favour of ASC Shipbuilding Pty Limited

The Australian Government has agreed to provide a guarantee of an indemnity from ASC Pty Ltd (ASC) in favour of ASC Shipbuilding Pty Limited (ASC Shipbuilding).

ASC provided an indemnity in favour of ASC Shipbuilding prior to ASC Shipbuilding being separated from ASC Pty Ltd. This indemnity is intended to cover any liabilities unknown at the time of separation which may arise after separation. The indemnity is time limited to 7 years.

The guarantee will only be called on in the event that ASC is no longer owned by the Commonwealth and ASC can no longer meet its obligations under the terms of the indemnity. It is Government policy to retain ASC as a Government Business Enterprise.

Australian Government general insurance fund – Comcover

The Department of Finance (Finance) provides insurance and risk management services to Australian Government general government sector entities. Insurance liabilities are subject to potential revisions as the total number and size of claims covered is subject to unforeseen future events.

Finance takes all reasonable steps to ensure it has appropriate information regarding its claims exposure, including regularly updating estimates and parameters based on historical analysis of experience, actuarial calculations and other relevant factors.

Commonwealth Superannuation Corporation – immunity and indemnity

The *Governance of Australian Government Superannuation Schemes Act 2011* (the Governance Act) provides specific immunities for activities undertaken in good faith by Directors and delegates of the board of the Commonwealth Superannuation Corporation (CSC), provided these activities relate to the performance of their functions.

Under the Governance Act, other than in cases where the *Superannuation Industry (Supervision) Act 1993* or regulations under that Act do not so permit, any money that becomes payable by CSC in respect of an action, liability, claim or demand that relates to the superannuation schemes or funds for which it is responsible, is to be paid out of the relevant superannuation fund or, if there is no fund, the Consolidated Revenue Fund (CRF). Amounts paid from a superannuation fund are reimbursed to the fund from the CRF.

Finance owned estate

The Department of Finance owns and is responsible for managing a number of properties within the Australian Government's domestic non-Defence portfolio. A small number of properties may require remediation and are subject to further investigation. Except for properties at Lucas Heights in New South Wales and Cox Peninsula in Northern Territory, none of the properties with potential remediation issues have had a provision recognised, as neither the conditions for legal nor constructive obligations have been met, nor is a reliable estimate of the obligation currently possible.

Future Fund Management Agency and Future Fund Board of Guardians – indemnity

The Australian Government has provided certain staff members of the Future Fund Management Agency (the Agency) and the members (Board members) of the Future Fund Board of Guardians (the FFBG) with deeds of indemnity. The indemnities are intended to cover liabilities in excess of the insurance cover (including Comcover) of the FFBG, its subsidiary entities and the Agency. Board members are indemnified for liabilities incurred arising out of an act, omission or breach of statutory duty by the FFBG or a Board member that relates to the performance of the FFBG's functions or the exercise of the FFBG's powers or that relates to any act, omission or breach of statutory duty by a Board member as a director or officer of a wholly owned Australian subsidiary of the FFBG.

Certain Agency staff members are indemnified in connection with the performance of functions or the exercise of powers in their capacity as a director or officer of investee companies or subsidiaries of the FFBG. Subject to certain exceptions or qualifications, Board members and Agency staff members are indemnified for amounts up to the value of the relevant funds.

Board members are not indemnified in respect of any liability owed by them to the FFBG or its subsidiary, or which results from a contravention of a civil penalty provision of the *Future Fund Act 2006* or the *Corporations Act 2001*. Agency staff members are not indemnified to the extent they are indemnified by the relevant investee company or subsidiary, in respect of any liability owed to the FFBG or the Commonwealth, or to the extent that they are granted and receive financial assistance under Appendix E of the Legal Services Directions 2017. Both Board members and Agency staff members are not indemnified for any liability resulting from conduct they engage in other than in good faith, to the extent they recover a liability under a Directors and Officers insurance policy (including Comcover) or in respect of legal costs incurred by them in unsuccessfully defending or resisting criminal proceedings or proceedings regarding a contravention of a civil penalty provision.

Googong Dam

On 4 September 2008, a 150-year lease for Googong Dam was signed between the Australian Government and the Australian Capital Territory (ACT) Government. The Australian Government is liable to pay just terms compensation if the terms of the lease are breached by introducing new legislation or changing the *Canberra Water Supply (Googong Dam) Act 1974* in a way that impacts on the rights of the ACT. The lease includes a requirement for the Australian Government to undertake rectification of easements or any defects in title in relation to Googong Dam, and remediation of any contamination it may have caused to the site. It also gives an indemnity in relation to acts or omissions by the Australian Government.

Indemnities for the Reserve Bank of Australia and private sector banks

In accordance with Government entities' contracts for transactional banking services, the Australian Government has indemnified the Reserve Bank of Australia and contracted private sector banks against loss and damage arising from error or fraud by an entity, or transactions made by a bank with the authority of an entity.

Indemnities relating to other former asset sales, privatisations and information technology outsourcing projects

Ongoing and terminating indemnities have been given in respect of a range of asset sales, privatisations and information technology outsourcing projects that have been conducted by the Department of Finance (Finance), and the former Office of Asset Sales and Commercial Support and its predecessors. The probability of an action being brought under one of these indemnities diminishes over time.

Details of indemnities in respect of other asset sales and privatisations have been provided in previous Budget and MYEFO papers, and previous Annual Reports of Finance and the Office of Asset Sales and Commercial Support.

Indemnified bodies are listed below. Apart from instances noted elsewhere, Finance does not currently expect any other action to be taken in respect of these indemnities.

Indemnified body	Year(s) raised
ADI Ltd	1998
Albury–Wodonga Development Corporation	2014
Australian Airlines	1991
Australian Industry Development Corporation	1996
Australian Multimedia Enterprise	1997
Australian National Rail Commission and National Rail Corporation Ltd	1997 and 2000
Australian River Co Ltd	1999
Australian Submarine Corporation Pty Ltd	2000
Bankstown Airport Ltd	2002
Camden Airport Ltd	2002
ComLand Ltd	2004
Commonwealth Accommodation and Catering Services	1988
Commonwealth Bank of Australia	1993 to 1996
Commonwealth Funds Management and Total Risk Management	1996 to 1997
Employment National Ltd	2003
Essendon Airport Ltd	2001
Federal Airports Corporation's Airports	1995 to 1997
Health Insurance Commission	2000
Housing Loans Insurance Corporation Ltd	1996
Hoxton Park Airport Limited	2002
Medibank Private Limited	2014
National Transmission Network	1999
Sydney Airports Corporation Ltd	2001
Telstra	1996, 1999 and 2006
Wool International	1999

Foreign Affairs and Trade

Fiscal Risk

Export Finance Australia – National Interest Account

There are 4 financing facilities under the National Interest Account as detailed below.

The Australian Infrastructure Financing Facility for the Pacific (AIFFP) became operational on 1 July 2019. The AIFFP will provide up to \$4 billion in facilities, including up to \$1 billion in grants and the balance in loans and guarantees, to support high priority infrastructure development in Pacific countries and Timor-Leste. To date, the Australian Government has agreed to provide loan, guarantee and grant contracts to support the development of 14 infrastructure projects in 9 countries. As at 28 February 2023, the maximum exposure is \$1,059.1 million, of which \$188.6 million has been drawn down.

The Critical Minerals Facility (CMF) was established on 28 September 2021 to provide finance to critical minerals projects in Australia where private sector finance is unavailable or insufficient. The CMF has a maximum aggregate exposure of \$2.0 billion. As at 28 February 2022, the Government has agreed to provide a total of \$1.5 billion to support 3 projects under the facility, including a loan of \$1.25 billion to Iluka Resources to support the establishment of Australia's first integrated rare earths refinery in Western Australia. As at 28 February 2023, \$40.7 million has been drawn down from the CMF.

The Defence Export Facility (DEF) was established to grow Australia's defence exports by helping overcome difficulties in accessing private sector finance. The DEF has a maximum aggregate exposure of US\$3.0 billion. As at 28 February 2023, 3 loans under the DEF had been agreed for a total signing value of AUD 228 million. Currently, AUD 194.0 million is outstanding.

The COVID-19 Export Capital Facility (COVID-19 Facility) was announced on 15 April 2020, with a maximum aggregate exposure of \$500 million. The COVID-19 Facility expired in April 2021. As at 28 February 2023, \$15.8 million was outstanding.

Contingent liability – quantifiable

Export Finance Australia

The Australian Government guarantees the due payment of money that is, or may at any time, become payable by Export Finance Australia to anybody other than the Government. As at 28 February 2023, the Government's total contingent liability was \$6.1 billion. The \$6.1 billion contingent liability comprises Export Finance Australia's liabilities to third parties (\$5.0 billion) and Export Finance Australia's overseas investment insurance, contracts of insurance and guarantees (\$1.1 billion). Of the total contingent liability, \$2.5 billion relates to Export Finance Australia's Commercial Account and \$3.6 billion relates to the National Interest Account.

Health and Aged Care

Fiscal Risk

Fair Work Commission decision – Aged Care Work Value Case

As the principal funder of the aged care sector, the Australian Government has committed to provide funding to support any increases to award wages from the Aged Care Work Value case that is currently before the Fair Work Commission. The Fair Work Commission is yet to make a decision on Stage 3 of the Aged Care Work Value Case. The size and nature of the wage increase are subject to the Fair Work Commission's final decision and the final amount the Government will provide is not yet able to be quantified.

Contingent liabilities – unquantifiable

Accommodation Payment Guarantee Scheme

The Accommodation Payment Guarantee Scheme guarantees the repayment of aged care residents' refundable accommodation payments (including refundable deposits and accommodation bonds) if the approved provider becomes insolvent or bankrupt and defaults on its refund obligations. In return for the payment, the rights that the resident had to recover the amount from their approved provider are transferred to the Australian Government so it can pursue the approved provider for the funds. In cases where the funds are unable to be recovered, the Australian Government may levy all approved providers holding bonds, entry contributions and refundable accommodation deposits to meet any shortfall.

Advance Purchasing Agreements for COVID-19 vaccines

The Australian Government has provided indemnities to the suppliers of COVID-19 vaccines, for which the Australian Government has entered into Advance Purchasing Agreements, covering certain liabilities that could result from the use of the vaccines. This comprises the University of Oxford vaccine which is sponsored by AstraZeneca, the Pfizer vaccine, the Moderna vaccine, and the Novavax vaccine.

Australian Red Cross Society – indemnities

Deeds of Agreement between the Australian Red Cross Society (the Red Cross) and the National Blood Authority in relation to the operation of Australian Red Cross Lifeblood and the development of principal manufacturing sites in Sydney and Melbourne, include certain indemnities and a limitation of liability in favour of the Red Cross. These indemnities cover defined sets of potential business, product and employee risks and liabilities. Certain indemnities for specific risk events that operate within the term of the Deed of Agreement are capped, and must meet specified pre-conditions. Other indemnities and the limitation of liability only operate in the event of the expiry and non-renewal, or the earlier termination, of the Deed of Agreement relating to the operation of the Red Cross or the cessation of funding for the principal sites, and only within a certain scope. All indemnities are also subject to appropriate limitations and conditions, including in relation to mitigation, contributory fault, and the process of handling relevant claims.

Blood and blood products liability cover

The National Managed Fund (NMF) was established by a memorandum of understanding between the Australian Government, Australian Red Cross Lifeblood (Lifeblood) and state and territory governments to cover potential future claims in relation to the supply of blood and blood products by Lifeblood. The NMF provides for liabilities incurred by Lifeblood where other available mitigation or cover is not available. Under certain conditions, the Australian Government and the state and territory governments may jointly provide indemnity for Lifeblood through a cost-sharing arrangement for claims, both current and potential, regarding personal injury and loss or damage suffered by a recipient of certain blood products. If there are insufficient funds in the NMF to cover claim costs, the Jurisdictional Blood Committee will consider a report provided by the National Funds Manager to determine the level of additional funds required. The Australian Government's share of any additional liability is limited to 63 per cent of any agreed net cost.

CSL Ltd

CSL Ltd (CSL) is indemnified against claims made by individuals who contract specified infections from specified products and against employees contracting asbestos-related injuries. CSL has unlimited cover for most events that occurred before the sale of CSL on 1 January 1994, but has more limited cover for a specified range of events that occurred during the operation of the Plasma Fractionation Agreement from 1 January 1994 to 31 December 2004. Where alternative cover was not arranged by CSL, the Australian Government may have a contingent liability.

The Australian Fractionation Agreement with CSL Behring (Australia) Ltd (a subsidiary of CSL), which operated from 1 January 2010 to 31 December 2017, and the National Fractionation Agreement for Australia with CSL Behring (Australia) Ltd, which has operated since 1 January 2018, both include a requirement that the National Blood Authority make a defined payment to CSL Behring (Australia) Ltd, in certain circumstances only, in the event that the volume of plasma supplied annually to CSL Behring (Australia) Ltd is less than a specified amount.

Indemnities relating to vaccines

The Australian Government has provided indemnities to a manufacturer of a smallpox/monkeypox vaccine held by the Australian Government, covering possible adverse events that could result from the use of the vaccine in an emergency situation. Indemnities have also been provided to a particular manufacturer of pandemic and pre-pandemic influenza vaccines for the supply or future supply of influenza vaccines under certain conditions (including H1N1 and H5N1).

Major sporting events

2032 Brisbane Olympic and Paralympics Games – On 21 July 2021, the International Olympic Committee (IOC) selected Brisbane to host the 2032 Olympic and Paralympic Games. On 17 February 2023, the Australian Government and the Queensland Government signed a bilateral agreement on matters of shared interest, including a capped capital contribution towards venue infrastructure from the Commonwealth. The Commonwealth has also provided a range of guarantees to the IOC for provision of government services in support of Brisbane hosting the Games, at no cost to the Organising Committee of the Olympic Games. The financial implications of this support are not quantifiable at this time.

2026 Commonwealth Games – On 12 April 2022, Victoria was selected to host the 2026 Commonwealth Games, with regional hubs and athletes' villages to be established in Geelong, Bendigo, Ballarat and Gippsland. The Australian Government has provided guarantees for the Victorian Government's hosting of the 2026 Commonwealth Games in Regional Victoria. The financial implications of this support are not quantifiable at this time.

2027 Rugby World Cup (Men's) and 2029 Rugby World Cup (Women's) – On 12 May 2022, World Rugby selected Australia as the host of the 2027 Rugby World Cup and 2029 Women's Rugby World Cup. In addition to the financial assistance provided in the 2022–23 March Budget to support event delivery and legacy programs, the Government has committed to provide services and support (such as security commitments and visa processing for participants and support staff). The financial implication of this additional support is not quantifiable at this time.

2023 FIFA Women's World Cup – On 25 June 2020, FIFA selected Australia and New Zealand to co-host the 2023 FIFA Women's World Cup. In addition to the financial assistance provided by the Commonwealth to support direct event delivery costs and legacy programs, the Government has committed to provide Commonwealth guarantees for the event. The financial implication of this additional support is not quantifiable at this time.

Medical Indemnity Exceptional Claims Scheme

Under the Medical Indemnity Exceptional Claims Scheme, the Australian Government assumes liability for 100 per cent of any damages payable against practitioners practising in a medical profession that exceeds a specified level of cover provided by the practitioner's medical indemnity insurer (currently \$20 million). These arrangements apply to payouts either related to a single large claim or to multiple claims that in aggregate exceed the cover provided by the practitioner's medical indemnity insurer, and would apply to claims notified under contract-based cover since 2003. From 1 July 2020, the *Medical and Midwife Indemnity Legislation Amendment Act 2019* provides transferred eligibility for allied health professionals (including registered only midwives) into the Allied Health High Cost Claims Scheme and Allied Health Exceptional Claims Scheme within the *Medical Indemnity Act 2002*.

mRNA manufacturing facility – indemnities

The Australian Government has agreed to provide certain indemnities to Moderna in relation to the Moderna mRNA Partnership for onshore end-to-end population scale mRNA manufacturing capability. These indemnities cover certain liabilities that could result from implementation of the Partnership. These indemnities are also mutual in nature, reflecting risk-sharing arrangements with Moderna to limit financial exposure to the Australian Government.

Contingent asset – unquantifiable

Legal action seeking compensation

The Department of Health and Aged Care is engaged in legal action against certain pharmaceutical companies to recover savings denied to the Commonwealth because interim injunctions granted to these companies in unsuccessful patent litigation delayed generic versions of drugs being listed on the Pharmaceutical Benefits Scheme, thereby delaying statutory and price disclosure related price reductions for these drugs.

Home Affairs

Fiscal Risk

Regional processing arrangements

Effective 1 January 2022, the Australian Government supports regional processing arrangements in the Republic of Nauru, assisting the Government of Nauru to provide support and services to transferees residing in Nauru. Any significant changes in the number of transferees, the arrangements that underpin the provision of those services, relevant litigation or legislative changes, may incur a cost or generate cost reductions which are unquantifiable at this time.

Contingent liabilities – unquantifiable

Australian victims of terrorism overseas payment

The *Social Security Amendment (Supporting Australian Victims of Terrorism Overseas) Act 2012* inserted Part 2.24AA into the *Social Security Act 1991* to create a scheme for providing financial assistance to Australian residents who are victims of an overseas terrorist act that has been declared by the Prime Minister. The scheme commenced on 22 January 2013. Under the scheme, Australian residents harmed (primary victims) or whose close family members die as a direct result of a declared terrorist act (secondary victims) are eligible to claim one-off payments of up to \$75,000. As acts of terrorism are unpredictable, and the declaration of overseas terrorists acts discretionary, the cost of the scheme is unquantifiable.

Disaster recovery

The Australian Government provides funding to states and territories (states) through the jointly funded Commonwealth-State Disaster Recovery Funding Arrangements (DRFA) to assist with natural disaster relief and recovery costs. States may claim DRFA funding if a natural disaster occurs and states' relief and recovery expenditure for that event meets the thresholds set out in the arrangements.

The forward estimates for the DRFA include preliminary estimates for past events, based on the best information available at the time of preparation. Preliminary estimates of the cost of a disaster and the timing of expenditure are subject to change. The total cost of relief and recovery from these past events may not be completely realised for some years.

For major disasters, the Australian Government may approve payments to individuals under the *Social Security Act 1991*. These include the Australian Government Disaster Recovery Payment and Disaster Recovery Allowance. As natural disasters and their impacts are unpredictable, the cost of these payments for future disasters is unquantifiable and therefore not included in the forward estimates.

Facilities, garrison, transferee arrivals and reception, and health services in the Republic of Nauru – liability limit

The Department of Home Affairs (the Department) entered into 2 contracts for the provision of services and facilities in the Republic of Nauru in relation to regional processing arrangements with:

- Management & Training Corporation Pty Ltd. (MTC), which commenced on 1 October 2022, for the provision of facilities, garrison and transferee arrival and reception services. The contract includes a provision that limits MTC's liability to the Commonwealth to a maximum of \$200 million in aggregate for the term of the contract. The limitation of liability does not apply to loss arising from claims in relation to death, or bodily injury, disease or illness of any person caused by MTC's breach of contract, negligent act or omission, wilful default, or breach of law. The limitation of liability also does not apply to loss arising from: criminal acts, malicious damage or wilful default of the service provider or its subcontractors; statutory penalties; breach of privacy legislation; breach of confidentiality; third party claims in relation to infringement of intellectual property rights; or claims brought by third parties to the extent they are caused by the breach of contract, wilful default, or negligence of the service provider.
- International Health and Medical Services Pty Ltd (IHMS), which commenced on 13 August 2022, for the provision of health services in the Republic of Nauru. The contract includes a provision that limits IHMS' liability to the Department with a limit of indemnity of no less than \$45 million in respect of each and every occurrence, and in respect of product liability only, and in the aggregate for all occurrences arising during any one 12-month policy period. The limitation of liability does not apply to loss arising from claims in relation to death, or bodily injury, disease or illness (including mental health) of any person caused by IHMS' breach of contract, negligent act or omission, wilful default, or breach of law. The limitation of liability also does not apply to loss arising from: criminal acts, malicious damage or wilful default of the service provider or its subcontractors; statutory penalties; liability that cannot be excluded at law; breach of privacy legislation; breach of confidentiality; third party claims in relation to infringement of Intellectual Property Rights; or claims brought by third parties to the extent they are caused by the breach of contract, wilful default, or negligence of the service provider.

Immigration detention services by state and territory governments – liability limit

The Department of Home Affairs (Home Affairs) has negotiated arrangements with a number of state and territory governments for the provision of various services (including health, corrective and policing services) to immigration detention facilities and people in immigration detention. Some jurisdictions sought indemnification by the Australian Government for the provision of those services. These agreements, as listed below, provide unquantifiable indemnities relating to any damage or loss incurred by state and territory governments arising out of, or incidental to, the provision of services under these agreements.

Jurisdiction	Service Stream	Details
Christmas Island	Health	\$5 million per claim or event
NSW	Corrections	Uncapped – with a risk rating ration, no more than \$30 million per event
	Police	\$5 million per claim or event
SA	Police	\$5 million per claim or event
VIC	Police	\$5 million per claim or event
WA	Police	\$5 million per claim or event

Home Affairs negotiates arrangements as necessary for the provision of corrective services. The indemnity provided to state and territory governments under these arrangements is no more than \$30 million per event. There are agreements with state and territory governments that are at varying stages, such as in progress, under review and legacy. The above table is a reflection of all known current agreements with confirmed indemnity liability in accordance with the *Public Governance Performance and Accountability Act 2013*.

Immigration detention services contract – liability limit

The Department of Home Affairs entered into a contract with Serco Australia Pty Ltd (Serco), which commenced on 11 December 2014, to deliver immigration detention services in Australia on behalf of the Australian Government at immigration detention facilities. The contract limits Serco's liability to the Commonwealth to a maximum of any insurance proceeds recovered by Serco up to a value of \$330 million for the term of the contract. Serco's liability is unlimited for specific events defined under the contract.

Industry, Science and Resources

Fiscal Risk

Rehabilitation of the Ranger Uranium Mine

The Australian Government approved the Ranger Uranium Mine (Ranger) in the late 1970s. Energy Resources of Australia (ERA) was authorised to mine uranium at Ranger until 2021, and is required to rehabilitate the site to achieve an environmental condition similar to adjacent areas. Pursuant to the renegotiated agreement between the Australian Government and the Northern Land Council, the Australian Government would be responsible for carrying out rehabilitation works at the Ranger site should ERA fail to complete the works. ERA has provided a rehabilitation security to the Australian Government to cover the expected costs of rehabilitation should it be called upon.

The rehabilitation security is revalued periodically based on estimated rehabilitation costs at a point in time, and ERA may be required to provide further security if necessary following a revaluation. The security currently reflects valuation assumptions as at March 2020, and is expected to be updated in 2024. Recent assessments of the rehabilitation costs undertaken by the Government indicate that the potential costs have increased significantly following the last security valuation (in March 2020) and that at present, the security held by the Australian Government would not be sufficient to rehabilitate the site should the Australian Government be required to do so. It is expected this will be resolved following the next security valuation (expected in 2024) but until that time the difference between the expected rehabilitation costs and the security held by the Australian Government represents a fiscal risk to the Budget.

Significant but remote contingencies

Liability for damages caused by space and certain high-power rocket activities

Under the United Nations Convention on International Liability for Damage Caused by Space Objects, the Australian Government may be liable to pay compensation for damage caused to nationals of other countries by space objects launched from Australia, or by Australian nationals overseas. For activities approved under the *Space (Launches and Returns) Act 2018* (the Act), the Government also accepts liability for damage suffered by Australian nationals, to a maximum value of \$3 billion above an insured level.

To address this risk, in order to have a space or high-power rocket activity approved under the Act, the responsible party is required to insure against, or take financial responsibility for, damage to third parties. The amount of insurance or financial responsibility is capped at \$100 million.

The Act provides for amounts lower than \$100 million depending on the risk profile of the activity. A maximum probable loss methodology is also available to calculate the amount of insurance or financial responsibility.

Operations and maintenance of the Northern Endeavour and associated infrastructure

On 31 March 2022, Petrofac Facilities Management Limited (Petrofac) was engaged to deliver Phase One of the decommissioning of the Northern Endeavour. This will see the floating production storage and offtake facility (FPSO) disconnected from the sub-sea equipment and temporary suspension of the wells. On 30 September 2022, the operational control of the facility transitioned from Upstream Production Solutions to Petrofac.

The contract with Petrofac has adopted an industry standard “knock-for-knock” risk and liability allocation arrangement, akin to the one with Upstream Production Solutions, that positions risks so that they are borne by the party most likely to be able to financially manage the consequences of a risk materialising. Petrofac is liable, to a pre-determined cap, for a number of insured risks, including to property, pollution and the environment. Petrofac will also bear responsibility for some instances of loss or damage to the extent it is caused by the Petrofac’s negligence or wilful misconduct.

The Australian Government has obtained protection and indemnity, facility damage and control of well insurance, and also taken out membership with oil spill response agencies. These limit the Government’s potential risk and financial exposure.

The risk of an incident is remote. The floating production storage offtake facility is being maintained with safety critical maintenance carried out, limited oil in storage and no further oil production taking place. The additional works to prepare for disconnection are not considered to materially increase the risk.

The Commonwealth has reached a settlement with the secured creditor of Timor Sea Oil & Gas Australia Pty Limited and Northern Oil & Gas Australia Pty Limited, Castleton Commodities Merchant Asia Co. Pte. Ltd., in relation to delivery of the floating production storage offtake facility after disconnection.

The Australian Government has committed to decommission the Northern Endeavour FPSO and remediate the Laminaria-Corallina oil fields. The cost to deliver Phase One of the decommissioning, including the disconnection of the FPSO, is taken into account in the forward estimates. However, cost estimates for the subsequent phases of the decommissioning: the permanent plug and abandonment of the wells (Phase Two); and the removal of subsea infrastructure (Phase Three), which are estimated to commence over the forward estimates period, are not able to be fully quantified until procurement activities for those Phases have been conducted. Actual costs associated with Northern Endeavour decommissioning will be recovered through the *Offshore Petroleum (Laminaria and Corallina Decommissioning Cost Recovery Levy) Act 2022*.

Contingent liabilities – unquantifiable

Australian Nuclear Science and Technology Organisation – asbestos contamination

The Australian Nuclear Science and Technology Organisation (ANSTO) site contains asbestos in a number of buildings and in the soil at the Lucas Heights campus. Although there is potential for claims being made in relation to asbestos related diseases, the potential costs have not been assessed and are unquantifiable contingencies.

Australian Nuclear Science and Technology Organisation – indemnity

On 21 April 2016, the then Minister for Industry, Innovation and Science signed a Deed of Indemnity between the Commonwealth Government, ANSTO and ANSTO Nuclear Medicine Pty Ltd (ANM), under which the Government formally agreed to indemnify ANSTO and ANSTO Officers, and ANM and ANM Officers, from any loss or liability arising from claims caused by ionising radiation. This Deed will remain in place until April 2026.

Australian Nuclear Science and Technology Organisation – legacy waste management to final disposal

ANSTO has accumulated, and will continue to accumulate, nuclear waste, the final disposal of which is unfunded. The majority of this waste has arisen from the production of nuclear medicine and will require characterisation in order to determine the nature, and therefore the costs and timing required to manage the waste to final disposal. It is anticipated that the long-term storage of the nuclear waste will be the responsibility of the planned National Radioactive Waste Management Facility. If this changes, ANSTO may need to meet the costs of the future management of the waste.

Former British atomic test site at Maralinga

The Australian Government is responsible for 14 unlimited indemnities relating to the Maralinga Rehabilitation Project (1995–2000). In November 2009, the Australian Government agreed to the handback of the former nuclear test site – Maralinga Section 400 – to the site's Traditional Owners, Maralinga Tjarutja. Under the terms of the *Maralinga Nuclear Test Site Handback Deed*, the Australian Government has indemnified the Maralinga Tjarutja people and the South Australian Government in respect of claims arising from test site contamination.

Land decontamination and site restoration for CSIRO property

The Commonwealth Scientific and Industrial Research Organisation (CSIRO) has made a financial provision for the estimated costs in restoring and decontaminating land where a legal or constructive obligation has arisen. For cases where there is no legal or constructive obligation, the potential costs have not been assessed and are unquantifiable contingencies.

Infrastructure, Transport, Regional Development, Communications and the Arts

Fiscal Risks

Australia Post's financial stability

Australia Post is a Government Business Enterprise wholly owned by the Commonwealth Government. In 2022–23, Australia Post is expected to report a full financial year loss, the first annual loss since 2014–15, as the digitisation of the global and national economy changes how many people and businesses use postal and related services. Australia Post does not receive financial support from the Australian Government, but is required to meet a range of Community Service Obligations.

The Australian Government is undertaking public consultation to inform development of balanced changes to ensure postal services meet the needs of the Australian community both now and into the future.

Given Australia Post's deteriorating financial position, there is a risk that the Australian Government will need to consider providing financial assistance to Australia Post in the future.

Inland Rail – delivery

The Australian Government has released the findings of the Independent Review of Inland Rail (the Review) and agreed to the 19 recommendations in full or in principle. The Review was delivered in January 2023, and assessed the project's scope, schedule and cost. While final project costs will not be known until the completion of procurements for all sections of Inland Rail following finalisation of design, planning and environmental approvals, the Review identified that the estimated cost to complete Inland Rail will be significantly higher than the available funding.

The Australian Government will engage independent specialists to review the cost, scope, engineering, delivery models and schedule of the project. In the interim, ARTC is prioritising the delivery of Beveridge to Parkes sections.

The funding available to ARTC to deliver Inland Rail is a combination of Commonwealth equity investment (the major funding source), private debt and internal cash flows. Pre-existing project risks have been realised, including extensive delays and cost increases. Significant project delivery risks will remain, including securing jurisdictional support, cost and scheduling pressures, pre-existing land and contamination, and realising revenues.

Significant but remote contingencies

Inland Rail – Termination of the Equity Financing Agreement

The Australian Government will provide sufficient funding to cover all costs and liabilities incurred by the Australian Rail Track Corporation (ARTC) for delivery of Inland Rail in the event the Commonwealth terminates the Equity Financing Agreement between the Commonwealth and the ARTC.

Maritime Industry Finance Company Limited – Board Members' indemnity

Indemnities for Maritime Industry Finance Company Limited (MIFCO) board members were provided to protect them against civil claims relating to their employment and conduct as Directors. MIFCO was placed into voluntary liquidation in November 2006 and was deregistered on 24 April 2008. The indemnity is not time-limited and continues even though the company has been liquidated. Until the indemnity agreements are varied or brought to an end, they will remain as contingent and unquantifiable liabilities.

Moorebank Intermodal Project – Glenfield Waste Site Easement

The Australian Government has provided an indemnity to cover all costs and liabilities that may be incurred by the Grantor (the private sector owner of the Glenfield Waste Site) of any easement for the rail spur going across the Glenfield Waste Site, to the extent such costs or liabilities are caused or contributed to by the Commonwealth or its agents.

National Intermodal Corporation Limited – Termination of the Funding Agreement

The Australian Government has provided an indemnity to cover all costs and liabilities that may be incurred by the National Intermodal Corporation Limited (National Intermodal) in the event that the Commonwealth terminates the Funding Agreement between the Commonwealth and National Intermodal.

Optus Financial Guarantee

The Australian Government has provided a guarantee in respect of NBN Co's financial obligations to Optus Networks Pty Ltd, Optus Internet Pty Limited, Optus Vision Media Pty Limited and SingTel Optus Pty Ltd (collectively, Optus) under the Optus HFC Subscriber Agreement (the Agreement). An amended version of the Agreement came into effect on 22 January 2019. The Guarantee continues to apply to that Agreement.

The Agreement extends for the period of the National Broadband Network roll-out in Optus Hybrid Fibre Coaxial (HFC) areas. The Australian Government is only liable in the event NBN Co does not pay an amount when due under the Agreement. As at 28 February 2023, NBN Co had generated liabilities covered by the Optus Agreement which are estimated at an amount less than \$50.0 million. There is a low risk that a claim would be made under the Guarantee.

Telstra Financial Guarantee

The Australian Government has provided Telstra Corporation Limited (Telstra) a guarantee in respect of NBN Co's financial obligations under the Definitive Agreements. The Agreements were amended on 14 December 2014. The Guarantee was not amended at that time and it continues in force in accordance with its terms in respect of the amended Definitive Agreements. The liabilities under the Definitive Agreements between Telstra and NBN Co arise progressively during the roll-out of the National Broadband Network as Telstra's infrastructure is accessed and Telstra's customers are disconnected from its copper and Hybrid Fibre Coaxial cable networks. The Government is only liable in the event NBN Co does not pay an amount when due under the Definitive Agreements. As at 28 February 2023, NBN Co had liabilities covered by the Guarantee estimated at \$11 billion.

The Guarantee will terminate when:

- NBN Co achieves specified credit ratings for a period of 2 continuous years;
- the company is capitalised by the Commonwealth to the agreed amount; and
- the Communications Minister declares, under the *National Broadband Network Companies Act 2011*, that, in his or her opinion, the National Broadband Network should be treated as built and fully operational. This declaration was made on 11 December 2020.

Tripartite deeds relating to the sale of federal leased airports

The tripartite deeds between the Australian Government, the airport lessee company and financiers, amend airport (head) leases to provide for limited step-in rights for financiers in circumstances where the Australian Government terminates the head lease to enable the financiers to correct the circumstances that triggered such a termination event. The tripartite deeds may require the Australian Government to pay financiers compensation as a result of terminating the (head) lease, once all Australian Government costs have been recovered. The Australian Government's contingent liabilities are considered to be unquantifiable and remote.

WSA Co Limited – Board Members' indemnities

The Australian Government has provided an indemnity for each of the Directors of WSA Co Limited (WSA Co) to protect them against certain claims relating to their employment as Directors. Unless the indemnity agreements are varied or brought to an end, they cease to apply from the date the Commonwealth has fully satisfied its obligations to subscribe for equity in WSA Co pursuant to the WSA Co Equity Subscription Agreement.

WSA Co Limited – Sydney Metro – Western Sydney Airport indemnity

The Australian Government has provided an indemnity to cover liabilities that may be incurred by WSA Co Limited related to the integration of the Sydney Metro – Western Sydney Airport project (delivered by the New South Wales Government) with the Western Sydney International (Nancy-Bird Walton) Airport, to the extent such liabilities are established in the Airport-Rail Integration Deed.

WSA Co Limited –Termination of the Equity Subscription Agreement

The Australian Government is required to cover all costs and liabilities that may be incurred by WSA Co Limited (WSA Co) in the event that the Commonwealth terminates the Equity Subscription Agreement between the Commonwealth and WSA Co.

Contingent liabilities – unquantifiable

Australian Maritime Safety Authority incident costs

In the normal course of operations, the Australian Maritime Safety Authority (AMSA) is responsible for the provision of funds necessary to meet the clean-up costs arising from ship-sourced marine pollution and, in all circumstances, is responsible for making appropriate efforts to recover the costs of any such incidents. The Australian Government meets costs that cannot be recovered from such incidents. It is not possible to estimate the amounts of any eventual payments that may be required in relation to these incident costs. AMSA has established a pollution response financial capability of \$50 million, backed by liquid investment funds, to provide funding should the overall clean-up costs exceed the liability limit of the ship-owner.

Aviation rescue and firefighting services potential per- and poly-fluoroalkyl substances contamination

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) has identified a number of sites in Australia potentially contaminated with per- and poly-fluoroalkyl substances (PFAS) previously contained in firefighting foams.

The identified contaminants do not naturally break down in the environment and several have been listed on the Stockholm Convention as persistent contaminants. Australian health and environmental agencies have set a range of standards for environmental protection and precautionary health measures.

Up to 37 airport sites are potentially contaminated with PFAS (20 federally leased airports and 17 regional airports) relating to the Commonwealth provision of firefighting services. The Department is undertaking PFAS investigations at these airports to understand the risks and develop management plans for any identified PFAS contamination. Airservices Australia (Airservices) is continuing to implement the National PFAS Management Program, which includes PFAS investigations at 18 remaining airport sites. The costs of potential long-term management options cannot be quantified at this time.

For the airports that are owned by the Commonwealth and leased on a long-term basis, Airport Lessee Companies (ALCs) are responsible for environmental management of their airport sites. Airport leases indemnify the Commonwealth in relation to damages or injury to the environment, including in respect of costs and claims arising due to such damages or injury.

A number of ALCs have requested that the Airport Environment Officer (AEO) issue remedial orders to Airservices for PFAS contamination under the *Airports (Environment Protection) Regulations 1997*. On 30 March 2023, the AEO issued Airservices with an environmental remedial order in relation to PFAS contamination caused by Airservices at the former fire training ground at Launceston Airport. AEOs are also actively considering regulatory action at Brisbane, Canberra, Moorabbin and Sydney Airports.

Brisbane Airport Corporation has commenced legal proceedings in the Queensland Supreme Court against Airservices in relation to legacy PFAS contamination from Airservices' use of firefighting foams containing PFAS at the airport. Australia Pacific Airports Launceston and Perth Airport Pty Ltd have also commenced legal proceedings against Airservices in relation to PFAS contamination in the Federal Court. Potential costs relating to this matter are unquantifiable at this time.

Indemnity provided to the New South Wales Rural Fire Fighting Service in relation to the Jervis Bay Territory

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts (the Department) engages the New South Wales Rural Fire Service (NSW RFS) to provide fire management in the Jervis Bay Territory (GBT). To provide these services, the NSW RFS requires the Australian Government to provide an uncapped indemnity against any actions or claims resulting from the actions of the NSW RFS while providing fire management services in the GBT. The indemnity covers the same period of time for which NSW RFS is engaged to provide the fire management services. The likelihood of an event occurring that may result in a liability for the Australian Government is assessed as remote. The risk of a liability is mitigated through a range of risk management measures, including the Jervis Bay Territory Rural Fires Ordinance 2014, the establishment of a GBT Emergency Management Committee (EMC), a fire management plan prepared and implemented by the EMC, NSW RFS staff training and professional qualifications and the Department actively managing the Service Level Agreement with the NSW RFS.

Moorebank Intermodal Project – Georges River rail crossing

The Australian Government has provided an indemnity to cover costs and liabilities that may be incurred by the State of New South Wales arising under the *Native Title Act 1993 (Cth)* associated with the construction of a rail bridge over the Georges River to the Moorebank Intermodal Terminal. The likelihood of costs being incurred is considered remote and potential costs are unquantifiable.

Service Delivery Arrangement Indemnities – Indian Ocean Territories, Norfolk Island and Jervis Bay Territory

Since 1992, the Australian Government has been entering into Service Delivery Arrangements with the Western Australian (WA) Government for the provision of services to the Indian Ocean Territories of Christmas Island and the Cocos (Keeling) Islands. The Australian Government has provided certain indemnities for the WA Government, their respective officers, agents, contractors and employees against civil claims relating to their employment and conduct as officers.

Since 1 January 2022, the Queensland (QLD) Government has provided a range of services to the Norfolk Island community under an Intergovernmental Agreement. The Australian Government has provided certain indemnities for the State of QLD and its bodies and officials in respect of the delivery of services to the Norfolk Island community.

The Australian Capital Territory (ACT) provides a number of services to the Jervis Bay Territory under Memoranda of Understanding. The Australian Government has provided certain indemnities for the ACT Government authorities and officials in respect of the delivery of services to the Jervis Bay Territory.

The likelihood of an event occurring that may result in a liability for the Australian Government has been assessed as remote and the risks are currently mitigated through the training and professional qualifications of the staff of these agencies.

Prime Minister and Cabinet

Contingent liability—unquantifiable

McDonald v Commonwealth (Stolen Wages Class Action)

A class action against the Commonwealth has been filed in the Federal Court Victorian Registry on behalf of all Aboriginal and Torres Strait Islander persons who lived and worked in the Northern Territory during the period 1 June 1933 to 12 November 1971, and whose wages were allegedly unjustly withheld, inadequate or not paid as a result of wage control legislation. Costs associated with this litigation (if any) and any potential related future litigation are not quantifiable until the matter is determined by the Court or otherwise resolved.

Contingent liability – quantifiable

Indigenous Land and Sea Corporation – Voyages Indigenous Tourism Australia

Voyages Indigenous Tourism Australia Pty Ltd (Voyages), the owners of the Ayers Rock Resort, have debt facilities with ANZ (\$112.5 million) and the Northern Australia Infrastructure Facility (\$27.5 million). The Indigenous Land and Sea Corporation is the guarantor for each of these facilities.

A sharp decline in occupancy rates associated with the COVID-19 pandemic had eroded the financial position of Voyages and raised additional risks regarding its viability. These concerns have recently subsided, with Ayers Rock Resort's performance significantly improving with the relaxation of COVID-19 related restrictions and increase in tourism activity.

Social Services

Fiscal Risks

COVID-19 and disaster social welfare debt pause for specified areas

The Australian Government implemented a temporary pause on a range of debt activities from 4 August 2021 in New South Wales, Victoria, the Australian Capital Territory and 11 Local Government Areas in South East Queensland. This was undertaken to help ease pressure on people subject to stay at home orders and natural disaster impacts. Since 1 July 2022, consistent with the easing of COVID-19 restrictions, Services Australia has progressively lifted debt pauses associated with the pandemic and natural disasters.

There is currently an unquantifiable financial risk as the financial impacts of the debt pause over 2020–21 and 2021–22 are yet to be fully realised.

National Disability Insurance Scheme

The National Disability Insurance Scheme (NDIS) provides Australians with permanent and significant disability with financial support to build capacity, increase independence and establish stronger connections with their community.

As with other demand-driven programs, the estimated costs for the NDIS are subject to adjustments to reflect observed changes in actual payments. As the Scheme is relatively new, there is greater potential for changes in forecasts of the number of participants, the funds allocated in participant support packages, the payments by participants from those funds for supports, and the resourcing required by the National Disability Insurance Agency to administer the Scheme. The Government has committed to a NDIS Financial Sustainability Framework to ensure the Scheme is sustainable in the long term, with an annual growth target for Scheme costs of no more than 8 per cent by 1 July 2026. The realisation of the financial projections for the Scheme is dependent on the successful implementation of the framework.

Contingent asset – quantifiable

National Redress Scheme

The *National Redress Scheme for Institutional Child Sexual Abuse Act 2018* aims to support people who experienced institutional child sexual abuse from institutions participating in the National Redress Scheme (the Scheme) to gain access to counselling and psychological services, a direct personal response from the responsible institution, and a monetary payment. The Department of Social Services (DSS) administers the Scheme. In this capacity, DSS makes the monetary payment to the survivor and then recovers the costs from the institution determined to be responsible for the abuse.

As at 24 March 2023, DSS has an administered quantifiable contingent asset of \$155.2 million in relation to the probable recovery from responsible institutions of monetary payments that may be made to survivors under the Scheme. The value is based on applications that have been referred to an Independent Decision Maker for assessment and the payment values.

As at 24 March 2023, DSS also has an administered quantifiable contingent liability of \$93.3 million in relation to applications made under the Scheme that have been referred to an Independent Decision Maker for assessment. The amount is based on the number of applications and the payment values.

The difference between the contingent asset and the contingent liability represents the net risk to the Budget from the Scheme.

Treasury

Significant but remote contingencies

Asbestos Injuries Compensation Fund

In February 2016, the Commonwealth agreed to assume one-third of the default risk associated with a \$320 million New South Wales (NSW) Government loan to the Asbestos Injuries Compensation Fund (AICF), contingent on all states and territories agreeing to assume the remaining default risk. States and territories agreed to assume the remaining default risk in the period following the publication of the 2016–17 Budget.

The AICF provides compensation to Australian asbestos disease related claims against former subsidiaries of the James Hardie Group and is funded on an ongoing basis through contributions from the James Hardie Group. NSW provided a \$320 million loan facility in 2010 to enable AICF to continue to pay compensation as lump sums, rather than on an instalment basis.

The Commonwealth ceased issuing loans from this facility from 9 December 2020.

Financial Claims Scheme

The Financial Claims Scheme provides depositors of authorised deposit-taking institutions (ADIs) and claimants of general insurers with timely access to their funds in the event of a financial institution failure.

Under the *Banking Act 1959*, the scheme provides a mechanism for making payments to depositors under the Australian Government's guarantee of deposits in ADIs. Payments are capped at \$250,000 per account holder per ADI. Deposits eligible for coverage under the Financial Claims Scheme were estimated at \$1.2 trillion as at 31 December 2022.

Under the *Insurance Act 1973*, the scheme provides a mechanism for making payments to eligible beneficiaries with a valid claim against a failed general insurer. It is not possible to estimate the amounts of any eventual payments that may be required in relation to general insurance claims.

In the very unlikely event of an ADI or general insurer failure, any payments made under the Financial Claims Scheme would be recovered through the liquidation of the failed institution. If there was a shortfall in the amount recovered through the liquidation of the failed institution, a levy could be applied to the relevant industry to recover the difference between the amount expended and the amount recovered in the liquidation.

The Australian Prudential Regulation Authority (APRA) is responsible for the administration of the Financial Claims Scheme. Under the Financial Claims Scheme, any payments to account holders with eligible protected accounts or eligible claimants would be made from APRA's Financial Claims Scheme Special Account. Under the legislation, upon activation, up to \$20 billion per institution would be available to meet Financial Claims Scheme payments and up to \$100 million for administration costs per institution.

Guarantee for the National Housing Finance and Investment Corporation

The Australian Government guarantees the due payment of money payable by the National Housing Finance and Investment Corporation (NHFIC) to anybody other than the Government.

The NHFIC Board must not allow NHFIC to enter into a transaction that would result in the total guaranteed liabilities of the NHFIC, and any outstanding amount which NHFIC has borrowed from the Government, to exceed \$7.5 billion unless approved by the Government.

Guarantee of state and territory borrowing

The Australian Government announced on 25 March 2009 that a voluntary, temporary guarantee would be put in place over state and territory borrowing. The Guarantee of state and territory borrowing commenced on 24 July 2009 and closed on 31 December 2010. New South Wales and Queensland were the only states that chose to participate in the Guarantee.

Securities covered by the Guarantee will continue to be guaranteed until these securities either mature or are bought back and extinguished by the issuer.

The expected liability under the Guarantee is remote and unquantifiable. Australian Government expenditure would arise under the Guarantee only in the unlikely event that a state failed to meet its obligations with respect to a commitment that was subject to the Guarantee and the Guarantee was called upon. In such a case, the Government would likely be able to recover any such expenditure through a claim on the relevant state at a future date. The impact on the Budget would depend on the extent of the default and the state's ability to meet the Government's claim.

As at 31 January 2023, the face value of state and territory borrowings covered by the Guarantee was \$332.3 million, down from \$337.5 million as at 31 July 2022.

Guarantees under the *Commonwealth Bank Sale Act 1995*

Under the terms of the *Commonwealth Bank Sale Act 1995*, the Australian Government guarantees various superannuation and other liabilities: \$146.8 million is attributable to liabilities of the Commonwealth Bank of Australia as at 31 December 2022; and \$4.3 billion is attributable to liabilities of the Commonwealth Bank Officers' Superannuation Corporation as at 31 December 2022.

Reserve Bank of Australia – Guarantee

The Australian Government guarantees the liabilities of the Reserve Bank of Australia, measured as the Bank's total liabilities excluding capital, reserves, and Australian Government deposits. The principal component of the Bank's liabilities is exchange settlement balances. As at 15 March 2023, exchange settlement balances amount to \$451.9 billion, and the total Guarantee is \$569.0 billion.

Contingent liabilities – unquantifiable

Compensation scheme of last resort

The compensation scheme of last resort (CSLR) will facilitate the payment of compensation to consumers who have an eligible determination from the Australian Financial Complaints Authority which remains unpaid, primarily due to the insolvency of the relevant financial service provider. Subject to the passage of legislation, the CSLR will be funded by the Government in the first financial year of operation, and thereafter by levies on the financial services sector.

The value of the Australian Government's liabilities under the CSLR is unquantifiable. The collapse of Dixon Advisory and Superannuation Services Pty Ltd may increase the liabilities for the Australian Government.

Establishment of a cyclone and related flooding reinsurance pool

The Government provides an annually reinstated Government guarantee to the Australian Reinsurance Pool Corporation (ARPC) of \$10 billion, or a larger amount if required, to support a reinsurance pool for the impact of cyclones and related flooding on eligible insured properties. The guarantee took effect from 1 July 2022, following the passage of legislation in March 2022, and may be called upon in the event of a large cyclone and related flooding, or in a year with a high number of cyclones and related flooding, to ensure the ARPC can pay any and all liabilities.

The reinsurance pool is designed to be cost-neutral to Government over time, based on the predicted cost and frequency of cyclone events. The estimated value and range of calls on the guarantee is unquantifiable due to significant uncertainty in the frequency and severity of cyclones and the resulting losses.

Government guarantees for housing

The Australian Government has a number of programs to support individuals to enter the housing market sooner.

The **First Home Guarantee** (formerly the First Home Loan Deposit Scheme) is designed to support eligible first home buyers, and non-first home buyers who have not owned a property in Australia within the past 10 years, to build or purchase a home by providing a guarantee to participating lenders for up to 15 per cent of the property purchase price. The First Home Guarantee began on 1 January 2020.

The **New Home Guarantee** is designed to support eligible first homes buyers seeking to build a new home or purchase a newly built home by providing a guarantee to participating lenders for up to 15 percent of the property purchase price. A second tranche of 10,000 New Home Guarantees was made available from 1 July 2021. The New Home Guarantee concluded on 30 June 2022, however its guarantees issued in previous financial years remain active.

The **Family Home Guarantee** is designed to support single parents with dependants seeking to enter, or re-enter, the housing market. The Family Home Guarantee commenced on 1 July 2021.

The **Regional First Home Buyer Guarantee** is designed to support eligible first home buyers and non-first home buyers who have not owned a property in Australia within the past 10 years, to build or purchase a home in a regional location by providing a guarantee to participating lenders of up to 15 per cent of the property purchase price (subject to a minimum deposit of 5 per cent). The Regional First Home Buyer Guarantee commenced on 1 October 2022.

For the 4 programs listed above, the Australian Government guarantees the liabilities as they arise. Guaranteed liabilities arise where a lender's loss is covered by the guarantee. The lender then makes a claim against the guarantee and the National Housing Finance and Investment Corporation (NHFIC) accepts the claim. Given liabilities under the Scheme are met by a standing appropriation, the NHFIC is not required to maintain capital and reserves to meet the liabilities associated with these programs.

Indemnities for specialised external advisers during the COVID-19 pandemic

The Government has provided indemnities for certain specialised external advisers engaged to provide advice on emerging markets issues related to COVID-19. Indemnities were provided to mitigate personal risk and provide coverage for costs related to any legal proceedings that may arise in relation to the provision of that advice.

The indemnities apply for the period of engagement as advisers and for claims that are notified within 12 years after cessation of the adviser's engagement. Until the indemnity agreements are varied or expire, they will remain as contingent and unquantifiable liabilities.

International Monetary Fund – Poverty Reduction and Growth Trust

The Australian Government has entered into agreements to make a line of credit available to the International Monetary Fund (IMF) under the Poverty Reduction and Growth Trust (PRGT) through to 31 December 2029. The PRGT provides concessional financial support to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position. PRGT funds are drawn upon by the IMF as needed and will be repaid in full, with interest.

Through these agreements, the Government has made available Special Drawing Rights (SDR) 1 billion (approximately A\$2.0 billion estimated as at 24 March 2023) to loan to the IMF under the PRGT. As at 24 March 2023, SDR 210.6 million (approximately A\$424.4 million) has been drawn down, leaving SDR 789.4 million (approximately A\$1.6 billion) available to the IMF under the PRGT.

Small and Medium Enterprise (SME) Guarantee Scheme and SME Recovery Loan Scheme

The Australian Government provided support for small and medium enterprises during the COVID-19 pandemic through guaranteeing loans issued by participating lenders. This support was provided under a number of schemes.

The **Coronavirus Small and Medium Enterprises (SME) Guarantee Scheme** provided a guarantee of 50 per cent of the eligible loan amount for eligible SMEs and the **Show Starter Loan Scheme** provided a guarantee of 100 per cent of the eligible loan amount for the arts and entertainment businesses, with both schemes closing for new loans on 30 June 2021.

The **SME Recovery Loan Scheme**, an expansion and extension of the Coronavirus SME Guarantee Scheme, provided a guarantee of up to 80 per cent of the eligible loan amount, and was initially available to applicants from 1 April 2021 until 31 December 2021.

The SME Recovery Loan Scheme was extended from 1 January 2022 to 30 June 2022, and during this period the Government provided a guarantee of 50 per cent of the eligible loan amount.

Under each of the above schemes, the Australian Government guaranteed to pay an approved lender in the event of default by small and medium enterprises. Although all schemes have closed to new loans, the risk to the Australian Government remains until the final claim date for SME Recovery Loan Scheme on 30 September 2033.

Terrorism insurance – commercial cover

The *Terrorism Insurance Act 2003* established a scheme for terrorism insurance covering damage to commercial property, including associated business interruption and public liability (extended in 2017 to mixed-use and high-value residential buildings). The Australian Reinsurance Pool Corporation (ARPC) uses reinsurance premiums paid by insurers to meet its administrative expenses, to maintain a pool of funds and to purchase reinsurance to help meet future claims. The Australian Government guarantees to pay any liabilities of the ARPC, however the responsible Minister (or delegate) must declare a reduced payout rate to insured entities if the Government's liability would otherwise exceed \$10 billion.

Contingent liabilities – quantifiable

Australian Taxation Office – tax disputes

At any point in time, the Australian Taxation Office is involved in a range of dispute resolution processes, including litigation, relating to tax disputes.

Details of the outcome of dispute resolution processes are uncertain until a court ruling is made and/or an agreement is reached with the taxpayer. As a result, in most cases it is not possible to estimate reliably the likely financial impact of current disputes. The estimated aggregate value of tax in dispute as at 31 March 2023, for which a provision has not been made, is \$9.6 billion.

Outcomes of dispute resolution processes are included in the Commissioner of Taxation's Annual Report each year. This may include disputes resolved through objections, settlements and court and tribunal decisions. It may also include amounts owed by taxpayers that are subject to dispute but not finalised.

International financial institutions – uncalled capital subscriptions

The Australian Government has held an uncalled capital subscription in the International Bank for Reconstruction and Development (IBRD) since 1947.

Australia's current uncalled capital subscription to the IBRD totals approximately US\$4.2 billion (estimated value A\$6.3 billion as at 24 March 2023).

The Australian Government has an uncalled capital subscription in the European Bank for Reconstruction and Development (EBRD) since 1991. Australia's uncalled capital subscription to the EBRD totals around EUR237.5 million (estimated value A\$384.8 million as at 24 March 2023).

The Australian Government has an uncalled capital subscription in the Asian Development Bank (ADB) since 1966. Australia's uncalled capital subscription to the ADB totals around US\$7.0 billion (estimated value A\$10.5 billion as at 24 March 2023).

The Australian Government has an uncalled capital subscription in the Multilateral Investment Guarantee Agency of US\$26.5 million (estimated value A\$39.6 million as at 24 March 2023).

The Asian Infrastructure Investment Bank (AIIB) was established on 25 December 2015. The Australian Government has subscribed to shares in the AIIB, which includes an uncalled capital subscription. Australia's uncalled capital subscription to the AIIB totals around US\$3.0 billion (estimated value A\$4.4 billion as at 24 March 2023).

None of these international financial institutions has ever drawn on Australia's uncalled capital subscriptions.

International Monetary Fund – New Arrangements to Borrow & Bilateral Borrowing Agreement

Australia has made a line of credit available to the International Monetary Fund (IMF) under its New Arrangements to Borrow since 1998. This is a contingent loan to help ensure that the IMF has the resources available to maintain stability in the global economy. The value of Australia's New Arrangements to Borrow credit arrangement stands at around SDR 4.4 billion (estimated value A\$8.9 billion at 24 March 2023). On 8 October 2020, the Treasurer advised the IMF that Australia consented to the New Arrangements to Borrow decision, and on 26 January 2020, the IMF Executive Board approved amendments to the New Arrangements to Borrow decision, including increasing the credit arrangements of all participants and extending the arrangement from 1 January 2021 to 31 December 2025.

In addition, Australia has made available approximately SDR 2.0 billion (estimated as approximately A\$4.0 billion at 24 March 2023) via a contingent bilateral loan to the IMF, known as a Bilateral Borrowing Agreement. This contingent bilateral loan is on terms consistent with other bilateral loans and note purchase agreements between the IMF and other contributing countries. The contingent bilateral loan will be drawn upon by the IMF only if needed to supplement the IMF's quota and New Arrangements to Borrow resources, and any drawings on loans would be repaid in full with interest. The Bilateral Borrowing Agreement is made available to the IMF through to 31 December 2023, with the possibility of a one-year extension.

International Monetary Fund – Resilience and Sustainability Trust

On 11 October 2022, the Australian Government entered into an agreement to make a line of credit of SDR 760 million (approximately A\$1.5 billion) available to the International Monetary Fund (IMF) under the Resilience and Sustainability Trust (RST) through to 30 November 2030. The RST will provide affordable long-term financing to help vulnerable countries build resilience and sustainability to address the risks stemming from climate change and pandemic preparedness. RST line of credit funds are drawn upon by the IMF as needed and will be repaid in full with interest.

Veterans' Affairs

Fiscal Risk

Defence Service Homes Insurance Scheme

The Defence Service Homes (DSH) Insurance Scheme (the Scheme) was established in 1919 under the *Defence Service Homes Act 1918*. The Scheme offers personal insurance products to eligible serving Australian Defence Force members, veterans and widow(er)s.

It underwrites home building insurance and offers a range of personal insurance products (such as contents and motor vehicle insurance) underwritten by QBE Insurance (Australia) Limited.

DSH Insurance is funded by premiums collected from policy holders, commissions from QBE and returns on investments. Due to the nature of insurance, DSH Insurance's financial performance can be volatile from year to year. The last 3 years have been challenging for DSH Insurance due to increases in claims from extreme weather events (including bushfires, hailstorms and floods), combined with low investment returns and increased pricing on reinsurance premiums. These are industry wide challenges affecting all general insurers.

The Scheme manages the volatility of the insurance cycle by aiming for an appropriate level of capital (that is, reserves) consistent with the regulations placed on insurers and monitored by the Australian Prudential Regulatory Authority. The Scheme also has a comprehensive reinsurance program in place, reducing the exposure to loss by passing part of the risk of loss to a group of reinsurers. Nevertheless, there remains a risk that additional Government contributions could be required should these reserves be insufficient to cover the liabilities of the Scheme.

Government loans

Loans are recorded as financial assets and accordingly, the amounts advanced and repaid do not normally affect the budget aggregates of fiscal balance and underlying cash balance. Loans that are concessional (lower than market interest rate) or are agreed to be written off, result in an impact on the fiscal balance.

The Government makes loans for policy purposes. All loans contain some element of credit risk that they will not be repaid in full, although in many cases this risk is small.

Table 9.3 summarises Government loans expected or estimated to exceed \$200 million at 30 June 2023 or shortly thereafter.

Table 9.3: Summary of Australian Government loans meeting the materiality threshold

Entity	Loan amount ^(a) (\$m)	Borrower	Interest rate	Term	Status ^(b)
Agriculture, Fisheries and Forestry					
Drought related and farm finance concessional loans – Agriculture	212	State Governments (that through their delivery agencies, onlend to eligible farm businesses)	Various	Various	Modified
Farm Investment Loans, Drought Loans, AgriStarter Loans, AgBiz Drought Loans and AgRebuild Loans	2,674	Eligible Australian farm businesses and related small businesses, via Regional Investment Corporation	4.07 per cent for Plantation Loans 4.52 per cent for all other loans	Up to 20 years for plantation loans Up to 10 years for all other loans	Modified
Climate Change, Energy, the Environment and Water					
Clean Energy Finance Corporation	2,960	Approved entities undertaking clean energy technology projects	4.2 per cent weighted average	5–15 years	Modified
Education					
Higher Education Loan Program	48,500	Eligible higher education students	Consumer Price Index (CPI) growth	9.6 years*	Modified
Employment and Workplace Relations					
Trade Support Loans Program	873	Eligible Australian Apprentices	CPI growth		Unchanged
VET Student Loans Program	2,883	Eligible diploma and above students.	CPI growth		Modified
Foreign Affairs and Trade					
Papua New Guinea Liquefied Natural Gas	170	Entities associated with the Papua New Guinea Liquefied Natural Gas project	Commercial-in-confidence	Until 2026	Unchanged
Telstra acquisition of Digicel Pacific	1,384	Telstra	Commercial-in-confidence	Various	Unchanged

Table 9.3: Summary of Australian Government loans meeting the materiality threshold (continued)

Entity	Loan amount ^(a) (\$m)	Borrower	Interest rate	Term	Status ^(b)
Health and Aged Care					
Zero Real Interest Loans	-	Residential aged care providers	CPI growth	Up to 22 years	Removed
Industry, Science and Resources					
National Reconstruction Fund ^(c)	Various	To be determined subsequent to 1 July 2023	To be determined	To be determined	New
Infrastructure, Transport, Regional Development, Communications and the Arts					
NBN Co Loan	5,500	NBN Co Limited	3.96 per cent	30 June 2024	Modified
Northern Australia Infrastructure Facility Loans	1,139	Northern Australia jurisdictions (Western Australia, Queensland or the Northern Territory) for on lending to project proponents. The NAIF Investment Mandate Direction 2021 additionally allows for provision of financial assistance directly to other entities	Various (circa. 5 per cent)	Various	Unchanged
WestConnex Stage 2 Concessional Loan	1,776	WCX M5 Finco Pty Ltd	3.36 per cent	November 2015 to July 2034	Unchanged
Prime Minister and Cabinet					
Indigenous home ownership, business development and assistance	931	Eligible Indigenous persons	2.5–6.9 per cent	Up to 32 years	Modified
Voyages Indigenous Tourism Australia Pty Ltd	303	Voyages Indigenous Tourism Australia Pty Ltd	90 Day bank bill swap reference rate + 5 per cent	9 years, 11 months	Modified
Social Services					
Home Equity Access Scheme	224	Eligible Age Pensioners who meet residency requirements	3.95 per cent	Various	New
Student Financial Supplement Scheme	179	Eligible recipients of Youth Allowance (student), Austudy and ABSTUDY recipients	CPI growth	Various	Modified
Student Start-up Loan	781	Eligible Youth Allowance (student), Austudy and ABSTUDY Living Allowance recipients	CPI growth	Various	Modified

Table 9.3: Summary of Australian Government loans meeting the materiality threshold (continued)

Entity	Loan amount ^(a) (\$m)	Borrower	Interest rate	Term	Status ^(b)
Treasury					
Affordable Housing Bond Aggregator ^(d)	80	National Housing Finance and Investment Corporation	Commonwealth cost of borrowing	Various	Unchanged
Commonwealth-State financing arrangements – housing and specific purpose capital	1,252	State and Northern Territory governments	4.0 per cent – 6.0 per cent	Up to 30 June 2042	Unchanged
International Monetary Fund – New Arrangements to Borrow	36	International Monetary Fund	0.1 per cent	10 years	Modified
International Monetary Fund – Poverty Reduction and Growth Trust	424	International Monetary Fund	IMF SDR interest rate	10 years	Modified
International Monetary Fund – Resilience and Sustainability Trust	1,532	International Monetary Fund	IMF SDR interest rate	20 years	Modified
Loan Agreement between the Australian Government and the Government of Indonesia	1,250	Government of Indonesia	Commonwealth cost of borrowing plus 0.5 per cent	15 years	Unchanged
2020 Loan to the Government of Papua New Guinea	529	Government of Papua New Guinea	Commonwealth cost of borrowing plus 0.5 per cent	15 years	Unchanged
2021 Loan Agreement between the Australian Government and the Government of Papua New Guinea	624	Government of Papua New Guinea	Commonwealth cost of borrowing plus 0.5 per cent	20 years	Unchanged
2022 Loan Agreement between the Australian Government and the Government of Papua New Guinea	750	Government of Papua New Guinea	Commonwealth cost of borrowing plus 0.5 per cent		New

* Average.

- a) Loan amount is the estimated loan program amounts outstanding as at 30 June 2023 in \$ million.
- b) Status of loan items are considered ‘unchanged’ unless there are modifications to respective interest rates and/or loan term.
- c) The Government has established the National Reconstruction Fund, which will offer loans and guarantees and make equity investments in a range of emerging technologies and technically complex projects. These investments carry the inherent risks associated with investing in a large and diverse portfolio of financial assets. The fund will appear in this disclosure at such time it is operating.
- d) Loan amount as at 20 April 2023.

Agriculture, Fisheries and Forestry

Drought related and farm finance concessional loans – Agriculture

As at 30 June 2023, the fair value of farm business, drought and dairy farm related loans is estimated to total \$211.8 million. This includes:

Drought Concessional Loans Scheme: This scheme provided loans to drought-affected farm businesses for debt restructuring, operating expenses and drought recovery and preparedness activities. The scheme commenced in June 2014 as a loans scheme available for 2 years and operated in Queensland, Victoria, New South Wales, South Australia, Western Australia, Tasmania and the Northern Territory. The Government extended the application period until 31 October 2016 to cover the period until the new 10-year Farm Business Concessional Loans Scheme was able to commence on 1 November 2016. The Government also extended the Western Australian application period for the Drought Concessional Loans Scheme until 30 June 2017.

As at 1 February 2023, the interest rate was 4.16 per cent, reviewed on a 6-monthly basis and revised in accordance with material changes in the 5-year Commonwealth bond rate. Loans have a maximum term of 5 years, with an extenuating circumstances clause in some jurisdictions, which allows a maximum 2-year extension to the loan at commercial rates.

Drought Recovery and Dairy Recovery Concessional Loans Scheme(s): The drought recovery component of this scheme provided loans to farm businesses affected by unprecedented drought or, where applicable, Queensland farm businesses directly impacted by the combined effects of drought and the mid-2011 disruption to live cattle exports to Indonesia. The loans funded planting and restocking activities and associated expenses, when seasonal conditions allowed. The loans were available from January 2015, and in 2014–15 operated in Queensland and New South Wales. In 2015–16, drought recovery concessional loans were available in Queensland, New South Wales, South Australia and Tasmania.

The dairy recovery component of this scheme provided concessional loans to dairy farm businesses affected by the 2016 reduction in farm gate milk prices by Murray Goulburn, Fonterra and National Dairy Products. Loans were available for debt restructuring, providing new debt for operating expenses or productivity enhancement activities, or a combination of these purposes. Dairy recovery concessional loans became available in Victoria, New South Wales, South Australia and Tasmania from June 2016. Applications closed on 31 October 2016. A dairy recovery concessional loan product was available under the Farm Business Concessional Loans Scheme until 30 June 2018.

As at 1 February 2023, the interest rate was 3.59 per cent, reviewed on a 6-monthly basis and revised in accordance with changes in the 10-year Australian Government bond rate. Loans have a maximum term of 10 years with interest-only payments required for the first 5 years. Principal and interest repayments will be made in the remaining 5 years of the loan term.

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Farm Business Concessional Loans Scheme: This scheme provided 3 types of concessional loans – drought assistance, dairy recovery and business improvement. This scheme was designed to cover a farmer's short-term needs when income was tight and to supplement, rather than replace, commercial finance. Loans under the scheme were first available in November 2016. Applications for loans under the scheme closed on 30 June 2018.

Drought assistance concessional loans were available in Queensland, New South Wales, Victoria, South Australia, Tasmania and the Northern Territory. Loans were available for debt restructuring, operating expenses, drought preparedness activities or drought-recovery activities or a combination of these purposes.

Business improvement concessional loans were available in Queensland, New South Wales, Victoria, South Australia, Tasmania and the Northern Territory. Loans were available for eligible Farm Household Allowance (FHA) recipients who were recovering from financial hardship and had exhausted, or would exhaust their FHA 1,095-day income support entitlement by 30 June 2018. These loans were for debt restructuring only.

Dairy recovery concessional loans were available in New South Wales, Victoria, South Australia and Tasmania to eligible suppliers of Murray Goulburn, Fonterra and National Dairy Products. Loans were available for debt restructuring, providing new debt for operating expenses, productivity enhancement activities or a combination of these purposes.

As at 1 February 2023, the interest rate was 3.99 per cent, reviewed on a 6-monthly basis and revised in accordance with changes in the 10-year Australian Government bond rate. Loans have a maximum term of 10 years.

Farm Finance Concessional Loans Scheme: This scheme provided concessional loans to eligible farm businesses experiencing financial difficulties that were considered commercially viable in the long term, and were for productivity enhancements and debt restructuring. Applications for Farm Finance Concessional Loans closed on 30 June 2015.

Farm Investment Loans, Drought Loans, AgriStarter Loans, AgBiz Drought Loans, AgRebuild Loans and Plantation Loans

The Regional Investment Corporation commenced operations on 1 July 2018.

There are 4 loan products currently available to farm businesses — Farm Investment Loans, Drought Loans, AgriStarter Loans and Plantation Loans. In addition, AgBiz Drought Loans are available for small businesses. AgRebuild Loans (North Queensland flood) closed on 30 June 2020.

The Farm Investment Drought, AgriStarter and AgBiz Drought loan products provide concessional loans to eligible businesses that are experiencing financial difficulties and are considered financially viable in the long term (additional criteria apply for each product and terms and conditions may vary). All products are for farm businesses, except for AgBiz

Drought Loans which are for small businesses that provide primary production related goods and services for drought affected farm businesses.

Plantation loans provide concessional loans to eligible farmers and commercial growers to develop or establish plantations or replant existing bushfire-damaged plantations resulting from the 2019–20 Black Summer Bushfires. Additional criteria apply, including the requirement to have insurance for managing natural disaster risks.

As at 1 February 2023, the variable interest rate was 4.52 per cent for the Farm Investment, Drought, AgriStarter and AgBiz Drought loan products. The variable interest rate for Plantation Loans was 4.07 per cent. Interest rates are revised on a 6-monthly basis in line with any material changes to the Australian Government 10-year bond rate, where a material change is taken to be a movement of more than 10 basis points (0.1 per cent). The next update will be on 1 August 2023.

Interest was not payable during the first 2 years of the AgRebuild Loan, or on the Drought Loans and AgBiz Drought Loans for loan applications that were received before 30 September 2020.

Loans have a maximum term of 10 years, except Plantation Loans which have a maximum term of 20 years.

Climate Change, Energy, the Environment and Water

Clean Energy Finance Corporation

The Clean Energy Finance Corporation (CEFC) has developed a portfolio of loans and investments across the spectrum of clean energy technologies, as required by the *Clean Energy Finance Corporation Act 2012*. This portfolio has an acceptable but not excessive level of risk relative to the sector, as required under the Clean Energy Finance Corporation Investment Mandate Direction 2020.

The CEFC's loan portfolio consists of predominantly senior-ranking, secured loans, bonds and secured project finance facilities, typically secured against energy-generating assets such as wind or solar farms or energy efficiency assets. The CEFC has predominantly made loans as a co-financier either jointly or in consortiums with private sector financial institutions. Interest rates vary with a current average expected return of approximately 4.2 per cent. Loans have various maturity dates, typically in the range of 5 to 15 years. As at 30 June 2023, loans contracted and outstanding total \$2.96 billion.

Subject to the passage of legislation, the CEFC will also deliver concessional finance, including loans, through the Rewiring the Nation Fund for projects that support grid transformation. The Rewiring the Nation Fund investments may increase the Corporation's overall exposure to risk as the scale, concentration and nature of these investments may have a higher risk profile.

Education

Higher Education Loan Program

The Higher Education Loan Program (HELP) is an income-contingent loan program that assists eligible higher education students with the cost of their student contribution amounts and tuition fees. As at 30 June 2023, the fair value of HELP debt outstanding is estimated to be \$48.5 billion. The fair value takes into account the concessionality of HELP loans and makes an allowance for debt not expected to be repaid.

Debts outstanding for more than 11 months are indexed annually using the Consumer Price Index. The Australian Taxation Office collects repayment of these debts through the tax system. Repayment of debts commence when an individual debtor's income reaches the repayment threshold.

There were 3,002,984 HELP debtors as at 30 June 2022. The repayment term of a HELP debt can only be determined for people who have fully repaid their debt. As at the end of June 2022, the average time taken to repay HELP debts was 9.6 years.

Employment and Workplace Relations

Trade Support Loans Program

The Trade Support Loans Program is an income-contingent, concessional loan program that assists eligible Australian Apprentices by providing financial support of up to \$22,890 (2022–23) to assist with the costs of living, learning and undertaking an apprenticeship, and helping apprentices to focus on completing a trade qualification.

Eligible Australian Apprentices can access up to \$763.00 per month in the first year of their apprenticeship, \$572.25 per month in the second year, \$381.50 per month in the third year, and \$190.75 per month in the fourth year.

The loan amounts provided are higher in the early years of training to compensate for lower wages. The lifetime limit of \$22,890 was indexed on 1 July 2022 using the Consumer Price Index and will continue to be indexed annually on 1 July to maintain its real value.

As an incentive to encourage completion of training, apprentices who successfully complete their apprenticeships are eligible for a 20 per cent discount on their loan. The loans become repayable at the same thresholds as the Higher Education Loan Program, which is \$48,361 for the 2022–23 income year. This is a demand-driven program.

VET Student Loans Program

The VET Student Loans (VSL) Program is an income-contingent loan program that assists eligible tertiary education students with the cost of their fees when undertaking approved higher-level (diploma and above) vocational education and training (VET) courses.

Debts outstanding for more than 11 months are indexed annually using the Consumer Price Index. The Australian Taxation Office collects repayment of these debts through the tax system. Repayment of debts commence when an individual debtor's income reaches the repayment threshold. Higher Education Loan Program debts have precedence to the repayment of VSL debts.

There were 107,098 VSL debtors as at 30 June 2022. The repayment term of a VSL debt can only be determined for people who have fully repaid their debt. There is insufficient data for post 1 July 2019 VSL to determine the average time to repay.

Prior to the commencement of the VSL Program, loans for VET students were available through the VET-FEE HELP Program, which closed for new students on 31 December 2016. As at 30 June 2023, the fair value of both VET-FEE HELP debt and VSL debt outstanding is estimated to be \$2.9 billion. The fair value takes into account the concessionality of VSL loans and makes an allowance for debt not expected to be repaid.

Foreign Affairs and Trade

Papua New Guinea Liquefied Natural Gas

A loan in support of the Papua New Guinea Liquefied Natural Gas (PNG LNG) project involves the development, construction, operation and maintenance of a LNG liquefaction plant, gas production and processing facilities, onshore and offshore pipelines, associated ancillary facilities and infrastructure. As at 30 June 2023, the fair value of the loan amount outstanding is estimated to total \$170.3 million.

Telstra acquisition of Digicel Pacific

The Government has provided a financing package through Export Finance Australia to Telstra for its acquisition of Digicel Pacific. Telstra will own and operate Digicel Pacific, contributing to secure and reliable infrastructure in the Pacific region, which is critical to economic growth and development. This package will include debt and equity like securities designed to secure the Government a long-term return. As at 30 June 2023, USD1.384 billion (around AUD2.1 billion) in funds is estimated to have been drawn down.

Industry, Science and Resources

National Reconstruction Fund Corporation

The *National Reconstruction Fund Corporation Act 2023* establishes the National Reconstruction Fund Corporation (NRFC) to support, diversify and transform Australia's industry and economy. By focusing on transformative projects that enhance Australia's manufacturing capability and capture higher-value opportunities, the NRFC will reduce dependence on supply chains susceptible to breakage and create well-paying jobs for Australians.

The NRFC will offer loans and guarantees and make equity investments across the spectrum of Priority Areas as required by the *National Reconstruction Fund Corporation*

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Act 2023. It will target investments in priority areas to crowd in private finance and reinvigorate growth. The NRFC will make a range of investments, including in emerging technologies and technically complex projects that carry higher risk. There are also risks inherent in investing in a large and diverse portfolio of financial assets, consequently in practice this will involve some short-term volatility in the Corporation's returns, including the possibility of credit losses across the portfolio. Noting that the NRFC will not be established until 2023–24, the risk around revenue and loss projections is unquantifiable at this time.

The NRFC Board will develop the Corporation's portfolio with an appropriate risk tolerance relative to the NRF priority sectors as required by the National Reconstruction Fund Corporation Investment Mandate Direction and the National Reconstruction Fund Corporation Priority Areas Declaration.

Infrastructure, Transport, Regional Development, Communications and the Arts

NBN Co Loan

The Australian Government has provided a loan of \$19.5 billion to NBN Co, on commercial terms, which was fully drawn in July 2020. The loan was established in December 2016 and must be repaid in full by 30 June 2024. NBN Co commenced repaying the loan in December 2020, and as at 28 February 2023 has made repayments of \$14.0 billion. The outstanding balance of the loan is \$5.5 billion. The loan has a fixed interest rate of 3.96 per cent per annum, with interest payable monthly over the life of the facility.

Northern Australia Infrastructure Facility Loans

The Northern Australia Infrastructure Facility (NAIF) is a lending facility established by the Commonwealth Government under the *Northern Australia Infrastructure Facility Act 2016* and will operate until 30 June 2026. The primary purpose of the NAIF is to provide loans or alternative financing mechanisms to infrastructure projects. The infrastructure that NAIF is able to finance is wide ranging and includes assets that facilitate the establishment or enhancement of business activity or increase economic activity in a region.

To be eligible for a loan from the NAIF, including up to 100 per cent of the project's debt, project proponents must meet the mandatory criteria outlined in the NAIF Investment Mandate of 30 June 2021. Since its establishment, the NAIF has been amended to:

- expand the eligibility for NAIF financing to include non-construction activities associated with the development of economic infrastructure.
- provide NAIF with expanded debt tools, including the ability to provide letters of credit, guarantees and lend in foreign currency, finance smaller loans through working with financing partnerships, and in certain circumstances provide financing directly to proponents rather than via the States or Northern Territory.

- make equity investments subject to a cap of \$50 million and a minimum of \$5 million per investment, for non-controlling interest.
- enhance the potential to deliver significant public benefit to northern Australia by removing the prohibition against the Commonwealth assuming the majority risk in any project. The new requirement is that the financial risk be acceptable but not excessive.

Further changes were announced in the 2020–21 MYEFO context to simplify the NAIF’s use of debt tools other than loans, such as guarantees and the purchase of bonds, and to permit the NAIF to make equity investments.

The Commonwealth Government has introduced legislation to give effect to these changes.

WestConnex Stage 2 Concessional Loan

The WestConnex concessional loan is a \$2 billion loan facility provided to deliver WestConnex Stage 2. The concessional loan enabled Stage 2 to be brought forward, allowing Stages 1 and 2 to proceed in parallel. This resulted in significant time savings compared to the original approach where these stages progressed in sequence.

WestConnex Stage 2 includes the King Georges Road Interchange Upgrade (completed in 2016) and construction of new twin tunnels from Kingsgrove to a new St Peters interchange, providing motorway connections to Alexandria and Mascot, the future Sydney Gateway and the M4–M5 Link.

The concessional loan agreement requires that the loan be repaid between September 2029 and July 2034.

Prime Minister and Cabinet

Indigenous home ownership, business development and assistance

Indigenous Business Australia delivers flexible loans with concessional interest rates to improve Indigenous home ownership across Australia, including in remote Indigenous communities. Indigenous Business Australia also provides concessional interest rate business loans and business support to increase Indigenous ownership of small to medium sized enterprises, and support their sustainability and growth. As at 30 June 2023, the fair value of outstanding loans for Indigenous Home Ownership and Business Development and Assistance is estimated to total \$931.0 million.

Voyages Indigenous Tourism Australia Pty Ltd

The Indigenous Land and Sea Corporation purchased Ayers Rock Resort for \$291.2 million in May 2011 and immediately on-sold it to its wholly owned subsidiary, Voyages Indigenous Tourism Australia Pty Ltd, creating an intercompany loan that is partly funded by borrowings. The interest rate is set at the 90-day bank bill swap reference rate plus 5 per cent, and is reset 6-monthly. As at 30 June 2023, the outstanding loan balance is estimated to total \$302.5 million.

Social Services

Home Equity Access Scheme

The Home Equity Access Scheme (HEAS) is a voluntary arrangement which allows eligible pensioners to receive a non-taxable loan from the Australian Government. The loan can be paid as regular fortnightly instalments, a capped lump sum advance payments, or both for people of Age Pension age who meet certain residency criteria and own suitable real estate in Australia.

Any amount received under HEAS, and any interest accrued, is attributed as a debt against real assets provided as collateral by the participant. The loan can be paid back at any time or is recovered on the sale of the secured real estate or from the person's estate.

Additionally, since 1 July 2022, a No Negative Equity Guarantee applies to HEAS loans, limiting the recoverable debt to the equity in the property used to secure the loan.

Student Financial Supplement Scheme

The Student Financial Supplement Scheme (SFSS) commenced in January 1993 and closed on 31 December 2003. It was a voluntary income-contingent loan scheme for tertiary students (primarily Austudy and ABSTUDY) to help cover their living expenses while studying. Under the scheme, eligible students were able to trade one dollar of income support entitlement for 2 dollars in loans. Debtors are required to start repaying their SFSS loan once they earn \$48,361 for 2022–23 and only after they have repaid any HELP and Vocational Education and Training (VET) student loan debt. The estimated fair value of SFSS loans outstanding is valued at \$179.4 million by 30 June 2023.

Student Start-up Loan

The Student Start-up Loan (SSL) is a voluntary income-contingent loan for student payment (Youth Allowance (student), Austudy and ABSTUDY Living Allowance) recipients undertaking higher education. Introduced on 1 January 2016, the SSL is paid a maximum of twice a year and each SSL payment is valued at \$1,132 (in 2022). The SSL is repayable under similar arrangements to Higher Education Loan Program (HELP) debts. Students are required to start repaying their SSL once they earn over \$48,361 for 2022–23, and only after they have repaid any HELP and Vocational Education Training student loan debt. When it commenced, the SSL was initially for new student payment recipients undertaking higher education. From 1 July 2017, with the closure of the Student Start-up Scholarship, the SSL has become available to all eligible student payment recipients undertaking higher education. The estimated fair value of the Student Start-up Loan is valued at \$781.4 million by 30 June 2023.

Treasury

Affordable Housing Bond Aggregator

The Australian Government, through the Treasury, has made available a line of credit for the National Housing Finance and Investment Corporation's (NHFIC) Affordable Housing Bond Aggregator. The provision of funds will be in accordance with appropriations under the *National Housing Finance and Investment Corporation Act 2018*. The line of credit is ongoing, and funds borrowed will be repaid with interest. The Treasury manages the receipt of interest and principal repayments from the NHFIC.

Commonwealth-State financing arrangements – housing and specific purpose capital

From 1945 to 1989, the Australian Government made concessional advances to the state and Northern Territory governments under Commonwealth–State financing arrangements for housing and for specific purpose capital. The advances were concessional fixed-rate loans to be repaid over 53 years, with the last loans maturing in 2042. Annual payments, comprising both interest and principal repayment, are made to the Commonwealth. As at 30 June 2022, the amortised value of the advances was \$1.3 billion (and principal value of \$1.5 billion).

The Australian Office of Financial Management manages the receipt of interest and principal repayments from the state and Northern Territory governments to the Commonwealth.

International Monetary Fund – New Arrangements to Borrow

Australia has made a line of credit available to the International Monetary Fund (IMF) under its New Arrangements to Borrow since 1998. On 26 January 2020, the IMF Executive Board agreed to a new period of New Arrangements to Borrow from 1 January 2021 to 31 December 2025. The New Arrangements to Borrow helps ensure that the IMF has the resources available to maintain stability and support recovery in the global economy. New Arrangements to Borrow funds are drawn upon by the IMF as needed to supplement the IMF's usual quota resources and will be repaid in full with interest. It is estimated that the value of loans outstanding to Australia is SDR 17.9 million (approximately A\$36.0 million) as at 24 March 2023.

International Monetary Fund – Poverty Reduction and Growth Trust

The Australian Government has entered into 2 agreements to make a line of credit of SDR 1 billion (approximately A\$2.0 billion as at 24 March 2023) available to the International Monetary Fund (IMF) under the Poverty Reduction and Growth Trust (PRGT) through to 31 December 2029.

The PRGT provides concessional financial support to low-income countries to help them achieve, maintain, or restore a stable and sustainable macroeconomic position. PRGT funds are drawn upon by the IMF as needed and will be repaid in full with interest.

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It is estimated that the value of loans outstanding to Australia was SDR 210.6 million (approximately A\$24.4 million) as at 24 March 2023.

On 11 October 2022, the Government entered into an agreement to lend SDR 1 billion (approximately A\$2.0 billion as at 24 March 2023) to the PRGT Pooled Investments, in order to provide subsidy resources to the PRGT of SDR 36 million (approximately A\$72.6 million as at 24 March 2023). This loan was drawn down by the IMF on 21 October 2022. PRGT Pooled Investments funds will be repaid in full, with interest.

International Monetary Fund – Resilience and Sustainability Trust

On 11 October 2022, the Australian Government entered into an agreement to make a SDR 760 million (approximately A\$1.5 billion as at 24 March 2023) line of credit available to the International Monetary Fund (IMF) under the Resilience and Sustainability Trust's (RST) Loan Account through to 30 November 2030. The RST Loan Account provides affordable long-term financing to help vulnerable countries build economic resilience and sustainability to address the risks stemming from climate change and pandemics. RST Loan Account funds are drawn upon by the IMF as needed and will be repaid in full with interest.

Additionally, on 11 October 2022, the Government entered into an agreement to lend SDR 152 million (approximately A\$306.3 million as at 24 March 2023) to the RST Deposit Account through to 30 November 2050, and SDR 15.2 million (approximately A\$30.6 million as at 24 March 2023) to the RST Reserve Account though to liquidation of the Trust. RST Deposit Account funds will be repaid in full with interest. RST Reserve Account funds will be repaid upon liquidation of the RST and will not accrue interest. These additional contributions will enable the IMF to build sufficient reserves over time to manage risks associated with RST lending such as potential late payments.

Loan Agreement between the Australian Government and the Government of Indonesia

On 12 November 2020, Australia entered into a A\$1.5 billion loan agreement with Indonesia. This agreement is part of a multilateral action to support Indonesia led by the Asian Development Bank and includes the Asian Infrastructure Investment Bank, the Japan International Cooperation Agency and the German state-owned development bank.

The funds will be used to support Indonesia's COVID-19 response, including social protection initiatives and health system development.

2020 Loan Agreement between the Australian Government and the Government of Papua New Guinea

On 22 November 2020, the Australian Government entered into a loan agreement for US\$400 million (approximately A\$558 million) in 2020–21 to the Government of Papua New Guinea (PNG). The loan refinances the US\$300 million short-term loan made in 2019–20 and a further A\$140 million loan for budget support, including PNG’s response to COVID-19. The previous short-term loan was made to support budget sustainability, assist in the delivery of core government services, support longer term economic reforms, and increase the availability of foreign exchange in the country. The Australian Government had agreed with PNG to temporarily suspend principal and interest repayments for the loan consistent with the Debt Service Suspension Initiative of G20 nations to support low-income nations during the COVID-19 pandemic. This suspension has now ended.

2021 Loan Agreement between the Australian Government and the Government of Papua New Guinea

On 10 December 2021, the Australian Government entered into a loan agreement for A\$650 million in 2021–22 to the Government of Papua New Guinea (PNG). The loan was provided in response to a request from the PNG Prime Minister for further support to enable the PNG Government to meet required expenditure in its 2021 Budget, including on the health and economic response to the COVID-19 pandemic. The loan is also provided to help PNG continue progress on economic reforms under the second International Monetary Fund Staff-Monitored Program.

2022 Loan Agreement between the Australian Government and the Government of Papua New Guinea

On 15 December 2022, the Australian Government entered into a loan agreement for A\$750 million in 2022–23 to the Government of Papua New Guinea (PNG). The loan was provided in response to a request from the PNG Treasurer for financial assistance to enable the PNG Government to meet required expenditure in its 2022 Budget and support the delivery of reform actions under multilateral development programs, including a new International Monetary Fund (IMF) program established in 2023.



Statement 10: Australian Government Budget Financial Statements

Consistent with the *Charter of Budget Honesty Act 1998 (the Charter)*, the Government has produced a set of financial statements for the Australian Government general government sector (GGS), the public non-financial corporations (PNFC) sector, the total non-financial public sector (NFPS) and the public financial corporations (PFC) sector. The financial statements comply with both the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) and Australian Accounting Standards (AAS), with departures disclosed. These statements are:

- an operating statement, including other economic flows, which shows net operating balance and net lending/borrowing (fiscal balance)
- a balance sheet, which shows net worth, net financial worth, net financial liabilities and net debt
- a cash flow statement, which includes the calculation of the underlying cash balance.

In addition to these general purpose statements, notes to the financial statements are required. These notes include a summary of accounting policies, disaggregated information and other disclosures required by AAS.

The statements reflect the Government's policy that the ABS GFS remains the basis of budget accounting policy, except where AAS is applied because it provides a better conceptual basis for presenting information of relevance to users of public sector financial reports.

The Australian, state and territory governments have an agreed framework – the Uniform Presentation Framework (UPF) – for the presentation of government financial information on a basis broadly consistent with the Australian Accounting Standard AASB 1049. The financial statements are consistent with the requirements of the UPF.



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Statement 10: Australian Government Budget Financial Statements

Table 10.1: Australian Government general government sector operating statement

	Note	Estimates				
		2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Revenue						
Taxation revenue	3	604,169	629,729	626,364	661,955	694,577
Sales of goods and services	4	19,078	20,811	21,830	22,342	23,356
Interest income	5	9,053	9,426	8,669	8,561	9,069
Dividend and distribution income	5	5,361	6,913	7,311	7,691	8,109
Other	6	16,105	13,494	13,158	13,189	13,126
Total revenue		653,767	680,372	677,333	713,738	748,237
Expenses						
Gross operating expenses						
Wages and salaries(a)	7	24,254	26,260	26,089	26,188	26,360
Superannuation	7	8,754	7,608	7,813	8,049	8,267
Depreciation and amortisation	8	12,063	12,570	13,101	13,720	14,460
Supply of goods and services	9	175,719	188,790	198,144	211,104	217,487
Other operating expenses(a)	7	8,433	9,346	9,579	9,853	10,035
Total gross operating expenses		229,223	244,575	254,725	268,914	276,608
Superannuation interest expense	7	12,334	13,631	13,941	14,637	15,033
Interest expenses	10	26,789	27,762	33,076	31,064	35,316
Current transfers						
Current grants	11	192,661	203,464	208,422	213,776	220,439
Subsidy expenses		17,373	16,964	16,859	17,467	18,009
Personal benefits	12	145,485	154,254	165,763	175,925	187,453
Total current transfers		355,520	374,682	391,044	407,167	425,901
Capital transfers	11					
Mutually agreed write-downs		2,870	3,012	3,173	3,349	3,516
Other capital grants		18,052	20,423	19,422	18,193	15,404
Total capital transfers		20,922	23,435	22,595	21,542	18,921
Total expenses		644,788	684,085	715,382	743,324	771,779
Net operating balance		8,979	-3,713	-38,049	-29,586	-23,542
Other economic flows – included in operating result						
Net write-downs of assets		-8,365	-6,871	-8,227	-8,094	-8,117
Assets recognised for the first time		225	232	239	247	254
Actuarial revaluations		27	19	9	3	-2
Net foreign exchange gains		-514	-62	0	0	0
Net swap interest received		-787	-16	16	28	38
Market valuation of debt		-21,938	-8,847	-8,149	-7,391	-6,354
Other gains/(losses)		2,930	7,485	8,454	9,014	9,289
Total other economic flows – included in operating result		-28,423	-8,060	-7,658	-6,194	-4,893
Operating result(b)		-19,444	-11,773	-45,707	-35,779	-28,435

Table 10.1: Australian Government general government sector operating statement (continued)

Note	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Non-owner movements in equity					
Revaluation of equity investments	-165	-307	0	0	0
Actuarial revaluations	-3,975	-227	-230	-232	-235
Other economic revaluations	951	75	2,184	93	104
Total other economic flows - included in equity	-3,190	-458	1,954	-139	-131
Comprehensive result –					
Total change in net worth	-22,633	-12,231	-43,752	-35,919	-28,566
Net operating balance	8,979	-3,713	-38,049	-29,586	-23,542
Net acquisition of non-financial assets					
Purchases of non-financial assets	21,897	22,251	21,835	18,593	22,943
/less Sales of non-financial assets	238	53	2,231	261	0
/less Depreciation	12,063	12,570	13,101	13,720	14,460
plus Change in inventories	851	803	726	837	788
plus Other movements in non-financial assets	-6	0	0	0	0
Total net acquisition of non-financial assets	10,441	10,431	7,229	5,449	9,271
Fiscal balance					
(Net lending/borrowing)(c)	-1,462	-14,144	-45,278	-35,035	-32,813

a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.
b) Operating result under AAS.
c) The term fiscal balance is not used by the ABS.

Table 10.2: Australian Government general government sector balance sheet

Assets	Note	Estimates				
		2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Financial assets						
Cash and deposits		64,365	60,841	38,538	33,624	34,591
Advances paid	13	76,862	76,032	83,061	91,341	98,566
Investments, loans and placements	14	219,031	241,748	252,171	261,244	270,909
Other receivables	13	73,895	79,944	83,305	88,720	93,851
Equity investments						
Investments in other public sector entities		43,552	47,347	51,712	54,481	55,474
Equity accounted investments		4,250	4,575	4,449	4,491	4,527
Investments – shares		77,925	80,167	82,303	87,563	93,224
<i>Total financial assets</i>		559,881	590,654	595,540	621,463	651,143
Non-financial assets	15					
Land		13,077	13,168	13,244	13,082	13,189
Buildings		48,616	50,944	53,801	55,234	56,678
Plant, equipment and infrastructure		105,567	111,491	116,859	120,023	126,812
Inventories		11,612	12,010	12,310	12,690	12,993
Intangibles		11,926	12,791	12,811	12,790	12,731
Investment properties		205	205	205	205	205
Biological assets		16	16	16	16	16
Heritage and cultural assets		12,664	12,712	12,726	12,713	12,700
Assets held for sale		179	177	177	177	177
Other non-financial assets		16	16	16	16	16
<i>Total non-financial assets</i>		203,878	213,530	222,166	226,946	235,518
Total assets		763,759	804,184	817,705	848,410	886,661
Liabilities						
Interest bearing liabilities						
Deposits held		406	406	406	406	406
Government securities		858,661	902,988	943,825	1,001,798	1,058,666
Loans	16	30,161	31,007	31,518	31,895	31,916
Lease liabilities		19,610	19,073	18,572	17,271	16,005
<i>Total interest bearing liabilities</i>		908,839	953,474	994,322	1,051,369	1,106,994

**Table 10.2: Australian Government general government sector balance sheet
(continued)**

Note	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Provisions and payables					
Superannuation liability	17	275,796	282,487	294,896	302,980
Other employee liabilities	17	35,475	36,326	37,226	38,178
Suppliers payables	18	12,142	12,487	12,729	12,934
Personal benefits payables	18	3,083	4,008	4,108	4,187
Subsidies payables	18	909	901	888	882
Grants payables	18	2,992	2,658	3,305	2,869
Other payables	18	4,108	5,777	3,746	3,854
Provisions	18	67,270	65,151	69,325	69,913
<i>Total provisions and payables</i>		401,774	409,795	426,221	435,796
Total liabilities		1,310,613	1,363,269	1,420,543	1,487,166
Net worth(a)		-546,854	-559,085	-602,838	-638,756
<i>Net financial worth(b)</i>		-750,732	-772,615	-825,003	-865,703
<i>Net financial liabilities(c)</i>		794,285	819,962	876,716	920,183
<i>Net debt(d)</i>		548,581	574,852	620,552	665,161
					702,928

- a) Net worth equals total assets minus total liabilities.
- b) Net financial worth equals total financial assets minus total liabilities.
- c) Net financial liabilities equals total liabilities less financial assets other than investments in other public sector entities.
- d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

Table 10.3: Australian Government general government sector cash flow statement^(a)

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Cash receipts from operating activities					
Taxes received	588,050	616,275	614,332	647,846	680,743
Receipts from sales of goods and services	19,200	20,792	21,845	22,342	23,348
Interest receipts	6,115	7,654	7,168	6,930	7,160
Dividends, distributions and income tax equivalents	5,407	6,889	7,288	7,667	8,083
Other receipts	16,457	14,255	20,334	15,743	15,784
Total operating receipts	635,230	665,865	670,967	700,529	735,118
Cash payments for operating activities					
Payments to employees(b)	-38,758	-41,669	-42,303	-43,134	-44,044
Payments for goods and services	-173,325	-188,258	-198,949	-212,093	-218,097
Grants and subsidies paid	-226,775	-246,189	-245,906	-249,254	-253,299
Interest paid	-18,792	-21,052	-22,382	-28,186	-27,147
Personal benefit payments	-145,664	-153,940	-166,227	-176,408	-187,880
Other payments(b)	-7,797	-8,541	-8,717	-8,955	-9,074
Total operating payments	-611,110	-659,649	-684,484	-718,029	-739,542
Net cash flows from operating activities	24,119	6,216	-13,517	-17,500	-4,424
Cash flows from investments in non-financial assets					
Sales of non-financial assets	363	2,277	271	394	1
Purchases of non-financial assets	-17,766	-19,861	-19,186	-16,847	-21,319
Net cash flows from investments in non-financial assets	-17,402	-17,584	-18,915	-16,453	-21,318
Net cash flows from investments in financial assets for policy purposes	-11,689	-5,795	-14,120	-15,215	-12,804
Net cash flows from investments in financial assets for liquidity purposes	-11,027	-17,073	-3,703	-4,904	-5,231
Cash receipts from financing activities					
Borrowing	200,953	337,701	437,649	648,724	764,206
Other financing	25,307	133	119	120	145
Total cash receipts from financing activities	226,261	337,834	437,768	648,844	764,351
Cash payments for financing activities					
Borrowing	-207,498	-302,339	-404,736	-594,552	-714,763
Other financing	-33,162	-4,784	-5,079	-5,134	-4,844
Total cash payments for financing activities	-240,660	-307,123	-409,815	-599,685	-719,607
Net cash flows from financing activities	-14,399	30,712	27,953	49,158	44,744
Net increase/(decrease) in cash held	-30,398	-3,523	-22,303	-4,914	967

Table 10.3: Australian Government general government sector cash flow statement (continued)^(a)

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
GFS cash surplus(+) / deficit(-)(c)	6,717	-11,368	-32,433	-33,953	-25,743
plus Principal payments of lease liabilities(d)	-2,516	-2,550	-2,625	-2,674	-2,708
Equals underlying cash balance(e)	4,202	-13,918	-35,058	-36,627	-28,450
plus Net cash flows from investments in financial assets for policy purposes	-11,689	-5,795	-14,120	-15,215	-12,804
Equals headline cash balance	-7,487	-19,713	-49,178	-51,842	-41,255

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
 b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
 c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
 d) 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'. Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the underlying cash balance to maintain consistency of measure following the implementation of AASB 16.
 e) The term underlying cash balance is not used by the ABS.

Table 10.4: Australian Government public non-financial corporations sector operating statement

	Estimates	
	2022–23 \$m	2023–24 \$m
Revenue		
Grants and subsidies	290	116
Sales of goods and services	21,362	21,545
Interest income	28	13
Other	130	75
Total revenue	21,810	21,750
Expenses		
Gross operating expenses		
Wages and salaries(a)	4,811	4,933
Superannuation	511	545
Depreciation and amortisation	4,324	4,305
Supply of goods and services	11,382	10,577
Other operating expenses(a)	704	693
<i>Total gross operating expenses</i>	<i>21,733</i>	<i>21,054</i>
Interest expenses	1,823	2,041
Other property expenses	85	179
Current transfers		
Tax expenses	0	47
<i>Total current transfers</i>	<i>0</i>	<i>47</i>
Total expenses	23,641	23,322
Net operating balance	-1,831	-1,572
Other economic flows	-1,185	-1,101
Comprehensive result – Total change in net worth excluding contribution from owners	-3,015	-2,674
Net acquisition of non-financial assets		
Purchases of non-financial assets	10,304	9,738
/less Sales of non-financial assets	45	82
/less Depreciation	4,324	4,305
plus Change in inventories	30	9
plus Other movements in non-financial assets	0	0
Total net acquisition of non-financial assets	5,965	5,360
Fiscal balance (Net lending/borrowing)(b)	-7,796	-6,932

- a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.
- b) The term fiscal balance is not used by the ABS.

Table 10.5: Australian Government public non-financial corporations sector balance sheet

	Estimates	
	2022–23 \$m	2023–24 \$m
Assets		
Financial assets		
Cash and deposits	1,416	623
Investments, loans and placements	851	879
Other receivables	6,715	6,628
Equity investments	289	297
<i>Total financial assets</i>	9,271	8,427
Non-financial assets		
Land and other fixed assets	65,094	69,089
Other non-financial assets(a)	4,103	4,361
<i>Total non-financial assets</i>	69,197	73,450
Total assets	78,468	81,877
Liabilities		
Interest bearing liabilities		
Deposits held	16	17
Advances received and loans	31,319	32,967
Lease liabilities	13,126	13,565
<i>Total interest bearing liabilities</i>	44,461	46,548
Provisions and payables		
Superannuation liability	11	12
Other employee liabilities	1,822	1,787
Other payables	6,806	6,960
Other provisions(a)	893	1,344
<i>Total provisions and payables</i>	9,533	10,103
Total liabilities	53,994	56,651
Shares and other contributed capital	24,475	25,226
Net worth(b)	24,475	25,226
<i>Net financial worth(c)</i>	-44,723	-48,224
<i>Net debt(d)</i>	42,194	45,046

- a) Excludes the impact of commercial taxation adjustments.
- b) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- c) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- d) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits and investments, loans and placements).

Table 10.6: Australian Government public non-financial corporations sector cash flow statement^(a)

	Estimates	
	2022–23 \$m	2023–24 \$m
Cash receipts from operating activities		
Receipts from sales of goods and services	24,395	22,814
Grants and subsidies received	266	156
GST input credit receipts	1,046	1,144
Other receipts	110	127
Total operating receipts	25,816	24,242
Cash payments for operating activities		
Payments to employees(b)	-5,302	-5,484
Payment for goods and services	-14,708	-11,904
Interest paid	-1,927	-2,057
GST payments to taxation authority	-1,019	-1,004
Distributions paid	-85	-179
Other payments(b)	-852	-748
Total operating payments	-23,893	-21,376
Net cash flows from operating activities	1,923	2,866
Cash flows from investments in non-financial assets		
Sales of non-financial assets	52	80
Purchases of non-financial assets	-8,628	-8,678
Net cash flows from investments in non-financial assets	-8,576	-8,598
Net cash flows from investments in financial assets for policy purposes	-3	-7
Net cash flows from investments in financial assets for liquidity purposes	67	65
Net cash flows from financing activities		
Borrowing (net)	1,661	1,699
Other financing (net)	4,965	3,183
Net cash flows from financing activities	6,626	4,882
Net increase/(decrease) in cash held	36	-793
Cash at the beginning of the year	1,380	1,416
Cash at the end of the year	1,416	623
GFS cash surplus(+)/deficit(-)(c)	-6,653	-5,733
plus Principal payments of lease liabilities(d)	-537	-357
Adjusted GFS cash surplus(+)/deficit(-)(d)	-7,190	-6,089

- a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
- b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
- c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
- d) 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'. Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Table 10.7: Australian Government total non-financial public sector operating statement

	Estimates	
	2022–23 \$m	2023–24 \$m
Revenue		
Taxation revenue	603,288	629,050
Sales of goods and services	39,401	41,331
Interest income	8,843	9,207
Dividend and distribution income	5,276	6,692
Other	16,205	13,636
Total revenue	673,013	699,916
Expenses		
Gross operating expenses		
Wages and salaries(a)	29,065	31,194
Superannuation	9,266	8,153
Depreciation and amortisation	16,387	16,875
Supply of goods and services	186,045	198,326
Other operating expenses(a)	9,137	10,039
<i>Total gross operating expenses</i>	<i>249,900</i>	<i>264,587</i>
Superannuation interest expense	12,334	13,631
Interest expenses	28,375	29,571
Current transfers		
Current grants	192,661	203,464
Subsidy expenses	16,614	16,173
Personal benefits	145,485	154,254
<i>Total current transfers</i>	<i>354,761</i>	<i>373,891</i>
Capital transfers	20,685	23,430
Total expenses	666,055	705,111
Net operating balance	6,959	-5,195
Other economic flows	-32,630	-9,158
Comprehensive result – Total change in net worth	-25,672	-14,353
Net acquisition of non-financial assets		
Purchases of non-financial assets	32,200	31,988
/less Sales of non-financial assets	283	135
/less Depreciation	16,387	16,875
plus Change in inventories	881	811
plus Other movements in non-financial assets	-6	0
Total net acquisition of non-financial assets	16,406	15,789
Fiscal balance (Net lending/borrowing)(b)	-9,447	-20,984

- a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.
- b) The term fiscal balance is not used by the ABS.

Table 10.8: Australian Government total non-financial public sector balance sheet

	Estimates	
	2022–23	2023–24
	\$m	\$m
Assets		
Financial assets		
Cash and deposits	65,780	61,464
Advances paid	71,086	75,762
Investments, loans and placements	219,858	242,597
Other receivables	79,411	85,340
Equity investments	84,298	87,705
<i>Total financial assets</i>	520,433	552,869
Non-financial assets		
Land and other fixed assets	256,622	269,402
Other non-financial assets	16,495	17,618
<i>Total non-financial assets</i>	273,117	287,020
Total assets	793,550	839,889
Liabilities		
Interest bearing liabilities		
Deposits held	421	423
Government securities	858,661	902,988
Advances received and loans	55,679	63,673
Lease liabilities	32,728	32,629
<i>Total interest bearing liabilities</i>	947,490	999,713
Provisions and payables		
Superannuation liability	275,806	282,499
Other employee liabilities	37,297	38,113
Other payables	29,830	32,587
Other provisions	67,347	65,550
<i>Total provisions and payables</i>	410,281	418,749
Total liabilities	1,357,771	1,418,462
Net worth(a)	-564,220	-578,573
<i>Net financial worth(b)</i>	-837,338	-865,593
<i>Net debt(c)</i>	590,766	619,890

- a) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- b) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- c) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

Table 10.9: Australian Government total non-financial public sector cash flow statement^(a)

	Estimates	
	2022–23 \$m	2023–24 \$m
Cash receipts from operating activities		
Taxes received	587,901	616,305
Receipts from sales of goods and services	40,507	40,665
Interest receipts	5,919	7,449
Dividends, distributions and income tax equivalents	5,323	6,708
Other receipts	16,429	14,436
Total operating receipts	656,079	685,563
Cash payments for operating activities		
Payments to employees(b)	-44,060	-47,153
Payments for goods and services	-184,786	-197,073
Grants and subsidies paid	-226,519	-246,159
Interest paid	-20,495	-22,891
Personal benefit payments	-145,664	-153,940
Other payments(b)	-8,509	-9,268
Total operating payments	-630,032	-676,483
Net cash flows from operating activities	26,047	9,080
Cash flows from investments in non-financial assets		
Sales of non-financial assets	415	2,357
Purchases of non-financial assets	-26,394	-28,539
Net cash flows from investments in non-financial assets	-25,978	-26,182
Net cash flows from investments in financial assets for policy purposes	-7,183	-7,885
Net cash flows from investments in financial assets for liquidity purposes	-10,961	-17,008
Net cash flows from financing activities		
Borrowing (net)	-4,005	42,569
Other financing (net)	-8,281	-4,891
Net cash flows from financing activities	-12,286	37,678
Net increase/(decrease) in cash held	-30,361	-4,316
Cash at the beginning of the year	96,142	65,780
Cash at the end of the year	65,780	61,464

Table 10.9: Australian Government total non-financial public sector cash flow statement (continued)^(a)

	Estimates	
	2022–23 \$m	2023–24 \$m
GFS cash surplus(+) / deficit(-)(c)	69	-17,102
<i>plus Principal payments of lease liabilities(d)</i>	-3,053	-2,907
Adjusted GFS cash surplus(+) / deficit(-)(d)	-2,984	-20,009

a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
 b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
 c) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
 d) 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'. Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Table 10.10: Australian Government public financial corporations sector operating statement

	Estimates	
	2022–23 \$m	2023–24 \$m
Revenue		
Grants and subsidies	156	163
Sales of goods and services	585	1,536
Interest income	10,862	10,695
Other	117	128
Total revenue	11,721	12,522
Expenses		
Gross operating expenses		
Wages and salaries(a)	260	285
Superannuation	45	46
Depreciation and amortisation	74	75
Supply of goods and services	498	911
Other operating expenses(a)	64	69
<i>Total gross operating expenses</i>	<i>941</i>	<i>1,386</i>
Interest expenses	14,811	16,381
Other property expenses	6	5
Current transfers		
Tax expenses	6	7
<i>Total current transfers</i>	<i>6</i>	<i>7</i>
Total expenses	15,765	17,780
Net operating balance	-4,044	-5,258
Other economic flows	1,078	2,583
Comprehensive result – Total change in net worth excluding contribution from owners	-2,966	-2,675
Net acquisition of non-financial assets		
Purchases of non-financial assets	0	0
/less Sales of non-financial assets	0	0
/less Depreciation	74	75
plus Change in inventories	-45	0
plus Other movements in non-financial assets	0	0
Total net acquisition of non-financial assets	-118	-75
Fiscal balance (Net lending/borrowing)(b)	-3,926	-5,183

- a) Consistent with the ABS GFS classification, other employee related expenses are classified separately from wages and salaries under other operating expenses. Total employee expenses equal wages and salaries plus other operating expenses.
- b) The term fiscal balance is not used by the ABS.

Table 10.11: Australian Government public financial corporations sector balance sheet^(a)

	Estimates	
	2022–23 \$m	2023–24 \$m
Assets		
Financial assets		
Cash and deposits	894	872
Investments, loans and placements	624,296	623,738
Other receivables	209	209
Equity investments	1,254	1,335
<i>Total financial assets</i>	626,654	626,154
Non-financial assets		
Land and other fixed assets	994	985
Other non-financial assets(b)	74	74
<i>Total non-financial assets</i>	1,068	1,059
Total assets	627,721	627,213
Liabilities		
Interest bearing liabilities		
Deposits held	616,023	616,023
Borrowing	21,865	22,907
<i>Total interest bearing liabilities</i>	637,888	638,931
Provisions and payables		
Superannuation liability	2	2
Other employee liabilities	185	186
Other payables	928	1,178
Other provisions(b)	1,812	2,562
<i>Total provisions and payables</i>	2,927	3,928
Total liabilities	640,815	642,859
Shares and other contributed capital	-13,094	-15,646
Net worth(c)	-13,094	-15,646
<i>Net financial worth(d)</i>	-14,161	-16,705
<i>Net debt(e)</i>	12,697	14,321

- a) Assumes no valuation or currency movement.
- b) Excludes the impact of commercial taxation adjustments.
- c) Under AASB 1049, net worth equals total assets minus total liabilities. Under the ABS GFS, net worth equals total assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- d) Under AASB 1049, net financial worth equals total financial assets minus total liabilities. Under the ABS GFS, net financial worth equals total financial assets minus total liabilities minus shares and other contributed capital. The AASB 1049 method is used in this table.
- e) Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits and investments, loans and placements).

Table 10.12: Australian Government public financial corporations sector cash flow statement^(a)

	Estimates	
	2022–23 \$m	2023–24 \$m
Cash receipts from operating activities		
Receipts from sales of goods and services	597	1,536
Grants and subsidies received	156	163
GST input credit receipts	2	2
Interest receipts	9,758	10,659
Other receipts	108	265
Total operating receipts	10,622	12,625
Cash payments for operating activities		
Payments to employees(b)	-307	-332
Payment for goods and services	-649	-1,071
Interest paid	-14,404	-16,310
GST payments to taxation authority	0	0
Distributions paid	-6	-5
Other payments(b)	-73	-70
Total operating payments	-15,439	-17,788
Net cash flows from operating activities	-4,818	-5,163
Cash flows from investments in non-financial assets		
Sales of non-financial assets	0	0
Purchases of non-financial assets	0	0
Net cash flows from investments in non-financial assets	0	0
Net cash flows from investments in financial assets for policy purposes	-502	-1,045
Net cash flows from investments in financial assets for liquidity purposes(c)	5,258	5,247
Net cash flows from financing activities		
Borrowing and deposits received (net)(c)	-769	836
Other financing (net)	1,038	103
Net cash flows from financing activities	269	940
Net increase/(decrease) in cash held	208	-22
Cash at the beginning of the year	686	894
Cash at the end of the year	894	872
GFS cash surplus(+)/deficit(-)(d)	-4,818	-5,163
plus Principal payments of lease liabilities(e)	-3	-2
Adjusted GFS cash surplus(+)/deficit(-)(e)	-4,821	-5,165

- a) A positive number denotes a cash inflow; a negative number denotes a cash outflow.
- b) Consistent with the ABS GFS classification, other employee related payments are classified separately from wages and salaries under other payments.
- c) Assumes no cash flows associated with valuation or currency movements.
- d) GFS cash surplus/deficit equals net cash flows from operating activities and investments in non-financial assets.
- e) 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'. Principal payments of lease liabilities, which are financing cash payments, are deducted in the calculation of the GFS cash surplus/deficit to maintain consistency of measure following the implementation of AASB 16.

Notes to the general government sector financial statements

Note 1: External reporting standards and accounting policies

The *Charter of Budget Honesty Act 1998* (the Charter) requires that the Budget be based on external reporting standards and that departures from applicable external reporting standards be identified.

The external standards used for budget reporting purposes are:

- the Australian Bureau of Statistics' (ABS) accrual Government Finance Statistics (GFS) publication, *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015* (cat. no. 5514.0), which is based on the International Monetary Fund (IMF) accrual GFS framework
- the Australian Accounting Standards (AAS), issued by the Australian Accounting Standards Board (AASB), which includes International Financial Reporting Standards as adopted in Australia for use by the not-for-profit sector and specific standards such as AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

The financial statements have been prepared on an accrual basis that complies with both the ABS GFS and AAS, except for departures disclosed at Note 2. A more detailed description of the AAS and the ABS GFS frameworks, in addition to definitions of key terms used in these frameworks, can be found in Appendix A. Detailed accounting policies, as well as a set of notes and other disclosures as required by AAS, are disclosed in the Australian Government Consolidated Financial Statements.

Fiscal reporting focuses on the general government sector (GGS). The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies. This sector comprises all government departments, offices and some other bodies. In preparing financial statements for the GGS, all material transactions and balances between entities within the GGS have been eliminated.

The Government's key fiscal aggregates are based on the ABS GFS concepts and definitions, including the ABS GFS cash surplus/deficit and net financial worth. AASB 1049 requires the disclosure of other ABS GFS fiscal aggregates, including the net operating balance, net lending/borrowing (fiscal balance) and net worth. In addition to these ABS GFS aggregates, the Uniform Presentation Framework (UPF) requires disclosure of net debt, net financial worth and net financial liabilities.

AASB 1049 and the UPF also provide a basis for reporting the public non-financial corporations (PNFC) and public financial corporations (PFC) sectors and the total non-financial public sector (NFPS).

AASB 1049 requires disaggregated information, by ABS GFS function, for expenses and total assets to be disclosed where they are reliably attributable. The ABS GFS does not require total assets to be attributed to functions. In accordance with the ABS GFS, disaggregated information for expenses and net acquisition of non-financial assets by function is disclosed in *Statement 6: Expenses and Net Capital Investment*. In accordance with the UPF, purchases of non-financial assets by function are also disclosed in *Statement 6*.

AASB 1055 *Budgetary Reporting* requires major variances between original budget estimates and outcomes to be explained in the financial statements. Explanations of variances in fiscal balance, revenue, expenses, net capital investment, cash flows, net debt, net financial worth and net worth since the 2022–23 March Budget are disclosed in the *Pre-election Economic and Fiscal Outlook 2022* (PEFO) and *Statement 3: Fiscal Strategy and Outlook*, with decisions taken since the 2022–23 October Budget disclosed in Budget Paper No. 2 *Budget Measures 2023–24*. All policy decisions taken between the 2022–23 March Budget and the 2022–23 October Budget are disclosed in PEFO or Budget Paper No. 2 *Budget Measures October 2022–23*.

Details of the Australian Government’s GGS contingent liabilities are disclosed in *Statement 9: Statement of Risks*.

Note 2: Departures from external reporting standards

The Charter requires that departures from applicable external reporting standards be identified. The major differences between AAS and the ABS GFS treatments of transactions are outlined in Table 10.13.

AASB 1049 requires AAS measurement of items to be disclosed on the face of the financial statements with reconciliation to the ABS GFS measurement of key fiscal aggregates, where different, in notes to the financial statements. Only one measure of each aggregate has been included on the face statements to avoid confusion.

Further information on the differences between the 2 systems is provided in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods*, 2015 (cat. no. 5514.0).

Table 10.13: Major differences between AAS and ABS GFS

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
Circulating coins – seigniorage	The profit between the cost and sale of circulating coins (seigniorage) is treated as revenue.	Circulating coins is treated as a liability, and the cost of producing the coins is treated as an expense.	AAS
Valuation of loans	Changes in the valuation of loans are treated as a revenue or an expense. In some circumstances recognition as a revenue or an expense is delayed until the loan ends or is transferred.	Changes in the valuation of loans (excluding mutually agreed write-downs) are treated as an 'other economic flow'.	ABS GFS
Timing recognition of Boosting Cash Flow for Employers	Expense recognition is based on underlying economic activity that gives rise to the Cash Flow Boost payment.	Recognised when the businesses receive payments after submitting their activity statements and having met all requirements.	AAS
Leases	AASB 16 introduced a single lease accounting framework for lessees, which replaced the distinction between operating and finance leases. Right of use assets and lease liabilities are recognised on the balance sheets for leases that were previously accounted for as operating expense.	The distinction between operating leases and finance leases is continued for lessees.	AAS
Concessional loans	Concessional elements are treated as an expense on initial recognition and unwind over the loan term.	Concessional elements are treated as an 'other economic flow'.	AAS
Investment in other public sector entities	Valued at fair value in the balance sheet as long as it can be reliably measured, otherwise net assets is permissible.	Unlisted entities are valued based on their net assets in the balance sheet.	AAS
Provision for restoration, decommissioning and make-good	Capitalised when the asset is acquired.	Capitalised when make-good activity takes place.	AAS
Renewable Energy Certificates (RECs)	The issuance and registration of RECs is considered to be an administrative function and does not result in the recognition of assets or liabilities and, consequently, no revenue or expenses are recognised.	The issuance and registration of RECs is considered to be government financial transactions resulting in the recognition of assets, liabilities, revenue and expenses.	AAS
Dividends paid by public corporations	Treated as an equity distribution. Equity distributions are treated as a distribution of profits, as opposed to an expense.	Dividends are treated as an expense.	ABS GFS

Table 10.13: Major differences between AAS and ABS GFS (continued)

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
Dividends paid by the Reserve Bank of Australia	Dividends are recognised in the year profit was earned.	Dividends are recognised when the Treasurer makes a determination.	AAS
National Disability Insurance Scheme (NDIS) revenue	Funding contributions by the state and territory governments to NDIS are treated as sales of goods and services revenue. In-kind disability services provided by the state and territory governments are treated as other revenue.	Funding contributions by the state and territory governments to NDIS are treated as grants revenue. In-kind disability services provided by the state and territory governments are treated as sales of goods and services revenue.	AAS
Commercial tax effect accounting assets and liabilities	Corporations in the PNFC and PFC sectors record tax expenses on a commercial basis.	Deferred tax assets and liabilities are reversed so that corporations record tax expenses on a consistent basis to the Australian Taxation Office.	ABS GFS
Timing recognition of vaccine expense	Recognised when vaccines are delivered to the states and territories.	Recognised when the vaccine doses are administered. Vaccine wastage after distributions are recognised as an 'other economic flow'.	AAS
Regional Broadband Scheme	The revenue from the levy on internet service providers (ISPs) and the associated subsidy expense to NBN Co for the provision of regional broadband services are recorded separately on a gross basis.	The revenue from the levy on ISPs and the associated subsidy expense to NBN Co are recorded on a net basis.	AAS
Fiscal aggregates differences			
Net worth of PNFC and PFC sectors	Calculated as assets less liabilities.	Calculated as assets less liabilities less shares and other contributed capital.	AAS
Net financial worth of PNFC and PFC sectors	Calculated as financial assets less total liabilities.	Calculated as financial assets less total liabilities less shares and contributed capital.	AAS
Classification differences			
Prepayments	Treated as a non-financial asset.	Treated as a financial asset.	ABS GFS

Table 10.13: Major differences between AAS and ABS GFS (continued)

Issue	AAS treatment	ABS GFS treatment	Treatment adopted
Spectrum sales	Recognise non-financial asset sale for fiscal balance when licences take effect, which may be after the auction of licences, as this is regarded as the point at which control is transferred. Recognise cash at the time of receipt.	Recognise non-financial asset sale for fiscal balance at time of auction as this is regarded as the point at which control is transferred. Recognise cash at the time of receipt.	AAS
Classification of Australian Government funding of non-government schools	Direct grants to states and territories made in accordance with bilateral agreements with the Commonwealth and consistent with section 96 of the Constitution.	Personal benefit payments – indirect included in goods and services expenses.	AAS

Note 3: Taxation revenue by type

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Individuals and other withholding taxes					
Gross income tax withholding	272,300	289,300	283,400	298,100	318,300
Gross other individuals	73,000	73,600	74,100	75,400	80,400
<i>less:</i> Refunds	42,100	37,000	37,700	36,100	36,200
Total individuals and other withholding taxation	303,200	325,900	319,800	337,400	362,500
Fringe benefits tax	3,510	3,500	3,510	3,420	3,440
Company tax	140,800	131,100	122,300	132,900	130,700
Superannuation fund taxes	9,670	16,620	23,320	23,120	25,370
Petroleum resource rent tax	2,230	2,770	2,680	2,900	2,360
Income taxation revenue	459,410	479,890	471,610	499,740	524,370
Goods and services tax	88,040	89,080	91,910	97,750	103,690
Wine equalisation tax	1,170	1,160	1,210	1,250	1,270
Luxury car tax	1,150	860	850	880	920
Excise and Custom duty					
Petrol	5,600	7,350	7,600	7,500	7,750
Diesel	13,160	15,880	16,370	17,380	18,180
Other fuel products	2,760	2,100	2,110	2,160	2,220
Tobacco	12,700	12,900	13,450	14,200	14,650
Beer	2,620	2,670	2,690	2,900	3,000
Spirits	3,390	3,570	3,810	3,900	4,020
Other alcoholic beverages(a)	1,640	1,680	1,810	1,840	1,900
Other customs duty					
Textiles, clothing and footwear	190	170	170	130	170
Passenger motor vehicles	440	430	440	210	180
Other imports	1,530	1,310	1,330	650	690
<i>less:</i> Refunds and drawbacks	700	700	700	700	700
Total excise and customs duty	43,330	47,360	49,080	50,170	52,060
Major bank levy	1,560	1,640	1,670	1,730	1,820
Agricultural levies	631	586	593	613	614
Visa application charges(b)	2,995	3,125	3,319	3,460	3,574
Other taxes(b)	5,883	6,028	6,121	6,361	6,259
Mirror taxes	742	787	820	861	903
<i>less:</i> Transfers to states in relation to mirror tax revenue	742	787	820	861	903
Mirror tax revenue	0	0	0	0	0
Indirect taxation revenue	144,759	149,839	154,754	162,215	170,207
Taxation revenue	604,169	629,729	626,364	661,955	694,577

Note 3: Taxation revenue by type (continued)

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
<i>Memorandum:</i>					
Total excise	26,150	30,090	33,790	35,040	36,410
Total customs duty	17,180	17,270	15,290	15,130	15,650
Capital gains tax(c)	28,600	23,200	20,300	20,100	20,900
a) 'Other alcoholic beverages' are those not exceeding 10 per cent by volume of alcohol (excluding beer, brandy and wine).					
b) Prior to the 2022–23 October Budget, 'visa application charges' were previously included in 'other taxes'.					
c) 'Capital gains tax' is part of gross other individuals, company tax and superannuation fund taxes.					

Note 3(a): Taxation revenue by source

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Taxes on income, profits and capital gains					
Income and capital gains levied on individuals	306,710	329,400	323,310	340,820	365,940
Income and capital gains levied on enterprises	152,700	150,490	148,300	158,920	158,430
Total taxes on income, profits and capital gains	459,410	479,890	471,610	499,740	524,370
Taxes on employers' payroll and labour force	1,158	1,017	1,099	1,184	942
Taxes on the provision of goods and services					
Sales/goods and services tax	90,360	91,100	93,970	99,880	105,880
Excises and levies	26,781	30,676	34,383	35,653	37,024
Taxes on international trade	17,180	17,270	15,290	15,130	15,650
Total taxes on the provision of goods and services	134,321	139,046	143,643	150,663	158,554
Taxes on the use of goods and performance of activities	9,280	9,775	10,012	10,367	10,712
Total taxation revenue	604,169	629,729	626,364	661,955	694,577

Note 4: Sales of goods and services revenue

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Sales of goods					
Sales of goods	1,407	1,483	1,690	1,653	1,702
Rendering of services	14,703	16,131	16,993	17,575	18,277
Lease rental	336	343	330	411	425
Fees from regulatory services	2,633	2,853	2,817	2,703	2,951
Total sales of goods and services revenue	19,078	20,811	21,830	22,342	23,356

Note 5: Interest and dividend and distribution revenue

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Interest from other governments					
State and territory debt	12	12	10	9	6
Housing agreements	72	67	62	57	53
Total interest from other governments	84	79	72	66	59
Interest from other sources					
Advances	802	775	878	1,069	1,317
Deposits	2,021	2,903	2,277	1,744	1,609
Indexation of HELP receivable and other student loans	3,598	2,509	1,635	1,550	1,573
Other	2,549	3,160	3,806	4,132	4,511
Total interest from other sources	8,969	9,347	8,597	8,495	9,010
Total interest	9,053	9,426	8,669	8,561	9,069
Dividends and distributions					
Dividends from other public sector entities	82	186	300	314	272
Other dividends and distributions	5,279	6,727	7,010	7,377	7,837
Total dividends and distributions	5,361	6,913	7,311	7,691	8,109
Total interest and dividend and distribution revenue	14,414	16,339	15,980	16,252	17,178

Note 6: Other sources of non-taxation revenue

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Industry contributions					
Industry contributions	83	99	105	107	100
Royalties	2,202	1,287	1,076	834	651
Seigniorage	66	67	59	56	56
Other	13,754	12,040	11,919	12,192	12,319
Total other sources of non-taxation revenue	16,105	13,494	13,158	13,189	13,126

Note 7: Employee and superannuation expense

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Wages and salaries expenses	24,254	26,260	26,089	26,188	26,360
Other operating expenses					
Leave and other entitlements	2,756	3,101	3,082	3,094	3,084
Separations and redundancies	61	88	107	85	87
Workers compensation premiums and claims	2,997	3,551	3,732	3,892	3,977
Other	2,619	2,606	2,657	2,783	2,887
Total other operating expenses	8,433	9,346	9,579	9,853	10,035
Superannuation expenses					
Superannuation	8,754	7,608	7,813	8,049	8,267
Superannuation interest cost	12,334	13,631	13,941	14,637	15,033
Total superannuation expenses	21,088	21,239	21,754	22,686	23,300
Total employee and superannuation expense	53,775	56,846	57,421	58,727	59,694

Note 8: Depreciation and amortisation expense

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Depreciation					
Specialist military equipment	4,442	4,894	5,357	5,942	6,552
Buildings	4,006	4,016	4,121	4,256	4,383
Other infrastructure, plant and equipment	2,396	2,414	2,392	2,371	2,384
Heritage and cultural assets	76	76	76	76	75
Other	5	7	6	6	6
Total depreciation(a)	10,925	11,407	11,952	12,651	13,400
Total amortisation	1,138	1,163	1,149	1,069	1,060
Total depreciation and amortisation expense	12,063	12,570	13,101	13,720	14,460
<i>Memorandum:</i>					
<i>Depreciation relating to right of use assets</i>					
Specialist military equipment	31	31	31	31	31
Buildings	2,311	2,295	2,330	2,271	2,277
Other infrastructure, plant and equipment	270	270	273	272	269
Other	5	7	6	6	6
Total depreciation of right of use assets	2,617	2,603	2,640	2,581	2,583

a) Includes depreciation of right of use (leased) assets, resulting from implementation of AASB 16.

Note 9: Supply of goods and services expense

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Supply of goods and services	48,234	49,053	47,524	50,950	48,723
Lease expenses	338	179	201	164	184
Personal benefits – indirect	120,537	132,988	143,478	152,976	161,411
Health care payments	4,156	4,216	4,510	4,600	4,696
Other	2,455	2,355	2,431	2,414	2,472
Total supply of goods and services expense	175,719	188,790	198,144	211,104	217,487

Note 10: Interest expense

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Interest on debt					
Government securities(a)	22,129	22,591	23,878	26,214	29,067
Loans	116	145	163	184	224
Other	645	737	608	581	603
Total interest on debt	22,890	23,473	24,649	26,979	29,894
Interest on lease liabilities	361	360	368	367	355
Other financing costs	3,539	3,929	8,059	3,719	5,067
Total interest expense	26,789	27,762	33,076	31,064	35,316

- a) Public debt interest estimates are calculated using the contract interest rates incurred on existing Australian Government Securities (AGS), previously referred to as Commonwealth Government Securities, when issued and on technical assumptions, based on prevailing market interest rates across the yield curve, for yields on future AGS issuance.

Note 11: Current and capital grants expense

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Current grants expense					
State and territory governments	152,097	160,494	164,605	171,165	177,769
Private sector	7,628	8,019	7,228	6,978	6,411
Overseas	4,407	4,358	5,048	4,452	4,712
Non-profit organisations	13,753	15,257	14,195	13,927	13,777
Multi-jurisdictional sector	11,480	12,105	12,935	13,469	13,808
Other	3,297	3,230	4,410	3,784	3,963
Total current grants expense	192,661	203,464	208,422	213,776	220,439
Capital grants expense					
Mutually agreed write-downs	2,870	3,012	3,173	3,349	3,516
Other capital grants					
State and territory governments	15,293	18,554	17,502	16,251	14,692
Local governments	1,434	815	723	723	473
Non-profit organisations	934	884	1,140	1,217	239
Private sector	276	20	10	0	0
Other	115	150	48	2	0
Total capital grants expense	20,922	23,435	22,595	21,542	18,921
Total grants expense	213,583	226,899	231,017	235,318	239,360

Note 12: Personal benefits expense

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Social welfare – assistance to the aged					
Assistance to veterans and dependants	54,867	59,182	61,672	64,577	67,308
Assistance to people with disabilities	4,420	4,425	4,323	4,209	4,100
Assistance to families with children	29,961	32,582	34,038	35,531	36,415
Assistance to the unemployed	27,993	31,387	33,392	34,832	36,201
Student assistance	13,867	13,830	15,483	15,999	15,915
Other welfare programs	2,708	3,105	3,329	3,495	3,643
Financial and fiscal affairs	1,937	961	953	973	958
Vocational and industry training	723	641	693	747	521
Other	85	249	359	305	257
Total personal benefits expense	145,485	154,254	165,763	175,925	187,453

Note 13: Advances paid and other receivables

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Advances paid					
Loans to state and territory governments	1,652	1,523	1,392	1,268	1,081
Student loans	53,240	55,444	58,516	61,690	64,879
Other	22,409	19,740	24,279	29,552	33,774
<i>less</i> Impairment allowance	438	675	1,126	1,169	1,168
Total advances paid	76,862	76,032	83,061	91,341	98,566
Other receivables					
Goods and services receivable	1,359	1,376	1,375	1,375	1,386
Recoveries of benefit payments	5,955	6,089	6,211	6,326	6,228
Taxes receivable	41,943	46,781	50,293	54,012	57,489
Prepayments	3,866	4,282	4,658	5,125	5,552
Other	23,978	24,722	24,161	25,359	26,690
<i>less</i> Impairment allowance	3,206	3,306	3,394	3,478	3,493
Total other receivables	73,895	79,944	83,305	88,720	93,851

Note 14: Investments, loans and placements

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Investments – deposits					
IMF quota and SDR holdings	11,878	11,601	11,675	12,077	12,692
Residential mortgage backed securities	22,666	22,504	22,504	22,504	22,504
Collective investment vehicles	942	1,036	1,217	1,295	1,494
Other interest bearing securities	112,817	121,780	130,939	138,771	147,073
Other	52,429	55,209	56,398	57,143	58,033
Total investments, loans and placements	219,031	241,748	252,171	261,244	270,909

Note 15: Non-financial assets

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Land and buildings					
Land	13,077	13,168	13,244	13,082	13,189
Buildings	48,616	50,944	53,801	55,234	56,678
Total land and buildings	61,693	64,112	67,045	68,316	69,867
Plant, equipment and infrastructure					
Specialist military equipment	87,206	92,553	97,839	101,354	108,824
Other plant, equipment and infrastructure	18,362	18,938	19,019	18,669	17,988
Total plant, equipment and infrastructure	105,567	111,491	116,859	120,023	126,812
Inventories					
Inventories held for sale	337	556	575	662	664
Inventories not held for sale	11,275	11,453	11,736	12,028	12,329
Total inventories	11,612	12,010	12,310	12,690	12,993
Intangibles					
Computer software	6,444	6,990	7,057	7,049	6,986
Other	5,482	5,802	5,754	5,741	5,745
Total intangibles	11,926	12,791	12,811	12,790	12,731
Total investment properties	205	205	205	205	205
Total biological assets	16	16	16	16	16
Total heritage and cultural assets	12,664	12,712	12,726	12,713	12,700
Total assets held for sale	179	177	177	177	177
Total other non-financial assets	16	16	16	16	16
Total non-financial assets(a)	203,878	213,530	222,166	226,946	235,518
<i>Memorandum:</i>					
<i>Total relating to right of use assets</i>					
Land	161	178	172	166	161
Buildings	16,532	16,065	15,731	14,672	13,758
Specialist military equipment	255	224	193	162	132
Other plant, equipment and infrastructure	1,500	1,389	1,226	1,097	914
Total right of use assets	18,448	17,856	17,322	16,097	14,965

a) Includes right of use (leased) assets, resulting from implementation of AASB 16.

Note 16: Loans

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Promissory notes	8,716	9,321	9,347	9,346	9,343
Special drawing rights	18,169	18,040	18,040	18,040	18,040
Other	3,276	3,646	4,132	4,509	4,533
Total loans	30,161	31,007	31,518	31,895	31,916

Note 17: Employee and superannuation liabilities

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Total superannuation liability(a)	275,796	282,487	294,896	302,980	311,049
Other employee liabilities					
Leave and other entitlements	9,214	9,456	9,686	9,881	10,137
Accrued salaries and wages	701	767	819	881	929
Workers compensation claims	1,889	1,871	1,856	1,849	1,846
Military compensation	23,081	23,634	24,255	24,949	25,643
Other	589	599	609	618	628
Total other employee liabilities	35,475	36,326	37,226	38,178	39,184
Total employee and superannuation liabilities	311,270	318,813	332,121	341,158	350,233

- a) For budget reporting purposes, a discount rate of 5.0 per cent determined by actuaries in preparing the 2020 Long Term Cost Reports is used to value the superannuation liability. This reflects the average annual rate estimated to apply over the term of the liability and it reduces the volatility in reported liabilities that would occur from year to year if the spot rates on long-term government bonds were used. Consistent with AAS, the superannuation liability for the 2021–22 Final Budget Outcome (FBO) was calculated using the spot rates on long-term government bonds as at 30 June 2022 that best matched each individual scheme's liability duration. These rates were between 3.7 and 3.9 per cent per annum.

Note 18: Provisions and payable

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Suppliers payables					
Trade creditors	7,906	8,120	8,281	8,610	8,974
Lease rental payable	0	0	0	0	0
Personal benefits payables – indirect	2,159	2,345	2,428	2,303	2,302
Other creditors	2,076	2,021	2,021	2,022	2,022
Total suppliers payables	12,142	12,487	12,729	12,934	13,298
Total personal benefits payables – direct	3,083	4,008	4,108	4,187	4,055
Total subsidies payable	909	901	888	882	873
Grants payables					
State and territory governments	172	194	185	171	160
Non-profit organisations	173	174	174	174	174
Private sector	314	315	309	309	309
Overseas	1,998	1,654	2,311	1,900	1,610
Local governments	0	0	0	0	0
Other	335	321	326	314	324
Total grants payables	2,992	2,658	3,305	2,869	2,578
Total other payables	4,108	5,777	3,746	3,854	3,896
Provisions					
Provisions for tax refunds	4,319	4,309	4,299	4,289	4,279
Grants provisions	12,574	6,863	4,710	4,328	4,063
Personal benefits provisions – direct	6,991	7,171	7,374	7,579	7,775
Personal benefits provisions – indirect	5,644	7,238	7,992	8,797	9,671
Provisions for subsidies	6,556	6,728	6,787	6,963	7,213
Other	31,186	32,842	38,163	37,956	39,056
Total provisions	67,270	65,151	69,325	69,913	72,057

Note 19: Reconciliation of cash

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Net operating balance (revenues less expenses)	8,979	-3,713	-38,049	-29,586	-23,542
<i>/less Revenues not providing cash</i>					
Other	5,214	3,352	3,028	4,956	3,570
Total revenues not providing cash	5,214	3,352	3,028	4,956	3,570
<i>plus Expenses not requiring cash</i>					
Increase/(decrease) in employee entitlements	7,974	7,335	13,088	8,807	8,870
Depreciation/amortisation expense	12,063	12,570	13,101	13,720	14,460
Mutually agreed write-downs	2,870	3,012	3,173	3,349	3,516
Other	4,758	5,045	9,051	2,999	6,655
Total expenses not requiring cash	27,665	27,962	38,413	28,875	33,501
<i>plus Cash provided/(used) by working capital items</i>					
Decrease/(increase) in inventories	-470	-806	-725	-819	-760
Decrease/(increase) in receivables	-9,483	-13,333	-11,128	-11,727	-11,302
Decrease/(increase) in other financial assets	-1,707	-525	743	-845	-748
Decrease/(increase) in other non-financial assets	286	-272	-239	-334	-308
Increase/(decrease) in benefits, subsidies and grants payable	3,649	-2,861	-549	512	792
Increase/(decrease) in suppliers' liabilities	111	30	-179	104	249
Increase/(decrease) in other provisions and payables	302	3,088	1,225	1,275	1,265
Net cash provided/(used) by working capital	-7,312	-14,679	-10,852	-11,834	-10,812
<i>equals (Net cash from/(to) operating activities)</i>	24,119	6,216	-13,517	-17,500	-4,424
<i>plus (Net cash from/(to) investing activities)</i>	-40,118	-40,451	-36,739	-36,572	-39,353
Net cash from operating activities and investment	-15,999	-34,235	-50,256	-54,072	-43,778
<i>plus (Net cash from/(to) financing activities)</i>	-14,399	30,712	27,953	49,158	44,744
equals Net increase/(decrease) in cash	-30,398	-3,523	-22,303	-4,914	967
Cash at the beginning of the year	94,763	64,365	60,841	38,538	33,624
Net increase/(decrease) in cash	-30,398	-3,523	-22,303	-4,914	967
Cash at the end of the year	64,365	60,841	38,538	33,624	34,591

Appendix A: Financial reporting standards and budget concepts

The Budget primarily focuses on the financial performance and position of the general government sector (GGS). The GGS provides public services that are mainly non-market in nature and for the collective consumption of the community, or involve the transfer or redistribution of income. These services are largely financed through taxes and other compulsory levies. AASB 1049 recognises the GGS as a reporting entity.

AASB 1049 Conceptual framework

AASB 1049 seeks to ‘harmonise’ the ABS GFS and AAS.

The reporting framework for AASB 1049 requires the preparation of accrual-based general purpose financial reports, showing government assets, liabilities, revenue, expenses and cash flows. GGS reporting under AASB 1049 aims to provide users with information about the stewardship of each government in relation to its GGS and accountability for the resources entrusted to it; information about the financial position, performance and cash flows of each government’s GGS; and information that facilitates assessments of the macroeconomic impact. AASB 1049 also provides a basis for whole-of-government reporting, including for the PNFC and PFC sectors.

AASB 1049 has adopted the AAS conceptual framework and principles for the recognition of assets, liabilities, revenues and expenses and their presentation, measurement and disclosure. In addition, AASB 1049 has broadly adopted the ABS GFS conceptual framework for presenting government financial statements. In particular, AASB 1049 requires the GGS to prepare a separate set of financial statements, overriding AASB 10 *Consolidated Financial Statements*. AASB 1049 also follows the ABS GFS by requiring changes in net worth to be split into either transactions or ‘other economic flows’ and for this to be presented in a single operating statement. AASB 1049 is therefore broadly consistent with international statistical standards and the International Monetary Fund’s (IMF) *Government Finance Statistics Manual 2014*.⁵²

⁵² Additional information on the Australian accrual GFS framework is available in the ABS publication *Australian System of Government Finance Statistics: Concepts, Sources and Methods*, 2015 (cat. no. 5514.0).

All financial data presented in the financial statements are recorded as either stocks (assets and liabilities) or flows (classified as either transactions or ‘other economic flows’). Transactions result from a mutually agreed interaction between economic entities. Despite their compulsory nature, taxes are transactions deemed to occur by mutual agreement between the government and the taxpayer. Transactions that increase or decrease net worth (assets less liabilities) are reported as revenues and expenses respectively in the operating statement.⁵³

A change to the value or volume of an asset or liability that does not result from a transaction is an ‘other economic flow’. This can include changes in values from market prices, most actuarial valuations and exchange rates, and changes in volumes from discoveries, depletion and destruction. All ‘other economic flows’ are reported in the operating statement.

Consistent with the ABS GFS framework, and in general AAS, the financial statements record flows in the period in which they occur. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods and can be reliably assigned to the relevant period(s).

Operating statement

The operating statement presents details of transactions in revenues, expenses, the net acquisition of non-financial assets (net capital investment) and other economic flows for an accounting period.

Revenues arise from transactions that increase net worth and expenses arise from transactions that decrease net worth. Revenues less expenses gives the net operating balance. The net operating balance is similar to the National Accounts concept of government saving plus capital transfers.

The net acquisition of non-financial assets (net capital investment) equals gross fixed capital formation, less depreciation, plus changes (investment) in inventories, plus other transactions in non-financial assets.

‘Other economic flows’ are presented in the operating statement and outline changes in net worth that are driven by economic flows other than revenues and expenses. Revenues, expenses and ‘other economic flows’ sum to the total change in net worth during a period. The majority of ‘other economic flows’ for the Australian Government GGS arise from price movements in its assets and liabilities.

⁵³ Not all transactions impact net worth. For example, transactions in financial assets and liabilities do not impact net worth as they represent the swapping of assets and liabilities on the balance sheet.

Net operating balance

The net operating balance is the excess of revenue from transactions over expenses from transactions. The net operating balance excludes expenditure on the acquisition of capital assets but includes non-cash costs such as accruing superannuation entitlements and the consumption of capital (depreciation). By including all accruing costs, including depreciation, the net operating balance encompasses the full current cost of providing government services. This makes it a measure of the sustainability of the government's fiscal position over time and provides an indication of the sustainability of the existing level of government services.

Fiscal balance

The fiscal balance (or net lending/borrowing) is the net operating balance less net capital investment. The fiscal balance includes the impact of net expenditure (effectively purchases less sales) on non-financial assets rather than consumption (depreciation) of non-financial assets.⁵⁴

The fiscal balance measures the Australian Government's investment-saving balance. It measures in accrual terms the gap between government savings plus net capital transfers and investment in non-financial assets. As such, it approximates the contribution of the Australian Government GGS to the balance on the current account in the balance of payments.

Balance sheet

The balance sheet shows stocks of assets, liabilities and net worth. In accordance with the UPF, net debt, net financial worth and net financial liabilities are also reported in the balance sheet.

Net worth

The net worth of the GGS, PNFC and PFC sectors is defined as assets less liabilities. This differs from the ABS GFS definition for the PNFC and PFC sectors where net worth is defined as assets less liabilities less shares and other contributed capital. Net worth is an economic measure of wealth, reflecting the Australian Government's contribution to the wealth of Australia.

⁵⁴ The net operating balance includes consumption of non-financial assets because depreciation is an expense. Depreciation is deducted in the calculation of net capital investment as the full investment in non-financial assets is included in the calculation of fiscal balance.

Net financial worth

Net financial worth measures a government's net holdings of financial assets. It is calculated from the balance sheet as financial assets minus liabilities. This differs from the ABS GFS definition of net financial worth for the PNFC and PFC sectors, defined as financial assets, less liabilities, less shares and other contributed capital. Net financial worth is a broader measure than net debt, in that it incorporates provisions made (such as superannuation) as well as equity holdings. Net financial worth includes all classes of financial assets and all liabilities, only some of which are included in net debt. As non-financial assets are excluded from net financial worth, this is a narrower measure than net worth. However, it avoids the concerns inherent with the net worth measure relating to the valuation of non-financial assets and their availability to offset liabilities.

Net financial liabilities

Net financial liabilities comprises total liabilities less financial assets but excludes equity investments in the other sectors of the jurisdiction. Net financial liabilities is a more accurate indicator than net debt of a jurisdiction's fiscal position as it includes substantial non-debt liabilities such as accrued superannuation and long service leave entitlements. Excluding the net worth of other sectors of government results in a purer measure of financial worth than net financial worth as, in general, the net worth of other sectors of government, in particular the PNFC sector, is backed by physical assets.

Net debt

Net debt is the sum of interest bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements). Financial assets include the Future Fund's investments in interest bearing securities and collective investment vehicles (CIVs). CIVs enable investors to pool their money and invest the pooled funds, rather than buying securities directly. Net debt does not include superannuation related liabilities. Net debt is a common measure of the strength of a government's financial position. High levels of net debt impose a call on future revenue flows to service that debt.

The 2015 ABS GFS Manual presents debt in a matrix format, with no single net debt aggregate identified. The Australian Government continues to report net debt in accordance with the UPF as described above.

Cash flow statement

The cash flow statement identifies how cash is generated and applied in a single accounting period. The cash flow statement reflects a cash basis of recording (rather than an accrual basis) where information is derived indirectly from underlying accrual transactions and movements in balances. This, in effect, means that transactions are captured when cash is received or when cash payments are made. Cash transactions are specifically identified because cash management is considered an integral function of accrual budgeting.

Underlying cash balance

The underlying cash balance is the cash counterpart of the fiscal balance, reflecting the Australian Government's cash investment-saving balance.

For the GGS, the underlying cash balance is calculated as shown below:

Net cash flows from operating activities
plus
Net cash flows from investments in non-financial assets
equals
ABS GFS cash surplus/deficit
plus
Principal payments of lease liabilities⁵⁵
equals
Underlying cash balance

Under the *Future Fund Act 2006*, earnings are required to be reinvested to meet the Government's future public sector superannuation liabilities. The Government excluded net Future Fund cash earnings from the calculation of the underlying cash balance between 2005–06 and 2019–20. From 2020–21 onwards, net Future Fund cash earnings have been included in the calculation of the underlying cash balance because the Future Fund became available to meet the Government's superannuation liabilities from this year.

In contrast, net Future Fund earnings have been included in the net operating balance and fiscal balance for all years because superannuation expenses relating to future cash payments are recorded in the net operating balance and fiscal balance.

Net Future Fund earnings are separately identified in the historical tables in *Statement 11: Historical Australian Government Data*.

⁵⁵ 'Net cash flows from financing activities for leases' has been renamed to 'principal payments of lease liabilities'.

Headline cash balance

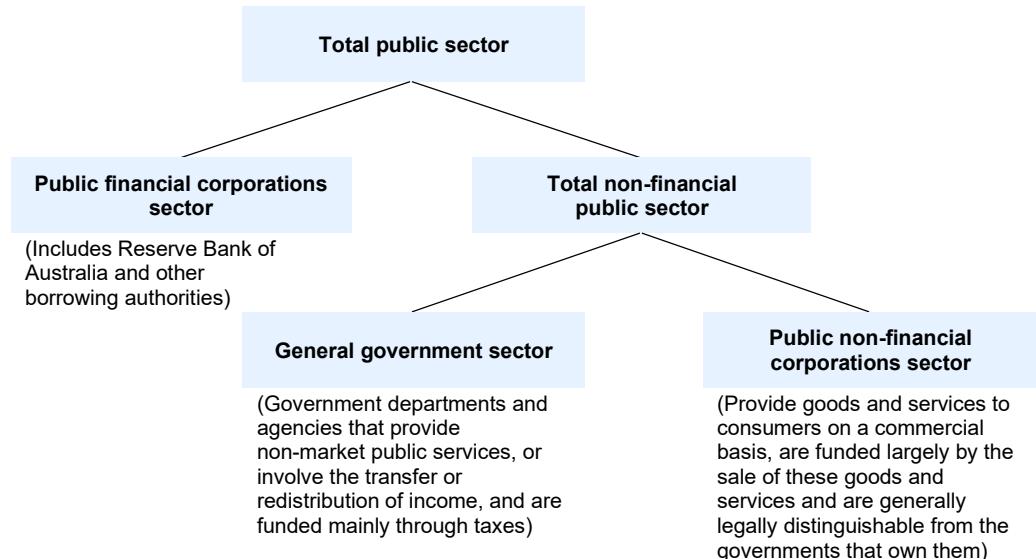
The headline cash balance is calculated by adding net cash flows from investments in financial assets for policy purposes to the underlying cash balance.

Net cash flows from investments in financial assets for policy purposes include equity transactions and advances paid. Equity transactions include equity injections into controlled businesses and privatisations of government businesses. Advances paid include net loans to the states and net loans to students.

Sectoral classifications

To assist in analysing the public sector, data are presented by institutional sector as shown in Figure A10.1. The ABS GFS defines the GGS, PNFC and PFC sectors. AASB 1049 has also adopted this sectoral reporting.

Figure A10.1: Institutional structure of the public sector



All entities are classified as GGS entities except for the following list of portfolio entities that are classified as PFC or PNFC (Table A10.1).

A table which provides a full list of public sector principal entities under the current portfolio structure is available on the Department of Finance website at <https://www.finance.gov.au/government/managing-commonwealth-resources/structure-australian-government-public-sector/pgpa-act-flipchart-and-list>.

Table A10.1: Entities outside of the general government sector – 2022–23

Public financial corporations
Employment and Workplace Relations Portfolio
• Coal Mining Industry (Long Service Leave Funding) Corporation
Foreign Affairs and Trade Portfolio
• Export Finance and Insurance Corporation (also referred to as Export Finance Australia)
Industry, Science and Resources Portfolio
• CSIRO Coinvestment Fund Pty Ltd
• CSIRO FollowOn Services Pty Ltd
• CSIRO FollowOn Services 2 Pty Ltd
• CSIRO General Partner Pty Ltd
• CSIRO General Partner 2 Pty Ltd
• CSIROGP Fund 2 Pty Ltd
• MS GP Fund 3 Pty Ltd
• MS NGS Pty Ltd
• MS Opportunity Fund Pty Ltd
• MS Parallel Fund Pty Ltd
Treasury Portfolio
• Australian Reinsurance Pool Corporation
• National Housing Finance and Investment Corporation*
• Reserve Bank of Australia

**Table A10.1: Entities outside of the general government sector – 2022–23
(continued)**

Public non-financial corporations
Climate Change, Energy, the Environment and Water Portfolio
• Snowy Hydro Limited
Finance Portfolio
• ASC Pty Ltd
• Australian Naval Infrastructure Pty Ltd
Industry, Science and Resources Portfolio
• ANSTO Nuclear Medicine Pty Ltd
Infrastructure, Transport, Regional Development, Communications and the Arts Portfolio
• Airservices Australia
• Australian Postal Corporation (Australia Post)
• Australian Rail Track Corporation Limited
• National Intermodal Corporation Limited
• NBN Co Ltd
• WSA Co Ltd
Prime Minister and Cabinet Portfolio
• Voyages Indigenous Tourism Australia Pty Ltd
Social Services Portfolio
• Australian Hearing Services (Hearing Australia)

* The National Housing Finance and Investment Corporation (NHFIC), a corporate Commonwealth entity, operates an affordable housing bond aggregator to encourage greater private and institutional investment and provide cheaper and longer term finance to registered providers of affordable housing. The NHFIC bond aggregator is a PFC. NHFIC also administers the National Housing Infrastructure Facility (the Facility). The Facility is included in the GGS.

Appendix B: Assets and Liabilities

Overview

This appendix provides an overview and commentary on Statement 10: *Australian Government Budget Financial Statements* including estimates of the Australian Government's budgeted assets and liabilities at 30 June for the current year, budget year and 3 forward years.

Changes in the balance sheet reflect movements in the budgeted operating result and balance sheet transactions.

A more detailed explanation of major assets and liabilities held by Commonwealth entities, which form part of the Australian Government's balance sheet, can be found in the *Commonwealth Balance Sheet User Guide*, published on the Finance website.

Further information on the Government's fiscal strategy in relation to the balance sheet can be found in Statement 3: *Fiscal Strategy and Outlook*.

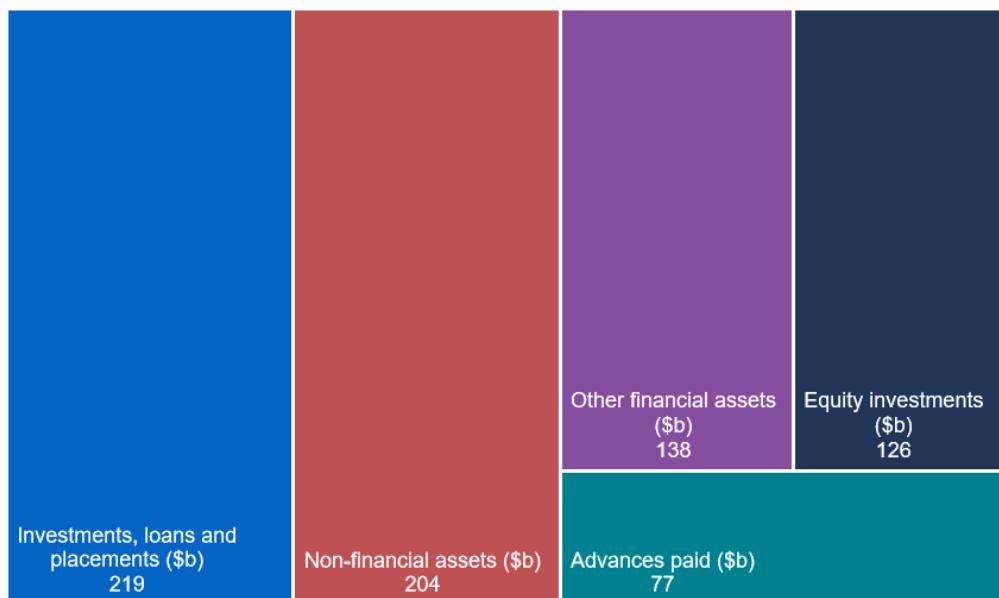
The Australian Government's assets and liabilities

Assets

The Government's total assets were \$763.6 billion at 30 June 2022, and are estimated to be \$763.8 billion at 30 June 2023 and \$886.7 billion at 30 June 2027.

The composition of Australian Government GGS assets at 30 June 2023 is presented below in Chart 10B.1.

Chart 10B.1: Australian Government GGS asset composition



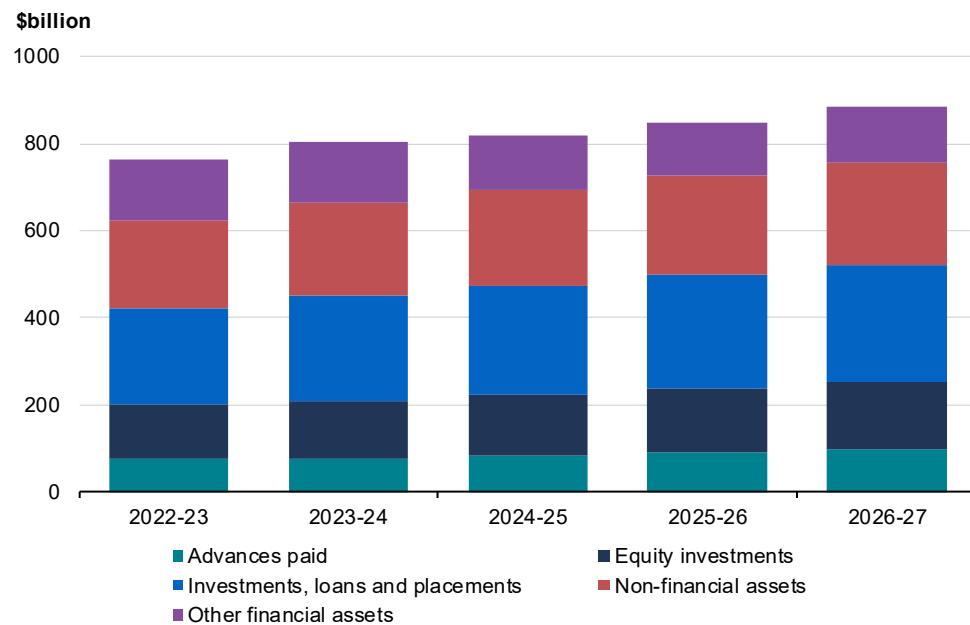
Note: Other financial assets includes cash and deposits, and other receivables.

Australian Government assets over the forward estimates

The Government's total assets are expected to grow over the forward estimates due to increased advances paid, investments and acquisitions of non-financial assets.

The budgeted composition of assets on the Australian Government's balance sheet is provided in Chart 10B.2 below.

Chart 10B.2: Australian Government assets over the forward estimates

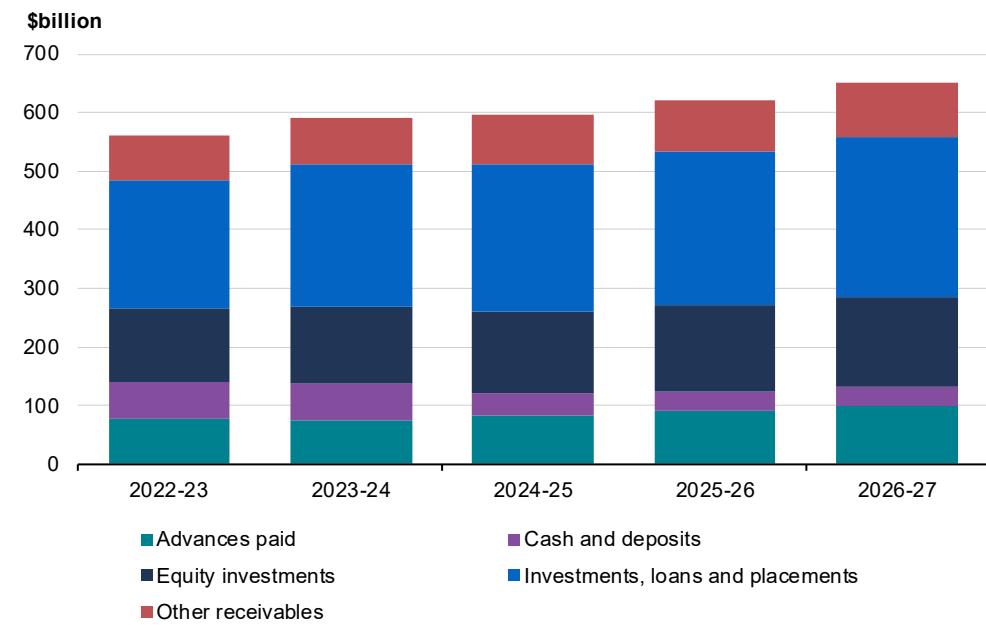


Note: Other financial assets includes cash and deposits, and other receivables.

Financial assets

The Government's financial assets are estimated to be \$559.9 billion at 30 June 2023, increasing to \$651.1 billion by 30 June 2027.

Chart 10B.3: Financial assets over the forward estimates



Advances paid

Advances paid is comprised of the Higher Education Loan Program and other student loan schemes, and loans to state and territory governments. The value of advances paid is estimated to grow over the forward estimates predominantly due to expected growth in student loans.

Further details on loans made by the Government are provided in Statement 9: *Statement of Risks*.

Investments, loans and placements

Investments, loans and placements is predominantly comprised of investments held in relation to the Australian Government Investment Funds, which includes the Future Fund, as well as by other entities, such as the Australian Office of Financial Management, the Treasury and specialist investment vehicles.

Specialist investment vehicles include for example the Clean Energy Finance Corporation, Northern Australia Infrastructure Facility, and Regional Investment Corporation, which provide loans, guarantees and equity injections for projects that deliver public value.

The value of total Australian Government investments, loans and placements is expected to increase steadily over the forward estimates due to forecast investment returns and the investment activities of the proposed Housing Australia Future Fund, and newly established specialist investment vehicles, such as the soon to be established National Reconstruction Fund Corporation.

A breakdown of investments, loans and placements is provided in Note 14 to Statement 10: *Australian Government Budget Financial Statements* and further information on the Australian Government Investment Funds is provided below. Further details on loans made by the Government are provided in Statement 9: *Statement of Risks*.

Australian Government Investment Funds

The current Australian Government Investment Funds are the Future Fund, DisabilityCare Australia Fund, Medical Research Future Fund, Aboriginal and Torres Strait Islander Land and Sea Future Fund, Future Drought Fund and Disaster Ready Fund. Investments held in relation to the Australian Government Investment Funds are predominantly collective investment vehicles and other interest bearing securities.

The budgeted value of Australian Government Investment Funds is provided in Table 10B.1.

Table 10B.1: Australian Government Investment Funds balances

	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Future Fund	203,610	217,354	232,025	247,686	264,406
DisabilityCare Australia Fund	15,958	15,681	11,945	8,144	4,279
Medical Research Future Fund	21,865	22,422	22,963	23,466	24,040
Aboriginal and Torres Strait Islander Land and Sea Future Fund	2,169	2,244	2,296	2,342	2,388
Future Drought Fund	4,663	4,861	5,017	5,166	5,320
Disaster Ready Fund ^(a)	4,519	4,605	4,851	5,095	5,348
Total investment funds	252,783	267,167	279,097	291,899	305,782

a) The Disaster Ready Fund (DRF) was initially established as the Emergency Response Fund (ERF). On 1 March 2023, the ERF was renamed as the DRF.

Future Fund

The Future Fund was established in 2006 to accumulate financial assets and invest them on behalf of the Australian Government to address the Government's unfunded superannuation liability.

The Investment Mandate for the Future Fund sets a benchmark rate of return of at least CPI plus 4.0 to 5.0 per cent per annum over the long-term. The Investment Mandate gives guidance to the Future Fund Board of Guardians (the Future Fund Board) in relation to its investment strategy. The Board is independently responsible for the investment decisions of the Future Fund. The Investment Mandate also requires the Board to take an acceptable, but not excessive, level of risk for the Future Fund, measured in terms such as the probability of losses in a particular year.

Between establishment and 31 March 2023, the average return has been 7.7 per cent per annum against the benchmark return of 7.0 per cent. For the 12-month period ending 31 March 2023, the Future Fund return was 1.1 per cent against a benchmark return of 11.0 per cent. These returns reflect higher interest rates, and international and domestic market conditions over the last 12 months. The Future Fund was valued at \$202.8 billion as at 31 March 2023.

The Future Fund Board continues to maintain clear objectives and manage the portfolio in line with its mandate and strategy. Table 10B.2 shows changes in the asset allocation of the Future Fund since 31 March 2022.

Table 10B.2: Asset allocation of the Future Fund

Asset class	31-Mar-23 \$m	31-Mar-23 % of Fund	31-Mar-22 \$m	31-Mar-22 % of Fund
Australian equities	17,913	8.8	17,028	8.5
Global equities				
<i>Developed markets</i>	34,536	17.0	32,776	16.3
<i>Emerging markets</i>	11,955	5.9	12,237	6.1
Private equity	33,320	16.4	33,769	16.8
Property	13,118	6.5	12,689	6.3
Infrastructure & Timberland	19,166	9.4	16,451	8.2
Debt securities	16,706	8.2	14,941	7.4
Alternative assets	34,616	17.1	30,510	15.2
Cash	21,488	10.6	30,260	15.1
Total Future Fund assets	202,818	100	200,660	100

Note: Figures may not sum due to rounding.

DisabilityCare Australia Fund

The DisabilityCare Australia Fund (DCAF) was established on 1 July 2014 to assist the Commonwealth and the state and territory governments with spending directly related to the National Disability Insurance Scheme.

The DCAF is funded by revenue raised from the 0.5 per cent increase in the Medicare levy to 2.0 per cent. As at 31 March 2023, the DCAF had received credits totalling \$32.9 billion. Since inception to 31 March 2023, \$19.4 billion has been paid from the DCAF.

The investments of the DCAF are managed by the Future Fund Board. The Investment Mandate for the DCAF provides guidance to the Board in relation to its investment strategy for the DCAF. The DCAF Investment Mandate sets a benchmark return of the Australian 3-month bank bill swap rate plus 0.3 per cent per annum calculated on a rolling 12-month basis (net of fees). In achieving its objectives, the Board must invest in such a way as to minimise the probability of capital losses over a 12-month horizon.

For the 12-month period ending 31 March 2023, the DCAF return was 2.3 per cent against the benchmark return of 2.3 per cent. The DCAF was valued at \$14.9 billion as at 31 March 2023.

Medical Research Future Fund

The Medical Research Future Fund (MRFF) was established on 26 August 2015 to provide additional funding for medical research and medical innovation.

The investments of the MRFF are managed by the Future Fund Board. The Investment Mandate for the MRFF provides broad direction to the Board in relation to its investment strategy. The MRFF Investment Mandate sets a benchmark return of the Reserve Bank of Australia's Cash Rate target plus 1.5 to 2.0 per cent per annum, net of costs, over a rolling 10-year term.

Since inception to 31 March 2023, MRFF investments have returned 4.0 per cent per annum against a benchmark return of 2.6 per cent. For the 12-month period ending 31 March 2023, the MRFF's return was 1.3 per cent against the benchmark return of 3.5 per cent. The MRFF was valued at \$21.7 billion as at 31 March 2023.

Aboriginal and Torres Strait Islander Land and Sea Future Fund

The Aboriginal and Torres Strait Islander Land and Sea Future Fund (ATSILSFF) was established on 1 February 2019 to support payments to the Indigenous Land and Sea Corporation.

The ATSILSFF was seeded with the capital of the former Aboriginal and Torres Strait Islander Land Account (Land Account) – approximately \$2.0 billion. The Land Account was abolished on the establishment of the ATSILSFF.

The investments of the ATSILSFF are managed by the Future Fund Board. The Investment Mandate for the ATSILSFF provides broad direction to the Board in relation to its investment strategy. The ATSILSFF Investment Mandate sets a long-term benchmark return of CPI plus 2.0 to 3.0 per cent per annum, net of costs.

Since inception to 31 March 2023, ATSILSFF investments have returned 4.1 per cent per annum against a benchmark return of 6.1 per cent. For the 12-month period ending 31 March 2023, the ATSILSFF returned 0.7 per cent against a benchmark return of 9.0 per cent. The ATSILSFF was valued at \$2.1 billion as at 31 March 2023.

Future Drought Fund

The Future Drought Fund (FDF) was established on 1 September 2019 to fund initiatives that enhance future drought resilience, preparedness and response across Australia.

The FDF provides disbursements of \$100.0 million per annum, with the first disbursement made in July 2020.

The investments of the FDF are managed by the Future Fund Board. The Investment Mandate for the FDF provides broad direction to the Board in relation to its investment strategy. The FDF Investment Mandate sets a long-term benchmark return of CPI plus 2.0 to 3.0 per cent per annum, net of costs.

Since inception to 31 March 2023, FDF investments have returned 6.6 per cent per annum against a benchmark return of 6.4 per cent. For the 12-month period ending 31 March 2023, the FDF returned 0.8 per cent against the benchmark return of 9.0 per cent. The FDF was valued at \$4.5 billion as at 31 March 2023.

Disaster Ready Fund

The Disaster Ready Fund (DRF) was initially established as the Emergency Response Fund (ERF) on 12 December 2019 and provided up to \$150 million per year for emergency response and recovery, and up to \$50 million per year for natural disaster resilience and risk reduction.

On 1 March 2023, legislative changes took effect that renamed the ERF as the DRF and allowed up to \$200 million per annum to be drawn from the DRF to fund natural disaster resilience and risk reduction from 2023–24 onwards.

The investments of the DRF are managed by the Future Fund Board. The Investment Mandate for the DRF provides broad direction to the Board in relation to its investment strategy. The DRF Investment Mandate sets a long-term benchmark return of CPI plus 2.0 to 3.0 per cent per annum, net of costs.

Since inception to 31 March 2023, DRF investments have returned 6.6 per cent per annum against a benchmark return of 6.4 per cent. For the 12-month period ending 31 March 2023, the DRF returned 0.8 per cent against the benchmark return of 9.0 per cent. The DRF was valued at \$4.4 billion as at 31 March 2023.

Housing Australia Future Fund

The Government proposes to establish the Housing Australia Future Fund (HAFF) to create an ongoing funding stream to increase social and affordable housing and fund other acute housing needs. Legislation to establish the HAFF was introduced into Parliament in 2022–23. Once established, the investments of the HAFF are proposed to be managed by the Future Fund Board.

Equity investments

Equity investments is comprised of 3 components:

- investments in those Government Business Enterprises which are public non-financial corporations including NBN Co, Snowy Hydro Limited and the Australian Rail Track Corporation.
- investments in other public sector entities outside the GGS, including certain components of specialist investment vehicles such as Export Finance Australia and the National Housing Finance and Investment Corporation, and investments held by specialist investment vehicles inside the GGS, such as the Clean Energy Finance Corporation and soon to be established National Reconstruction Fund Corporation.

- investments held in relation to the Australian Government Investment Funds, such as shares, which are expected to increase steadily over the forward estimates due to additional contributions from Government and expected investment returns over time.

Government Business Enterprises

Government Business Enterprises (GBEs) represent a significant proportion of equity investments held by the Australian Government.

GBEs are commercially-focused government owned businesses that are established to fulfil an Australian Government purpose. GBEs make a substantial contribution to the Australian economy by supporting productivity, job creation and Government policy objectives.

Further information on the financial performance of individual GBEs is included in the annual report for each entity, including details of equity contributed by the Australian Government. GBE valuations are updated annually in accordance with Australian Accounting Standards and reported by the relevant portfolio department in its annual report.

Specialist investment vehicles

Specialist investment vehicles (SIVs) make investments in projects, businesses and joint ventures to directly address Australian Government policy objectives. These investments include for example concessional loans, debt issuances and equity investments. Specialist investment vehicles include the Clean Energy Finance Corporation, Regional Investment Corporation, Export Finance Australia, National Housing Finance and Investment Corporation, the Australian Renewable Energy Agency, the Northern Australian Infrastructure Facility and the Australian Infrastructure Financing Facility for the Pacific supported by Export Finance Australia.

The Australian Government is providing \$10.4 million over 4 years from 2023–24 to the Department of Finance to enhance accountability and effectiveness in the Australian Government’s use of specialist investment vehicles, by establishing a comprehensive oversight and governance function of the specialist investment vehicle portfolio.

Clean Energy Finance Corporation

The Clean Energy Finance Corporation (CEFC) was established as a Commonwealth Authority in August 2012 through the *Clean Energy Finance Corporation Act 2012* (CEFC Act).

Under the CEFC Act, the CEFC has been provided \$10.0 billion to invest in renewable energy, low emissions technology and energy efficiency projects.

The Government has also provided \$500.0 million to the CEFC, to combine with \$500.0 million from the private sector, to establish a \$1.0 billion Powering Australia Technology Fund.

The Government has also provided \$1.0 billion to the CEFC to support household energy efficiency upgrades.

The CEFC continues to invest funds and manage its investments. Investment decisions are made by an independent board consistent with the CEFC Act and the CEFC's investment mandate.

National Reconstruction Fund Corporation

The Government has passed the enabling legislation to establish the National Reconstruction Fund Corporation (NRFC), to support, diversify and transform Australian industry and the economy.

The NRFC will make \$15.0 billion of targeted co-investments through independently assessed projects in priority areas including resources, transport, medical science, renewables and low emission technology, defence capability, enabling capabilities and agriculture, forestry and fisheries sectors.

The *National Reconstruction Fund Corporation Act 2023* was passed by Parliament in late March 2023 with the NRFC expected to commence from mid-2023.

Rewiring the Nation

The Government has provided \$20 billion to establish Rewiring the Nation to expand and modernise Australia's electricity grids. This includes \$19 billion of additional funding to CEFC and \$1 billion of funding for the Rewiring the Nation Office in the Department of Climate Change, Energy, the Environment and Water. The CEFC funding is to provide concessional loans and equity to invest in transmission infrastructure projects that will help strengthen, grow, and transition Australia's electricity grids.

Non-financial assets

The Government's non-financial assets are estimated to be \$203.9 billion at 30 June 2023, increasing to \$235.5 billion by 30 June 2027.

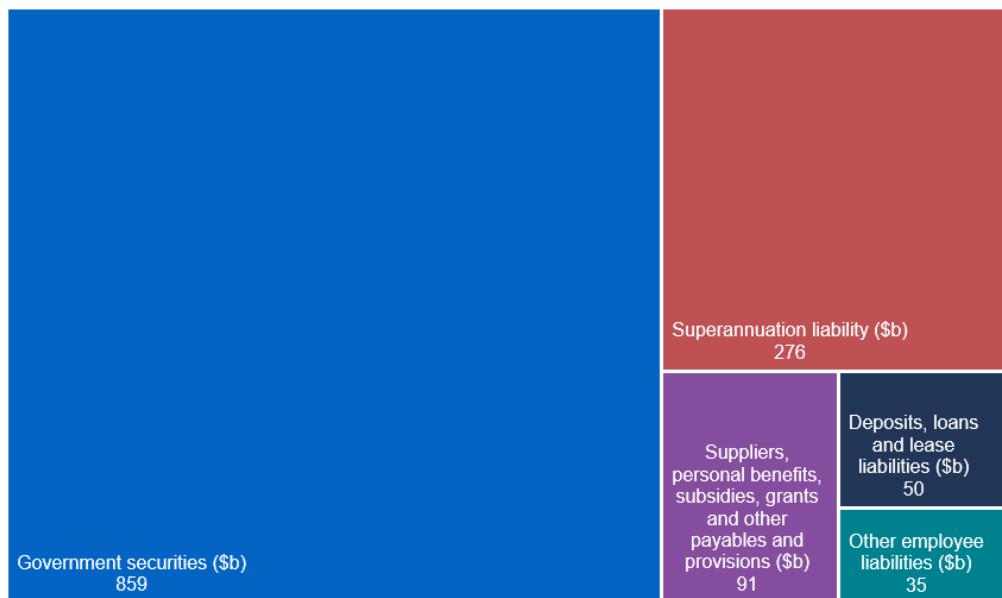
Non-financial assets comprise assets such as land, buildings and property, plant and equipment and right-of-use lease assets. Non-financial assets are expected to grow consistently over the forward estimates predominantly due to increased investments in Specialised Military Equipment.

Liabilities

The Government's total liabilities were \$1.3 trillion at 30 June 2022, and are expected to increase to around \$1.6 trillion by 30 June 2027.

The composition of Australian Government GGS liabilities at 30 June 2023 is presented below in Chart 10B.4.

Chart 10B.4: Australian government liabilities composition



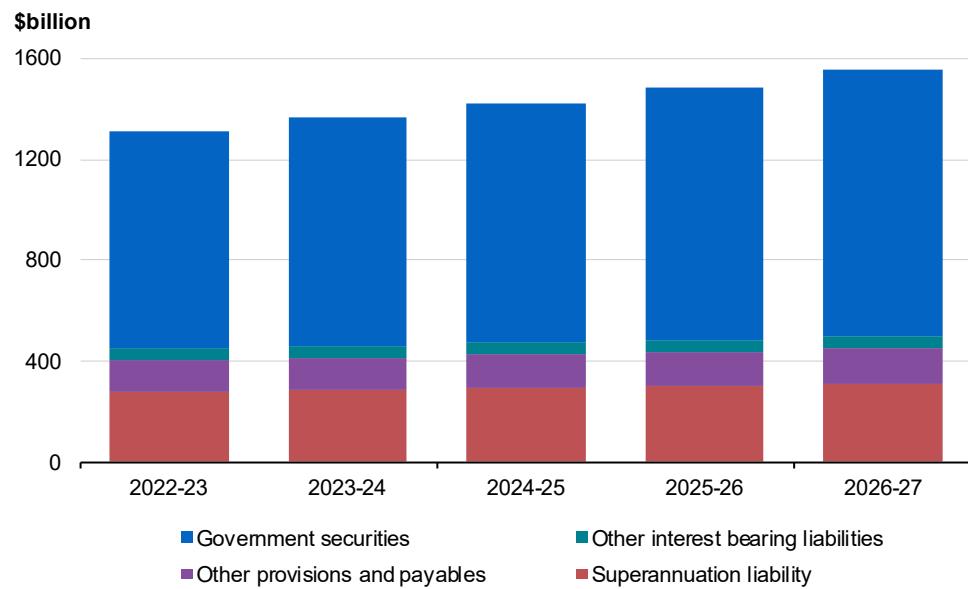
The Government's major liabilities are Australian Government securities on issue (see Statement 7: *Debt Statement* for further information) and public sector employee superannuation liabilities.

Further information on the impact of interest rates and the Budget is provided in Box 3.4 of Budget Paper No.1, Statement 3: *Fiscal Strategy and Outlook* in the October 2022–23 Budget. Further information on the Government's borrowings is provided in Statement 7: *Debt Statement*.

Australian Government liabilities over the forward estimates

The budgeted composition of liabilities on the Australian Government's balance sheet is provided in Chart 10B.5 below.

Chart 10B.5: Composition of Australian Government liabilities over the forward estimates



Note: Other interest bearing liabilities includes deposits held, loans and lease liabilities. Other provisions and payables includes other employee liabilities, suppliers payable, personal benefits payable, subsidies payable, grants payable, other payables and provisions.

Total liabilities are expected to grow consistently over the forward estimates, which is predominantly due to growth in government securities on issue and superannuation liabilities.

Government securities

Government securities on the Australian Government's balance sheet reflect the market value of the Australian Government securities on issue, consistent with external reporting standards. Further detail on the face value of Australian Government securities can be found in Statement 7: *Debt Statement*.

Public sector employee superannuation liabilities

Public sector employee superannuation entitlements relating to past and present civilian employees and military personnel are a financial liability on the Government's balance sheet. Total superannuation liabilities are projected to be \$275.8 billion at 30 June 2023, \$311.0 billion at 30 June 2027 and approximately \$512.9 billion at 30 June 2060.

These liabilities represent the present value of future unfunded superannuation benefits relating to past and present employees and are based on an actuarially determined discount rate. The long-term nature of the unfunded superannuation liabilities requires the use of a discount rate that best matches the duration of the liabilities. The use of a long-term discount rate for budget purposes avoids the volatility that would occur by using current market yields on Government bonds. The value recorded on the balance sheet is highly sensitive to the discount rate used.

In preparing the latest Long Term Cost Reports for the civilian and military schemes, the scheme actuaries determined that a discount rate of 5.0 per cent should be applied.

The Australian Government has never fully funded its defined benefit scheme superannuation liabilities. However, the Future Fund was established in 2006 to help finance the Government's unfunded superannuation liabilities.

For civilian employees, the major defined benefit schemes are the Commonwealth Superannuation Scheme and the Public Sector Superannuation Scheme. These schemes were closed to new members in 1990 and 2005 respectively. The Public Sector Superannuation Accumulation Plan was introduced on 1 July 2005 and provides fully funded accumulation benefits for new civilian employees from that date.

For military personnel, the defined benefit schemes are the Defence Force Retirement and Death Benefits Scheme, the Defence Forces Retirement Benefits Scheme and the Military Superannuation and Benefits Scheme (MSBS). Following the closure of the MSBS on 30 June 2016, all defined benefit military schemes are now closed to new members. A new military superannuation accumulation scheme, Australian Defence Force (ADF) Super, commenced on 1 July 2016. ADF Super is accompanied by a statutory death and disability arrangement ADF cover.

While there have not been any new members to the public service and military defined benefit schemes since closure in 2005 and 2016 respectively, the Government's unfunded superannuation liabilities are expected to grow as current members continue to accrue benefits prior to retirement. The present value of the superannuation liability is also sensitive to changes in the discount rate.

As the superannuation liabilities are included in the Government's net worth and net financial worth aggregates, revaluations of the liabilities have an impact on these aggregates.

The value of superannuation liabilities by scheme is provided in Table 10B.3 below.

Table 10B.3: Superannuation liabilities by scheme

	Estimates				
	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
<i>Civilian superannuation schemes</i>					
Commonwealth Superannuation Scheme	62,234	60,854	59,377	57,809	56,154
Public Sector Superannuation Scheme	91,019	93,717	102,141	106,172	110,079
Parliamentary Contributory Superannuation Scheme	847	842	836	826	816
Governors-General Scheme	16	15	24	24	24
Judges' Pensions Scheme	1,240	1,285	1,333	1,383	1,434
Division 2 Judges of the Federal Circuit and Family Court of Australia Death and Disability Scheme	1	2	2	3	3
<i>Total civilian schemes</i>	155,356	156,714	163,713	166,217	168,510
<i>Military superannuation schemes</i>					
Military Superannuation and Benefits Scheme	84,184	88,239	92,141	95,949	99,675
Defence Force Retirement and Death Benefits Scheme	32,291	32,059	31,770	31,444	31,080
Defence Forces Retirement Benefits Scheme	262	245	230	215	200
Australian Defence Force Cover	3,504	5,023	6,825	8,928	11,350
<i>Total military schemes</i>	120,241	125,566	130,965	136,536	142,304
Other schemes	199	207	217	227	235
Total	275,796	282,487	294,896	302,980	311,049

Other provisions and payables

Other provisions and payables includes all other Government liabilities including lease liabilities, provisions for other employee entitlements such as leave, unpaid grants, subsidies, personal benefits, and payments to suppliers.

Statement 11

Historical Australian Government Data

This statement reports historical data for the Australian Government fiscal aggregates across the general government, public non-financial corporations and non-financial public sectors.



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Statement 11: Historical Australian Government Data

Statement 11 reports historical data for the Australian Government fiscal aggregates across the general government, public non-financial corporations and non-financial public sectors.

Data sources

Data are sourced from Australian Government *Final Budget Outcomes*, the Australian Bureau of Statistics (ABS), the Australian Office of Financial Management and Australian Government *Consolidated Financial Statements*.

- Accrual data from 1996–97 onwards and cash data, net debt data, net financial worth data and net worth data from 1999–2000 onwards are sourced from Australian Government *Final Budget Outcomes*. Back-casting adjustments for accounting classification changes and other revisions have been made from 1998–99 onwards where applicable.
- Cash data prior to 1999–2000 are sourced from ABS data, which have been calculated using methodology consistent with that used for later years in ABS cat. no. 5512.0 *Government Finance Statistics*.
- Net debt data prior to 1999–2000 are from ABS cat. no. 5512.0 *Government Finance Statistics 2003–04* in 1998–99, ABS cat. no. 5501.0 *Government Financial Estimates 1999–2000* and ABS cat. no. 5513.0 *Public Sector Financial Assets and Liabilities 1998* from 1987–88 to 1997–98, and Treasury estimates (see Treasury's *Economic Roundup, Spring 1996*, pages 97–103) prior to 1987–88.

Comparability of data across years

The data set contains a number of structural breaks owing to accounting classification differences and changes to the structure of the budget which cannot be eliminated through back-casting because of data limitations. These breaks can affect the comparability of data across years, especially when the analysis is taken over a large number of years. Specific factors causing structural breaks include:

- Most recent accounting classification changes that require revisions to the historical series have been back-cast (where applicable) to 1998–99, ensuring that data are consistent across the accrual period from 1998–99 onwards. However, because of data limitations, these changes have not been back-cast to earlier years.
- From 2019–20 onwards, as a result of the implementation of the accounting standard AASB 16 *Leases*, the distinction between operating and finance leases for lessees has been removed. This change impacted a number of budget aggregates, in particular net debt and net financial worth. Due to data limitations, these changes have not been back-cast to earlier years.

- From 2005–06 onwards, underlying Government Finance Statistics (GFS) data are provided by agencies in accordance with Australian Accounting Standards (AAS), which include International Financial Reporting Standards (IFRS) as adopted in Australia. Prior to 2005–06, underlying GFS data are based on data provided by agencies applying AAS prior to the adoption of IFRS.
- Prior to 1999–2000, Australian Government general government sector debt instruments are valued at historic cost, whereas from 1999–2000 onwards they are valued at market prices (consistent with accrual GFS standards). This affects net debt and net interest payments.
- Cash data up to and including 1997–98 are calculated under a cash accounting framework, while cash data from 1998–99 onwards are derived from an accrual accounting framework.⁵⁶ Although the major methodological differences associated with the move to the accrual framework have been eliminated through back-casting, comparisons across the break may still be affected by changes to some data sources and collection methodologies.
- Adjustments in the coverage of agencies are included in the accounts of the different sectors. These include the reclassification of Central Banking Authorities from the general government to the public financial corporations sector in 1998–99, and subsequent back-casting to account for this change.
- Changes have been made in arrangements for transfer payments, where tax concessions or rebates are replaced by payments through the social security system. This has the effect of increasing both cash receipts and payments, as compared with earlier periods, but not changing cash balances. Changes in the opposite direction reduce both cash payments and receipts.
- Classification differences in the data relating to the period prior to 1976–77 mean that earlier data may not be entirely consistent with data for 1976–77 onwards.

⁵⁶ Prior to the 2008–09 Budget, cash data calculated under the cash accounting framework were used up to and including 1998–99. In the 2008–09 Budget, cash data prior to 1998–99 have been replaced by ABS data derived from the accrual framework.

Revisions to previously published data

Under the accrual GFS framework and generally under AAS, flows are recorded in the period in which they occurred. As a result, prior period outcomes may be revised for classification changes relating to information that could reasonably have been expected to be known in the past, is material in at least one of the affected periods, and can be reliably assigned to the relevant period(s).

Table 11.1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance ^(a)

	Receipts(b)		Payments(c)			Net Future Fund earnings \$m	Underlying cash balance(d) Per cent	
	Per cent		Per cent real growth(f)		Per cent of GDP		\$m	of GDP
	\$m	of GDP	\$m				\$m	
1970-71	8,290	20.5	7,389	na	18.3	-	901	2.2
1971-72	9,135	20.5	8,249	4.1	18.5	-	886	2.0
1972-73	9,735	19.5	9,388	7.7	18.8	-	348	0.7
1973-74	12,228	20.3	11,078	4.2	18.4	-	1,150	1.9
1974-75	15,643	22.0	15,463	19.9	21.7	-	181	0.3
1975-76	18,727	22.5	20,225	15.7	24.3	-	-1,499	-1.8
1976-77	21,890	22.8	23,157	0.6	24.1	-	-1,266	-1.3
1977-78	24,019	22.9	26,057	2.7	24.8	-	-2,037	-1.9
1978-79	26,129	22.0	28,272	0.3	23.8	-	-2,142	-1.8
1979-80	30,321	22.5	31,642	1.5	23.5	-	-1,322	-1.0
1980-81	35,993	23.6	36,176	4.6	23.7	-	-184	-0.1
1981-82	41,499	23.6	41,151	2.9	23.4	-	348	0.2
1982-83	45,463	24.0	48,810	6.3	25.8	-	-3,348	-1.8
1983-84	49,981	23.4	56,990	9.4	26.7	-	-7,008	-3.3
1984-85	58,817	25.0	64,853	9.1	27.5	-	-6,037	-2.6
1985-86	66,206	25.4	71,328	1.5	27.3	-	-5,122	-2.0
1986-87	74,724	26.1	77,158	-1.1	26.9	-	-2,434	-0.8
1987-88	83,491	25.7	82,039	-0.9	25.3	-	1,452	0.4
1988-89	90,748	24.6	85,326	-3.1	23.2	-	5,421	1.5
1989-90	98,625	24.4	92,684	0.6	22.9	-	5,942	1.5
1990-91	100,227	24.1	100,665	3.1	24.2	-	-438	-0.1
1991-92	95,840	22.6	108,472	5.7	25.6	-	-12,631	-3.0
1992-93	97,633	22.0	115,751	5.6	26.1	-	-18,118	-4.1
1993-94	103,824	22.3	122,009	3.5	26.1	-	-18,185	-3.9
1994-95	113,458	22.9	127,619	1.4	25.7	-	-14,160	-2.9
1995-96	124,429	23.5	135,538	1.9	25.6	-	-11,109	-2.1
1996-97	133,592	24.0	139,689	1.7	25.1	-	-6,099	-1.1
1997-98	140,736	23.9	140,587	0.6	23.9	-	149	0.0
1998-99	152,063	24.5	148,175	4.1	23.8	-	3,889	0.6
1999-00	166,199	25.1	153,192	1.0	23.1	-	13,007	2.0
2000-01	182,996	25.9	177,123	9.1	25.1	-	5,872	0.8
2001-02	187,588	24.8	188,655	3.5	25.0	-	-1,067	-0.1
2002-03	204,613	25.5	197,243	1.4	24.6	-	7,370	0.9
2003-04	217,775	25.2	209,785	3.9	24.3	-	7,990	0.9
2004-05	235,984	25.5	222,407	3.5	24.0	-	13,577	1.5
2005-06	255,943	25.6	240,136	4.6	24.0	51	15,757	1.6
2006-07	272,637	25.1	253,321	2.5	23.3	2,127	17,190	1.6
2007-08	294,917	25.0	271,843	3.8	23.1	3,319	19,754	1.7
2008-09	292,600	23.2	316,046	12.7	25.1	3,566	-27,013	-2.1
2009-10	284,662	21.8	336,900	4.2	25.8	2,256	-54,494	-4.2

Table 11.1: Australian Government general government sector receipts, payments, net Future Fund earnings and underlying cash balance^(a) (continued)

	Receipts(b)		Payments(c)			Net Future Fund earnings	Underlying cash balance(d)	
			Per cent real growth(f)		Per cent of GDP		Per cent \$m of GDP	
	\$m	of GDP	\$m	of GDP	\$m		\$m	of GDP
2010-11	302,024	21.3	346,102	-0.4	24.4	3,385	-47,463	-3.3
2011-12	329,874	22.0	371,032	4.8	24.7	2,203	-43,360	-2.9
2012-13	351,052	22.8	367,204	-3.2	23.9	2,682	-18,834	-1.2
2013-14	360,322	22.5	406,430	7.8	25.4	2,348	-48,456	-3.0
2014-15	378,301	23.3	412,079	-0.3	25.4	4,089	-37,867	-2.3
2015-16	386,924	23.3	423,328	1.3	25.5	3,202	-39,606	-2.4
2016-17	409,868	23.3	439,375	2.0	25.0	3,644	-33,151	-1.9
2017-18	446,905	24.3	452,742	1.1	24.6	4,305	-10,141	-0.6
2018-19	485,286	24.9	478,098	3.9	24.6	7,878	-690	0.0
2019-20	469,398	23.7	549,634	13.4	27.8	5,036	-85,272	-4.3
2020-21	519,913	25.0	654,084	17.1	31.4	6,619	-134,171	-6.4
2021-22	584,358	25.3	616,320	-9.8	26.7	7,677	-31,962	-1.4
2022-23 (e)	635,593	25.0	631,392	-4.3	24.8	5,305	4,202	0.2
2023-24 (e)	668,142	25.9	682,060	3.7	26.5	6,282	-13,918	-0.5
2024-25 (e)	671,238	25.4	706,296	0.6	26.8	6,750	-35,058	-1.3
2025-26 (e)	700,922	25.2	737,549	1.9	26.6	7,194	-36,627	-1.3
2026-27 (e)	735,118	25.2	763,569	1.0	26.1	7,674	-28,450	-1.0

- a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.
- b) Receipts are equal to cash receipts from operating activities and sales of non-financial assets.
- c) Payments are equal to cash payments for operating activities, purchases of non-financial assets and net cash flows from financing activities for leases.
- d) Between 2005–06 and 2019–20, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. In all other years, the underlying cash balance is equal to receipts less payments.
- e) Estimates.
- f) Real spending growth is calculated using the Consumer Price Index as the deflator.

Table 11.2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance^(a)

	Receipts	Payments	Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
			\$m	\$m	\$m	Per cent of GDP
1970-71	8,290	7,389	-851	-2.1	50	0.1
1971-72	9,135	8,249	-987	-2.2	-101	-0.2
1972-73	9,735	9,388	-977	-2.0	-629	-1.3
1973-74	12,228	11,078	-1,275	-2.1	-125	-0.2
1974-75	15,643	15,463	-2,648	-3.7	-2,467	-3.5
1975-76	18,727	20,225	-2,040	-2.4	-3,539	-4.2
1976-77	21,890	23,157	-1,530	-1.6	-2,796	-2.9
1977-78	24,019	26,057	-1,324	-1.3	-3,361	-3.2
1978-79	26,129	28,272	-1,074	-0.9	-3,216	-2.7
1979-80	30,321	31,642	-702	-0.5	-2,024	-1.5
1980-81	35,993	36,176	-962	-0.6	-1,146	-0.8
1981-82	41,499	41,151	-1,008	-0.6	-660	-0.4
1982-83	45,463	48,810	-1,363	-0.7	-4,711	-2.5
1983-84	49,981	56,990	-1,136	-0.5	-8,144	-3.8
1984-85	58,817	64,853	-922	-0.4	-6,959	-3.0
1985-86	66,206	71,328	-810	-0.3	-5,932	-2.3
1986-87	74,724	77,158	-545	-0.2	-2,979	-1.0
1987-88	83,491	82,039	657	0.2	2,109	0.6
1988-89	90,748	85,326	168	0.0	5,589	1.5
1989-90	98,625	92,684	1,217	0.3	7,159	1.8
1990-91	100,227	100,665	1,563	0.4	1,125	0.3
1991-92	95,840	108,472	2,156	0.5	-10,475	-2.5
1992-93	97,633	115,751	2,471	0.6	-15,647	-3.5
1993-94	103,824	122,009	3,447	0.7	-14,738	-3.2
1994-95	113,458	127,619	1,546	0.3	-12,614	-2.5
1995-96	124,429	135,538	5,188	1.0	-5,921	-1.1
1996-97	133,592	139,689	7,241	1.3	1,142	0.2
1997-98	140,736	140,587	15,154	2.6	15,303	2.6
1998-99	152,063	148,175	6,948	1.1	10,837	1.7
1999-00	166,199	153,192	9,500	1.4	22,507	3.4
2000-01	182,996	177,123	5,673	0.8	11,545	1.6
2001-02	187,588	188,655	3,422	0.5	2,355	0.3
2002-03	204,613	197,243	-229	0.0	7,141	0.9
2003-04	217,775	209,785	-452	-0.1	7,538	0.9
2004-05	235,984	222,407	-1,139	-0.1	12,438	1.3
2005-06	255,943	240,136	-1,647	-0.2	14,160	1.4
2006-07	272,637	253,321	7,403	0.7	26,720	2.5
2007-08	294,917	271,843	5,108	0.4	28,181	2.4
2008-09	292,600	316,046	-7,889	-0.6	-31,336	-2.5
2009-10	284,662	336,900	-4,278	-0.3	-56,516	-4.3

Table 11.2: Australian Government general government sector net cash flows from investments in financial assets for policy purposes and headline cash balance^(a) (continued)

			Net cash flows from investments in financial assets for policy purposes(b)		Headline cash balance(c)	
	Receipts	Payments			\$m	Per cent of GDP
			\$m	\$m		
2010-11	302,024	346,102	-7,028	-0.5	-51,106	-3.6
2011-12	329,874	371,032	-5,866	-0.4	-47,023	-3.1
2012-13	351,052	367,204	-4,802	-0.3	-20,954	-1.4
2013-14	360,322	406,430	-6,371	-0.4	-52,479	-3.3
2014-15	378,301	412,079	-5,158	-0.3	-38,936	-2.4
2015-16	386,924	423,328	-12,684	-0.8	-49,088	-3.0
2016-17	409,868	439,375	-13,501	-0.8	-43,008	-2.4
2017-18	446,905	452,742	-20,041	-1.1	-25,878	-1.4
2018-19	485,286	478,098	-14,387	-0.7	-7,199	-0.4
2019-20	469,398	549,634	-13,632	-0.7	-98,904	-5.0
2020-21	519,913	654,084	-3,364	-0.2	-137,535	-6.6
2021-22	584,358	616,320	-1,340	-0.1	-33,302	-1.4
2022-23 (e)	635,593	631,392	-11,689	-0.5	-7,487	-0.3
2023-24 (e)	668,142	682,060	-5,795	-0.2	-19,713	-0.8
2024-25 (e)	671,238	706,296	-14,120	-0.5	-49,178	-1.9
2025-26 (e)	700,922	737,549	-15,215	-0.5	-51,842	-1.9
2026-27 (e)	735,118	763,569	-12,804	-0.4	-41,255	-1.4

- a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.
- b) Prior to 1999–2000, net cash flows from investments in financial assets for policy purposes were referred to as ‘net advances’. A negative number reflects a cash outflow, while a positive number reflects a cash inflow.
- c) Headline cash balance is equal to receipts less payments, plus net cash flows from investments in financial assets for policy purposes. Receipts and payments are identical to Table 11.1.
- e) Estimates.

Table 11.3: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts^(a)

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1970-71	7,193	17.8	1,097	2.7	8,290	20.5
1971-72	7,895	17.7	1,240	2.8	9,135	20.5
1972-73	8,411	16.9	1,324	2.7	9,735	19.5
1973-74	10,832	17.9	1,396	2.3	12,228	20.3
1974-75	14,141	19.8	1,502	2.1	15,643	22.0
1975-76	16,920	20.3	1,807	2.2	18,727	22.5
1976-77	19,714	20.5	2,176	2.3	21,890	22.8
1977-78	21,428	20.4	2,591	2.5	24,019	22.9
1978-79	23,409	19.7	2,720	2.3	26,129	22.0
1979-80	27,473	20.4	2,848	2.1	30,321	22.5
1980-81	32,641	21.4	3,352	2.2	35,993	23.6
1981-82	37,880	21.5	3,619	2.1	41,499	23.6
1982-83	41,025	21.7	4,438	2.3	45,463	24.0
1983-84	44,849	21.0	5,132	2.4	49,981	23.4
1984-85	52,970	22.5	5,847	2.5	58,817	25.0
1985-86	58,841	22.6	7,365	2.8	66,206	25.4
1986-87	66,467	23.2	8,257	2.9	74,724	26.1
1987-88	75,076	23.1	8,415	2.6	83,491	25.7
1988-89	83,452	22.7	7,296	2.0	90,748	24.6
1989-90	90,773	22.4	7,852	1.9	98,625	24.4
1990-91	92,739	22.3	7,488	1.8	100,227	24.1
1991-92	87,364	20.6	8,476	2.0	95,840	22.6
1992-93	88,760	20.0	8,873	2.0	97,633	22.0
1993-94	93,362	20.0	10,462	2.2	103,824	22.3
1994-95	104,921	21.2	8,537	1.7	113,458	22.9
1995-96	115,700	21.9	8,729	1.7	124,429	23.5
1996-97	124,559	22.4	9,033	1.6	133,592	24.0
1997-98	130,984	22.2	9,752	1.7	140,736	23.9
1998-99	138,420	22.3	13,643	2.2	152,063	24.5
1999-00	151,313	22.9	14,887	2.2	166,199	25.1
2000-01	170,354	24.1	12,641	1.8	182,996	25.9
2001-02	175,371	23.2	12,218	1.6	187,588	24.8
2002-03	192,391	24.0	12,222	1.5	204,613	25.5
2003-04	206,734	23.9	11,041	1.3	217,775	25.2
2004-05	223,986	24.2	11,999	1.3	235,984	25.5
2005-06	241,987	24.2	13,956	1.4	255,943	25.6
2006-07	258,252	23.7	14,385	1.3	272,637	25.1
2007-08	279,317	23.7	15,600	1.3	294,917	25.0
2008-09	273,674	21.7	18,926	1.5	292,600	23.2
2009-10	262,167	20.1	22,495	1.7	284,662	21.8

Table 11.3: Australian Government general government sector taxation receipts, non-taxation receipts and total receipts^(a) (continued)

	Taxation receipts		Non-taxation receipts		Total receipts(b)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2010-11	282,106	19.9	19,918	1.4	302,024	21.3
2011-12	311,269	20.7	18,606	1.2	329,874	22.0
2012-13	327,835	21.3	23,218	1.5	351,052	22.8
2013-14	340,283	21.3	20,038	1.3	360,322	22.5
2014-15	353,927	21.8	24,374	1.5	378,301	23.3
2015-16	362,445	21.9	24,480	1.5	386,924	23.3
2016-17	379,336	21.6	30,532	1.7	409,868	23.3
2017-18	418,118	22.7	28,787	1.6	446,905	24.3
2018-19	448,654	23.0	36,631	1.9	485,286	24.9
2019-20	431,854	21.8	37,544	1.9	469,398	23.7
2020-21	473,941	22.8	45,972	2.2	519,913	25.0
2021-22	536,586	23.2	47,772	2.1	584,358	25.3
2022-23 (e)	588,050	23.1	47,543	1.9	635,593	25.0
2023-24 (e)	616,275	23.9	51,867	2.0	668,142	25.9
2024-25 (e)	614,332	23.3	56,905	2.2	671,238	25.4
2025-26 (e)	647,846	23.3	53,076	1.9	700,922	25.2
2026-27 (e)	680,743	23.3	54,375	1.9	735,118	25.2

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

b) Receipts are equal to receipts from operating activities and sales of non-financial assets. Receipts are identical to Table 11.1.

e) Estimates.

Table 11.4: Australian Government general government sector net debt and net interest payments^(a)

	Net debt(b)		Net interest payments(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1970-71	344	0.9	-189	-0.5
1971-72	-496	-1.1	-245	-0.5
1972-73	-790	-1.6	-252	-0.5
1973-74	-1,851	-3.1	-286	-0.5
1974-75	-1,901	-2.7	-242	-0.3
1975-76	-341	-0.4	-330	-0.4
1976-77	898	0.9	-62	-0.1
1977-78	2,896	2.8	4	0.0
1978-79	4,983	4.2	254	0.2
1979-80	6,244	4.6	440	0.3
1980-81	6,356	4.2	620	0.4
1981-82	5,919	3.4	680	0.4
1982-83	9,151	4.8	896	0.5
1983-84	16,015	7.5	1,621	0.8
1984-85	21,896	9.3	2,813	1.2
1985-86	26,889	10.3	3,952	1.5
1986-87	29,136	10.2	4,762	1.7
1987-88	27,344	8.4	4,503	1.4
1988-89	21,981	6.0	4,475	1.2
1989-90	16,123	4.0	4,549	1.1
1990-91	16,915	4.1	3,636	0.9
1991-92	31,041	7.3	3,810	0.9
1992-93	55,218	12.4	3,986	0.9
1993-94	70,223	15.0	5,628	1.2
1994-95	83,492	16.8	7,292	1.5
1995-96	95,831	18.1	8,861	1.7
1996-97	96,281	17.3	9,489	1.7
1997-98	82,935	14.1	8,279	1.4
1998-99	72,065	11.6	8,649	1.4
1999-00	57,661	8.7	7,514	1.1
2000-01	46,802	6.6	6,195	0.9
2001-02	42,263	5.6	5,352	0.7
2002-03	33,403	4.2	3,758	0.5
2003-04	26,995	3.1	3,040	0.4
2004-05	15,604	1.7	2,502	0.3
2005-06	331	0.0	2,303	0.2
2006-07	-24,288	-2.2	228	0.0
2007-08	-39,958	-3.4	-1,015	-0.1
2008-09	-11,285	-0.9	-1,196	-0.1
2009-10	47,874	3.7	2,386	0.2

Table 11.4: Australian Government general government sector net debt and net interest payments^(a) (continued)

	Net debt(b)		Net interest payments(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
2010-11	90,660	6.4	4,608	0.3
2011-12	153,443	10.2	6,609	0.4
2012-13	159,594	10.4	8,285	0.5
2013-14	209,559	13.1	10,843	0.7
2014-15	245,817	15.1	10,868	0.7
2015-16	303,467	18.3	12,041	0.7
2016-17	322,320	18.3	12,365	0.7
2017-18	341,961	18.6	13,135	0.7
2018-19	373,566	19.2	15,149	0.8
2019-20	491,217	24.8	13,280	0.7
2020-21	592,221	28.5	14,290	0.7
2021-22	515,650	22.3	14,977	0.6
2022-23 (e)	548,581	21.6	12,677	0.5
2023-24 (e)	574,852	22.3	13,398	0.5
2024-25 (e)	620,552	23.5	15,214	0.6
2025-26 (e)	665,161	24.0	21,256	0.8
2026-27 (e)	702,928	24.1	19,987	0.7

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

b) Net debt is the sum of interest-bearing liabilities less the sum of selected financial assets (cash and deposits, advances paid and investments, loans and placements).

c) Net interest payments are equal to the difference between interest paid and interest receipts.

e) Estimates.

Table 11.5: Australian Government general government sector face value of Australian Government Securities (AGS) on issue and interest paid^(a)

	Face value of AGS on issue(b)				Interest paid(f)	
	Total AGS on issue(c)		Subject to Treasurer's Direction(d)		\$m	Per cent of GDP
	End of year \$m	Per cent of GDP	End of year \$m	Per cent of GDP		
1970-71	10,887	27.0	-	-	580	1.4
1971-72	11,490	25.8	-	-	614	1.4
1972-73	12,217	24.5	-	-	675	1.4
1973-74	12,809	21.2	-	-	712	1.2
1974-75	14,785	20.7	-	-	893	1.3
1975-76	17,940	21.5	-	-	1,001	1.2
1976-77	20,845	21.7	-	-	1,485	1.5
1977-78	23,957	22.8	-	-	1,740	1.7
1978-79	28,120	23.7	-	-	2,080	1.8
1979-80	29,321	21.8	-	-	2,356	1.8
1980-81	30,189	19.8	-	-	2,723	1.8
1981-82	31,060	17.7	-	-	3,058	1.7
1982-83	37,071	19.6	-	-	3,580	1.9
1983-84	45,437	21.3	-	-	4,558	2.1
1984-85	54,420	23.1	-	-	5,952	2.5
1985-86	63,089	24.2	-	-	7,394	2.8
1986-87	67,172	23.5	-	-	8,339	2.9
1987-88	62,794	19.3	-	-	8,139	2.5
1988-89	56,854	15.4	-	-	8,222	2.2
1989-90	48,399	12.0	-	-	8,064	2.0
1990-91	48,723	11.7	-	-	6,994	1.7
1991-92	58,826	13.9	-	-	6,819	1.6
1992-93	76,509	17.2	-	-	6,487	1.5
1993-94	90,889	19.5	-	-	7,709	1.7
1994-95	105,466	21.3	-	-	9,144	1.8
1995-96	110,166	20.8	-	-	10,325	2.0
1996-97	111,067	20.0	-	-	10,653	1.9
1997-98	93,664	15.9	-	-	9,453	1.6
1998-99	85,331	13.7	-	-	9,299	1.5
1999-00	75,536	11.4	-	-	8,509	1.3
2000-01	66,403	9.4	-	-	7,335	1.0
2001-02	63,004	8.3	-	-	6,270	0.8
2002-03	57,435	7.2	-	-	4,740	0.6
2003-04	54,750	6.3	-	-	4,096	0.5
2004-05	55,151	6.0	-	-	3,902	0.4
2005-06	54,070	5.4	-	-	4,628	0.5
2006-07	53,264	4.9	-	-	3,959	0.4
2007-08	55,442	4.7	-	-	3,754	0.3
2008-09	101,147	8.0	95,103	7.5	3,970	0.3
2009-10	147,133	11.3	141,806	10.9	6,411	0.5

Table 11.5: Australian Government general government sector face value of Australian Government Securities (AGS) on issue and interest paid^(a) (continued)

	Face value of AGS on issue(b)				Interest paid(f)	
	Total AGS on issue(c)		Subject to Treasurer's Direction(d)		Interest paid(f)	
	End of year	Per cent of GDP	End of year	Per cent of GDP	\$m	Per cent of GDP
		\$m		\$m		
2010-11	191,292	13.5	186,704	13.2	9,551	0.7
2011-12	233,976	15.6	229,389	15.3	10,875	0.7
2012-13	257,378	16.8	252,791	16.5	11,846	0.8
2013-14	319,487	20.0	316,952	19.8	13,972	0.9
2014-15	368,738	22.7	366,202	22.6	13,924	0.9
2015-16	420,420	25.4	417,936	25.2	14,977	0.9
2016-17	500,979	28.5	498,510	28.3	15,290	0.9
2017-18	531,937	28.9	529,467	28.7	16,568	0.9
2018-19	541,992	27.8	541,986	27.8	18,951	1.0
2019-20	684,298	34.6	684,292	34.6	16,524	0.8
2020-21	816,991	39.3	816,985	39.3	17,102	0.8
2021-22	895,253	38.8	895,247	38.8	17,423	0.8
2022-23 (e)	887,000	34.9	887,000	34.9	18,792	0.7
2023-24 (e)	923,000	35.8	923,000	35.8	21,052	0.8
2024-25 (e)	958,000	36.3	958,000	36.3	22,382	0.8
2025-26 (e)	1,015,000	36.5	1,015,000	36.5	28,186	1.0
2026-27 (e)	1,067,000	36.5	1,067,000	36.5	27,147	0.9

- a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.
- b) From 2022-23 onwards, data for AGS on issue are estimates and are rounded to the nearest \$1 billion.
- c) Total AGS on issue includes AGS held on behalf of the states and the Northern Territory.
- d) The face value of AGS subject to the Treasurer's Direction excludes the stock and securities outlined in subsection 51JA(2A) of the Commonwealth Inscribed Stock Act 1911. These are the same stock and securities that were excluded from the previous legislative debt limit. AGS on issue subject to the Treasurer's Direction are not available prior to 2008-09 because the limit was first introduced in July 2008.
- e) Estimates.
- f) Interest paid consists of all cash interest payments of the general government sector, including those relating to AGS on issue.

Table 11.6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance^(a)

	Revenue		Expenses		Net operating balance(b)		Net capital investment		Fiscal balance(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1996-97	141,688	25.5	145,940	26.2	-4,252	-0.8	90	0.0	-4,342	-0.8
1997-98	146,820	24.9	148,788	25.3	-1,968	-0.3	147	0.0	-2,115	-0.4
1998-99	152,106	24.5	146,925	23.6	5,181	0.8	1,433	0.2	3,748	0.6
1999-00	167,304	25.3	155,728	23.5	11,576	1.7	-69	0.0	11,645	1.8
2000-01	186,106	26.3	180,277	25.5	5,829	0.8	8	0.0	5,820	0.8
2001-02	190,432	25.2	193,214	25.6	-2,782	-0.4	382	0.1	-3,164	-0.4
2002-03	206,778	25.8	201,402	25.1	5,376	0.7	287	0.0	5,088	0.6
2003-04	222,042	25.7	215,634	25.0	6,409	0.7	660	0.1	5,749	0.7
2004-05	242,354	26.2	229,427	24.8	12,926	1.4	1,034	0.1	11,892	1.3
2005-06	260,569	26.1	241,977	24.2	18,592	1.9	2,498	0.3	16,094	1.6
2006-07	277,895	25.5	259,197	23.8	18,698	1.7	2,333	0.2	16,365	1.5
2007-08	303,402	25.7	280,335	23.8	23,068	2.0	2,593	0.2	20,475	1.7
2008-09	298,508	23.7	324,889	25.8	-26,382	-2.1	4,064	0.3	-30,445	-2.4
2009-10	292,387	22.4	340,354	26.1	-47,967	-3.7	6,433	0.5	-54,400	-4.2
2010-11	309,204	21.8	356,710	25.1	-47,506	-3.3	5,297	0.4	-52,802	-3.7
2011-12	337,324	22.5	377,948	25.2	-40,624	-2.7	4,850	0.3	-45,474	-3.0
2012-13	359,496	23.4	383,351	24.9	-23,855	-1.6	987	0.1	-24,842	-1.6
2013-14	374,151	23.4	415,691	26.0	-41,540	-2.6	3,850	0.2	-45,390	-2.8
2014-15	379,455	23.4	418,956	25.8	-39,501	-2.4	2,706	0.2	-42,206	-2.6
2015-16	395,055	23.8	430,739	26.0	-35,684	-2.2	3,829	0.2	-39,513	-2.4

Table 11.6: Australian Government general government sector revenue, expenses, net operating balance, net capital investment and fiscal balance^(a) (continued)

	Revenue		Expenses		Net operating balance(b)		Net capital investment		Fiscal balance(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
2016-17	415,723	23.6	449,712	25.6	-33,989	-1.9	2,876	0.2	-36,865	-2.1
2017-18	456,280	24.8	461,490	25.0	-5,209	-0.3	1,284	0.1	-6,493	-0.4
2018-19	493,346	25.3	485,869	25.0	7,476	0.4	6,126	0.3	1,350	0.1
2019-20	486,278	24.6	578,117	29.2	-91,839	-4.6	4,005	0.2	-95,844	-4.8
2020-21	523,012	25.1	651,916	31.3	-128,904	-6.2	7,204	0.3	-136,108	-6.5
2021-22	596,401	25.8	623,050	27.0	-26,649	-1.2	8,412	0.4	-35,061	-1.5
2022-23 (e)	653,767	25.7	644,788	25.3	8,979	0.4	10,441	0.4	-1,462	-0.1
2023-24 (e)	680,372	26.4	684,085	26.6	-3,713	-0.1	10,431	0.4	-14,144	-0.5
2024-25 (e)	677,333	25.7	715,382	27.1	-38,049	-1.4	7,229	0.3	-45,278	-1.7
2025-26 (e)	713,738	25.7	743,324	26.8	-29,586	-1.1	5,449	0.2	-35,035	-1.3
2026-27 (e)	748,237	25.6	771,779	26.4	-23,542	-0.8	9,271	0.3	-32,813	-1.1

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

b) Net operating balance is equal to revenue less expenses.

c) Fiscal balance is equal to revenue less expenses less net capital investment.

e) Estimates.

Table 11.7: Australian Government general government sector net worth and net financial worth^(a)

	Net worth(b)		Net financial worth(c)	
	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	-10,424	-1.6	-70,414	-10.6
2000-01	-10,287	-1.5	-75,544	-10.7
2001-02	-15,330	-2.0	-81,707	-10.8
2002-03	-18,856	-2.3	-86,456	-10.8
2003-04	-4,740	-0.5	-75,976	-8.8
2004-05	11,066	1.2	-62,372	-6.7
2005-06	14,293	1.4	-63,442	-6.4
2006-07	42,677	3.9	-39,370	-3.6
2007-08	67,122	5.7	-18,428	-1.6
2008-09	15,452	1.2	-75,465	-6.0
2009-10	-50,383	-3.9	-148,930	-11.4
2010-11	-100,504	-7.1	-203,904	-14.4
2011-12	-252,046	-16.8	-360,672	-24.0
2012-13	-207,769	-13.5	-317,843	-20.7
2013-14	-261,596	-16.4	-375,882	-23.5
2014-15	-308,390	-19.0	-427,169	-26.3
2015-16	-423,674	-25.6	-548,028	-33.1
2016-17	-390,897	-22.2	-529,225	-30.1
2017-18	-418,135	-22.7	-562,183	-30.5
2018-19	-543,459	-27.9	-694,448	-35.7
2019-20	-664,892	-33.6	-840,557	-42.5
2020-21	-725,230	-34.9	-905,924	-43.5
2021-22	-581,758	-25.2	-775,727	-33.6
2022-23 (e)	-546,854	-21.5	-750,732	-29.5
2023-24 (e)	-559,085	-21.7	-772,615	-30.0
2024-25 (e)	-602,838	-22.8	-825,003	-31.3
2025-26 (e)	-638,756	-23.0	-865,703	-31.2
2026-27 (e)	-667,322	-22.8	-902,840	-30.9

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

b) Net worth is equal to total assets less total liabilities.

c) Net financial worth is equal to financial assets less total liabilities.

e) Estimates.

Table 11.8: Australian Government general government sector accrual taxation revenue, non-taxation revenue and total revenue^(a)

	Taxation revenue		Non-taxation revenue		Total revenue	
	\$m	Per cent of GDP	\$m	Per cent of GDP	\$m	Per cent of GDP
1999-00	153,409	23.2	13,895	2.1	167,304	25.3
2000-01	175,876	24.9	10,229	1.4	186,106	26.3
2001-02	178,410	23.6	12,022	1.6	190,432	25.2
2002-03	195,319	24.3	11,458	1.4	206,778	25.8
2003-04	210,541	24.4	11,501	1.3	222,042	25.7
2004-05	230,490	24.9	11,863	1.3	242,354	26.2
2005-06	245,846	24.6	14,723	1.5	260,569	26.1
2006-07	262,876	24.2	15,019	1.4	277,895	25.5
2007-08	286,869	24.3	16,534	1.4	303,402	25.7
2008-09	279,303	22.1	19,206	1.5	298,508	23.7
2009-10	268,841	20.6	23,546	1.8	292,387	22.4
2010-11	289,566	20.4	19,639	1.4	309,204	21.8
2011-12	317,413	21.2	19,911	1.3	337,324	22.5
2012-13	338,106	22.0	21,390	1.4	359,496	23.4
2013-14	353,239	22.1	20,912	1.3	374,151	23.4
2014-15	356,365	22.0	23,090	1.4	379,455	23.4
2015-16	369,468	22.3	25,587	1.5	395,055	23.8
2016-17	388,706	22.1	27,017	1.5	415,723	23.6
2017-18	427,249	23.2	29,031	1.6	456,280	24.8
2018-19	456,147	23.4	37,198	1.9	493,346	25.3
2019-20	447,605	22.6	38,673	2.0	486,278	24.6
2020-21	480,312	23.1	42,700	2.1	523,012	25.1
2021-22	550,412	23.8	45,989	2.0	596,401	25.8
2022-23 (e)	604,169	23.7	49,598	1.9	653,767	25.7
2023-24 (e)	629,729	24.4	50,643	2.0	680,372	26.4
2024-25 (e)	626,364	23.7	50,969	1.9	677,333	25.7
2025-26 (e)	661,955	23.8	51,783	1.9	713,738	25.7
2026-27 (e)	694,577	23.8	53,660	1.8	748,237	25.6

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

e) Estimates.

Table 11.9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)^(a)

	General government			Public non-financial corporations			Non-financial public sector		
	Underlying cash			Receipts(b)	Payments(f)	Cash surplus	Receipts(b)	Payments(f)	Cash surplus
	Receipts(b)	Payments(c)	balance(d)						
1988-89	90,748	85,326	5,421	4,177	6,035	257	93,923	90,312	5,678
1989-90	98,625	92,684	5,942	3,926	11,322	-5,261	101,495	102,883	681
1990-91	100,227	100,665	-438	4,804	9,351	-2,139	103,837	108,808	-2,577
1991-92	95,840	108,472	-12,631	3,899	7,713	101	97,937	114,369	-12,530
1992-93	97,633	115,751	-18,118	4,385	7,819	-196	100,512	122,042	-18,314
1993-94	103,824	122,009	-18,185	5,178	6,476	1,482	106,747	126,214	-16,703
1994-95	113,458	127,619	-14,160	5,262	7,318	1,956	116,751	132,965	-12,204
1995-96	124,429	135,538	-11,109	4,927	8,190	-527	126,593	140,963	-11,636
1996-97	133,592	139,689	-6,099	4,782	7,373	473	135,259	143,948	-5,626
1997-98	140,736	140,587	149	6,238	7,923	1,119	144,517	145,985	1,268
1998-99	152,063	148,175	3,889	na	na	-353	na	na	3,536
1999-00	166,199	153,192	13,007	na	na	-2,594	na	na	10,413
2000-01	182,996	177,123	5,872	na	na	391	na	na	6,323
2001-02	187,588	188,655	-1,067	na	na	1,210	na	na	65
2002-03	204,613	197,243	7,370	27,386	26,105	1,280	na	na	8,651
2003-04	217,775	209,785	7,990	27,718	26,142	1,575	238,236	228,664	9,569
2004-05	235,984	222,407	13,577	29,621	28,071	1,550	257,946	242,805	15,141
2005-06	255,943	240,136	15,757	30,875	31,874	-999	278,254	263,421	14,833
2006-07	272,637	253,321	17,190	16,882	18,641	-1,759	285,336	267,719	17,625
2007-08	294,917	271,843	19,754	7,758	8,231	-472	300,503	277,754	22,800
2008-09	292,600	316,046	-27,013	7,987	8,960	-973	297,421	321,275	-23,786
2009-10	284,662	336,900	-54,494	8,419	9,341	-922	290,681	343,816	-52,879

Table 11.9: Australian Government cash receipts, payments and surplus by institutional sector (\$m)^(a) (continued)

	General government			Public non-financial corporations			Non-financial public sector		
	Underlying cash			Receipts(b)	Payments(f)	Cash surplus	Receipts(b)	Payments(f)	Cash surplus
	Receipts(b)	Payments(c)	balance(d)						
2010-11	302,024	346,102	-47,463	8,558	9,733	-1,175	308,258	353,452	-44,911
2011-12	329,874	371,032	-43,360	8,845	10,847	-2,002	336,122	379,266	-42,763
2012-13	351,052	367,204	-18,834	9,766	13,061	-3,294	358,088	377,221	-19,133
2013-14	360,322	406,430	-48,456	11,042	14,246	-3,204	368,521	417,248	-48,726
2014-15	378,301	412,079	-37,867	11,256	15,136	-3,880	386,643	424,229	-37,586
2015-16	386,924	423,328	-39,606	11,606	17,753	-6,147	395,842	438,228	-42,386
2016-17	409,868	439,375	-33,151	12,406	19,543	-7,138	419,433	456,020	-36,587
2017-18	446,905	452,742	-10,141	14,195	22,348	-8,153	457,604	471,451	-13,846
2018-19	485,286	478,098	-690	17,909	26,608	-8,699	498,767	500,276	-1,510
2019-20	469,398	549,634	-85,272	18,824	28,244	-9,419	483,362	573,018	-89,656
2020-21	519,913	654,084	-134,171	21,264	26,635	-5,371	535,940	675,484	-139,544
2021-22	584,358	616,320	-31,962	21,791	26,896	-5,105	601,398	638,466	-37,068
2022-23 (e)	635,593	631,392	4,202	25,868	33,059	-7,190	656,495	659,479	-2,984
2023-24 (e)	668,142	682,060	-13,918	24,321	30,411	-6,089	687,920	707,929	-20,009
2024-25 (e)	671,238	706,296	-35,058	na	na	na	na	na	na
2025-26 (e)	700,922	737,549	-36,627	na	na	na	na	na	na
2026-27 (e)	735,118	763,569	-28,450	na	na	na	na	na	na

- a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.
- b) Receipts are equal to receipts from operating activities and sales of non-financial assets.
- c) Payments in the general government sector are equal to payments for operating activities, purchases of non-financial assets and net cash flows from financing activities for leases.
- d) Between 2005–06 and 2019–20, the underlying cash balance is equal to receipts less payments, less net Future Fund earnings. In all other years, the underlying cash balance is equal to receipts less payments.
- e) Estimates.
- f) Payments in the public non-financial corporations and non-financial public sectors are equal to payments for operating activities, purchases of non-financial assets, distributions paid and net cash flows from financing activities for leases.

na Data not available.

Table 11.10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)^(a)

	General government			Public non-financial corporations			Non-financial public sector			Fiscal balance(b)
	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses		
1996-97	141,688	145,940	-4,342	27,431	26,015	-331	na	na		-4,673
1997-98	146,820	148,788	-2,115	29,618	26,999	2,360	na	na		251
1998-99	152,106	146,925	3,748	27,687	26,088	-816	175,891	169,111		2,932
1999-00	167,304	155,728	11,645	25,485	23,542	1,062	188,841	175,322		11,550
2000-01	186,106	180,277	5,820	25,869	24,762	-826	207,367	200,433		4,994
2001-02	190,432	193,214	-3,164	26,638	25,341	793	212,462	213,947		-2,371
2002-03	206,778	201,402	5,088	24,339	22,916	1,975	225,989	219,232		7,023
2003-04	222,042	215,634	5,749	25,449	23,444	2,143	241,746	233,333		7,892
2004-05	242,354	229,427	11,892	26,965	25,191	1,473	263,434	248,733		13,365
2005-06	260,569	241,977	16,094	28,143	29,531	-2,442	281,927	264,722		13,652
2006-07	277,895	259,197	16,365	15,443	16,360	-1,763	289,551	271,771		14,601
2007-08	303,402	280,335	20,475	6,854	6,686	-188	308,888	285,652		19,891
2008-09	298,508	324,889	-30,445	6,998	7,576	-1,495	303,309	330,268		-31,941
2009-10	292,387	340,354	-54,400	7,288	7,297	-1,079	298,033	346,008		-55,480
2010-11	309,204	356,710	-52,802	7,563	7,787	-1,446	315,001	362,732		-54,248
2011-12	337,324	377,948	-45,474	8,046	8,238	-2,158	343,722	384,538		-47,632
2012-13	359,496	383,351	-24,842	8,863	9,415	-4,189	366,642	391,048		-29,031
2013-14	374,151	415,691	-45,390	9,537	11,127	-6,070	381,971	425,102		-51,460
2014-15	379,455	418,956	-42,206	9,987	11,850	-4,856	387,719	429,083		-47,062
2015-16	395,055	430,739	-39,513	10,044	12,809	-7,486	403,868	442,318		-46,999

Table 11.10: Australian Government accrual revenue, expenses and fiscal balance by institutional sector (\$m)^(a) (continued)

	General government			Public non-financial corporations			Non-financial public sector			Fiscal balance(b)
	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses	Fiscal balance(b)	Revenue	Expenses		
2016-17	415,723	449,712	-36,865	10,894	15,035	-9,918	425,114	463,243		-46,784
2017-18	456,280	461,490	-6,493	12,318	16,934	-10,055	466,661	476,403		-16,463
2018-19	493,346	485,869	1,350	15,836	20,899	-11,121	507,017	504,486		-9,655
2019-20	486,278	578,117	-95,844	17,029	23,174	-10,096	500,961	598,651		-105,637
2020-21	523,012	651,916	-136,108	19,166	22,941	-5,264	538,350	670,849		-141,187
2021-22	596,401	623,050	-35,061	20,767	23,375	-5,285	613,707	642,628		-40,015
2022-23 (e)	653,767	644,788	-1,462	21,810	23,641	-7,796	673,013	666,055		-9,447
2023-24 (e)	680,372	684,085	-14,144	21,750	23,322	-6,932	699,916	705,111		-20,984
2024-25 (e)	677,333	715,382	-45,278	na	na	na	na	na		na
2025-26 (e)	713,738	743,324	-35,035	na	na	na	na	na		na
2026-27 (e)	748,237	771,779	-32,813	na	na	na	na	na		na

a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.

b) Fiscal balance is equal to revenue less expenses less net capital investment. Net capital investment is not shown in this table.

e) Estimates.

na Data not available.

Table 11.11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis^{(a)(b)}

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
1970-71	5,494	838	6,331	5,643	688	263	-144
1971-72	5,524	868	6,391	5,771	620	-347	-171
1972-73	5,484	863	6,348	6,122	227	-515	-164
1973-74	6,138	791	6,930	6,278	652	-1,049	-162
1974-75	6,797	722	7,519	7,433	87	-914	-116
1975-76	7,125	761	7,886	8,516	-631	-144	-139
1976-77	7,212	796	8,008	8,471	-463	329	-23
1977-78	7,073	855	7,928	8,601	-672	956	1
1978-79	7,066	821	7,887	8,534	-647	1,504	77
1979-80	7,430	770	8,200	8,557	-358	1,689	119
1980-81	7,954	817	8,771	8,815	-45	1,549	151
1981-82	8,208	784	8,992	8,916	75	1,283	147
1982-83	7,861	850	8,712	9,353	-642	1,754	172
1983-84	7,956	910	8,866	10,110	-1,243	2,841	288
1984-85	8,889	981	9,870	10,883	-1,013	3,674	472
1985-86	8,978	1,124	10,102	10,883	-782	4,103	603
1986-87	9,131	1,134	10,265	10,600	-334	4,003	654
1987-88	9,453	1,060	10,512	10,329	183	3,443	567
1988-89	9,628	842	10,470	9,844	625	2,536	516
1989-90	9,555	827	10,382	9,756	625	1,697	479
1990-91	9,153	739	9,893	9,936	-43	1,670	359
1991-92	8,368	812	9,180	10,390	-1,210	2,973	365
1992-93	8,341	834	9,175	10,877	-1,703	5,189	375
1993-94	8,532	956	9,488	11,150	-1,662	6,417	514
1994-95	9,191	748	9,938	11,179	-1,240	7,314	639
1995-96	9,608	725	10,333	11,255	-922	7,958	736
1996-97	10,096	732	10,828	11,322	-494	7,804	769
1997-98	10,511	783	11,294	11,282	12	6,655	664
1998-99	10,852	1,070	11,922	11,617	305	5,650	678
1999-00	11,455	1,127	12,582	11,597	985	4,365	569
2000-01	12,010	891	12,901	12,487	414	3,299	437
2001-02	11,882	828	12,710	12,782	-72	2,863	363
2002-03	12,500	794	13,294	12,815	479	2,170	244
2003-04	12,983	693	13,677	13,175	502	1,695	191
2004-05	13,566	727	14,293	13,470	822	945	152
2005-06	14,012	808	14,820	13,904	912	19	133
2006-07	14,269	795	15,064	13,997	950	-1,342	13
2007-08	14,630	817	15,447	14,239	1,035	-2,093	-53
2008-09	13,618	942	14,559	15,726	-1,344	-562	-60
2009-10	12,552	1,077	13,629	16,131	-2,609	2,292	114

Table 11.11: Australian Government general government sector receipts, payments, underlying cash balance, net debt and net interest payments presented on a real per capita basis^{(a)(b)} (continued)

	Taxation receipts	Non-taxation receipts	Total receipts	Payments	Underlying cash balance	Net debt	Net interest payments
2010-11	12,919	912	13,831	15,849	-2,174	4,152	211
2011-12	13,692	818	14,511	16,321	-1,907	6,750	291
2012-13	13,859	982	14,841	15,524	-796	6,747	350
2013-14	13,798	813	14,611	16,480	-1,965	8,497	440
2014-15	13,908	958	14,866	16,193	-1,488	9,660	427
2015-16	13,831	934	14,765	16,154	-1,511	11,580	459
2016-17	13,999	1,127	15,126	16,215	-1,223	11,895	456
2017-18	14,912	1,027	15,939	16,147	-362	12,196	468
2018-19	15,510	1,266	16,776	16,528	-24	12,914	524
2019-20	14,551	1,265	15,817	18,520	-2,873	16,552	447
2020-21	15,695	1,522	17,217	21,660	-4,443	19,612	473
2021-22	16,811	1,497	18,308	19,309	-1,001	16,155	469
2022-23 (e)	16,880	1,365	18,245	18,124	121	15,747	364
2023-24 (e)	16,696	1,405	18,102	18,479	-377	15,574	363
2024-25 (e)	15,926	1,475	17,401	18,310	-909	16,087	394
2025-26 (e)	16,143	1,323	17,466	18,378	-913	16,574	530
2026-27 (e)	16,317	1,303	17,620	18,302	-682	16,849	479

- a) Data have been revised in the 2023-24 Budget to improve accuracy and comparability through time.
- b) The real levels are derived using the Consumer Price Index (CPI). The current reference period for the CPI is 2011–12, which means the real levels per capita are reported in 2011–12 dollars.
- e) Estimates.



Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation;
 - real growth in expenses and payments is calculated using the Consumer Price Index (CPI) as the deflator;
 - the Budget year refers to 2023-24, while the forward years refer to 2024-25, 2025-26 and 2026-27; and
 - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.
- Estimates under \$100,000 are rounded to the nearest thousand.
 - Estimates \$100,000 and over are generally rounded to the nearest tenth of a million.
 - Estimates midway between rounding points are rounded up.
 - The percentage changes in statistical tables are calculated using unrounded data.
- (c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.
- (d) The following notations are used:
- | | |
|---------|---|
| - | nil |
| na | not applicable (unless otherwise specified) |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| (e) | estimates (unless otherwise specified) |
| (p) | projections (unless otherwise specified) |
| NEC/nec | not elsewhere classified |

- (e) The Australian Capital Territory and the Northern Territory are referred to as ‘the territories’. References to the ‘states’ or ‘each state’ include the territories. The following abbreviations are used for the names of the states, where appropriate:

NSW	New South Wales
VIC	Victoria
QLD	Queensland
WA	Western Australia
SA	South Australia
TAS	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

- (f) In this paper the term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term ‘Australian Government’ is used when referring to the Government and the decisions and activities made by the Government on behalf of the Commonwealth of Australia.

Budget Paper No. 1, *Budget Strategy and Outlook 2023–24*, is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper.



Budget

2023–24

BUDGET MEASURES
BUDGET PAPER NO. 2

Circulated by

The Honourable Jim Chalmers MP
Treasurer of the Commonwealth of Australia
and

Senator the Honourable Katy Gallagher
Minister for Finance, Minister for Women, Minister for the Public Service
of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2023–24

9 May 2023

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Foreword

Budget Paper No. 2, *Budget Measures 2023–24* ensures that the Budget Papers provide comprehensive information on all Government decisions that involve changes to its payment and receipt activities since the 2022-23 *October Budget* released in October 2022. This information is outlined in two parts:

- Part 1: Receipt Measures
- Part 2: Payment Measures

Receipt measures are defined as those measures that affect taxation or non-taxation receipts. Payment measures are defined as those measures that affect operating payments and purchases of non-financial assets. Measures are presented on a cash basis, corresponding with references to the underlying cash balance in Budget Paper No. 1, Budget Strategy and Outlook.

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Part 1: Receipt Measures

Table 1: Receipt measures since the 2022–23 October Budget^(a)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
AGRICULTURE, FISHERIES AND FORESTRY					
<i>Department of Agriculture, Fisheries and Forestry</i>					
Primary industries – changes to agricultural production levies(b)	-	-0.7	-0.9	-0.9	-0.9
Strengthened and Sustainably Funded Biosecurity System(b)	-	-	74.6	79.5	80.2
Portfolio total	-	-0.7	73.7	78.6	79.3
CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER					
<i>Bureau of Meteorology</i>					
Aviation Meteorological Services Charging Reform(b)	-	12.0	11.6	12.8	13.9
<i>Clean Energy Finance Corporation</i>					
Household Energy Upgrades Fund – establishment(b)	-	0.6	8.3	23.2	29.3
<i>Clean Energy Regulator</i>					
Guarantee of Origin(b)	-	-	0.5	3.8	4.4
<i>North Queensland Water Infrastructure Authority</i>					
North Queensland Water Infrastructure Authority – efficiencies(b)	-
Portfolio total	-	12.6	20.4	39.8	47.6
EDUCATION					
<i>Department of Education</i>					
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-
Improving the Administration of Student Loans(b)	-0.6	-0.6	-0.6	-0.6	-0.6
Nuclear-Powered Submarine Program – initial implementation(b)	-
Visa and Migration System(b)	-
Portfolio total	-0.6	-0.6	-0.6	-0.6	-0.5

Table 1: Receipt measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
EMPLOYMENT AND WORKPLACE RELATIONS					
<i>Department of Employment and Workplace Relations</i>					
Immigration Policy Settings for New Zealand Citizens(b)	-	-
Improving the Administration of Student Loans(b)	-0.4	-0.4	-0.4	-0.4	-0.4
Portfolio total	-0.4	-0.4	-0.4	-0.4	-0.4
FINANCE					
<i>Department of Finance</i>					
Buy Australian Plan(b)	-	6.6	4.0	4.7	2.9
Securing a Unique and Critical Defence Capability(b)	-	nfp	nfp	nfp	nfp
Portfolio total	-	6.6	4.0	4.7	2.9
FOREIGN AFFAIRS AND TRADE					
<i>Export Finance and Insurance Corporation (National Interest component)</i>					
Australian Infrastructure Financing Facility for the Pacific – Sasape Shipyard(b)	nfp	nfp	nfp	nfp	nfp
Portfolio total	-	-	-	-	-
HEALTH AND AGED CARE					
<i>Australian Digital Health Agency</i>					
Strengthening Medicare(b)	-	32.3	32.3	32.3	32.3
<i>Department of Health and Aged Care</i>					
Pharmaceutical Benefits Scheme (PBS) New and Amended Listings(b)	nfp	nfp	nfp	nfp	nfp
Reducing Patient Costs and Improving Services through Community Pharmacies(b)	nfp	nfp	nfp	nfp	nfp
Supporting Affordable Health Care – Cost Recovery Arrangements(b)	-	5.7	9.0	9.3	9.8
Portfolio total	-	38.0	41.3	41.6	42.1
HOME AFFAIRS					
<i>Department of Home Affairs</i>					
Amending measures of the former Government(b)	-	2,541.0	-0.1	-0.1	-1.1
Enduring Funding Mechanism for AusCheck(b)	-	28.7	44.7	51.7	39.8

Table 1: Receipt measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
HOME AFFAIRS (continued)					
Enhancing Pacific Engagement(b)	-	10.0	10.0
Immigration Policy Settings for New Zealand Citizens(b)	..	-	-	-	-
Increasing the Passenger Movement Charge(b)	-	-	160.0	175.0	185.0
Migration – raising the Temporary Skilled Migration Income Threshold (TSMIT)(b)	20.0	-40.0	-15.0	-10.0	-10.0
Migration – Uplift of Visa Application Charges	-	100.0	150.0	190.0	225.0
Migration Program – 2023-24 planning levels(b)	-
Reform of the Product Stewardship for Oil Scheme(b)	-	15.0	15.0	15.0	16.0
Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax(b)	-	290.0	650.0	1,030.0	1,070.0
Visa and Migration System(b)
Visa changes for Graduates and Students – increasing visa duration and work hours(b)	..	5.0	15.0	20.0	25.0
Portfolio total	20.0	2,939.7	1,019.6	1,481.6	1,559.7
INDUSTRY, SCIENCE AND RESOURCES					
<i>National Reconstruction Fund Corporation</i>					
National Reconstruction Fund Corporation – establishment(b)	-	5.2	21.7	50.3	111.5
Portfolio total	-	5.2	21.7	50.3	111.5
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS					
<i>Australia Council</i>					
Revive – National Cultural Policy and Location Incentive(b)	-	0.5	0.5	0.6	0.6
<i>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</i>					
Funding for Territories(b)	-	0.2	0.2	0.2	0.2
<i>National Library of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	2.8	1.5	0.8	0.8
Portfolio total	-	3.5	2.2	1.5	1.5
PRIME MINISTER AND CABINET					
<i>Department of the Prime Minister and Cabinet</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	-	2.1	-	-
Portfolio total	-	-	2.1	-	-

Table 1: Receipt measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY					
<i>Australian Prudential Regulation Authority</i>					
Treasury Portfolio – additional resourcing(b)	-	1.0	1.0	1.0	1.0
<i>Australian Securities and Investments Commission</i>					
Comprehensive Sustainable Finance Agenda(b)	-	-	4.3	-	-
Fighting Scams(b)	-	-	4.8	4.2	4.2
<i>Australian Taxation Office</i>					
Amending measures of the former Government(b)	-	-2,232.0	90.0	135.0	190.0
Amending the tax law to reduce compliance costs for general insurers	-	*	*	*	*
Better Targeted Superannuation Concessions(b)	-	-	-	325.0	625.0
Clarifying the tax treatment of 'exploration' and 'mining, quarrying and prospecting rights'	-	*	*	*	*
Enhancing Pacific Engagement(b)	-	20.0	50.0	85.0	125.0
Extending the Personal Income Tax Compliance Program(b)	-	-	-	166.6	308.3
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program(b)	-	18.1	55.9	92.2	113.3
Extending the clean building managed investment trust withholding tax concession	-	-	-	*	*
Foreign Investment – interfunding exemption	-	-5.0	-5.0	-5.0	-5.0
GST compliance program – four-year extension(b)	-	1,584.5	1,844.5	2,017.1	2,132.1
Housing (Build-To-Rent Developments) – accelerating tax deductions and reducing managed investment trust withholding tax rate(b)	-	-	..	-10.0	-20.0
Implementation of a global minimum tax and a domestic minimum tax(b)	-	-	-	160.0	210.0
Improving Aged Care Support(b)	-	-	7.5	3.7	3.1
Increase to Working Age Payments(b)	-	-	60.0	80.0	80.0
Indirect Tax Concession Scheme – diplomatic and consular concessions(b)	-0.4	-0.1	-0.1	-0.1	-0.1
Migration – raising the Temporary Skilled Migration Income Threshold (TSMIT)(b)	-	-5.0	-10.0	-15.0	-15.0
Migration Program – 2023-24 planning levels(b)	-	-10.0	-10.0	-5.0	-5.0
Nature Positive Plan – better for the environment, better for business(b)	-

Table 1: Receipt measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY (continued)					
Parenting Payment (Single) – improved support for single parents(b)	-	-	-10.0	-10.0	-10.0
Personal Income Tax – exempting lump sum payments in arrears from the Medicare levy	-	-	-	-1.0	-1.0
Personal Income Tax – increasing the Medicare levy low-income thresholds	-	-100.0	-140.0	-120.0	-100.0
Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements(b)	-	500.0	600.0	800.0	500.0
Philanthropy – updates to the list of specifically listed deductible gift recipients	-	-0.7	-3.4	-1.4	-1.8
Powering Australia – amendment to the Electric Car Discount(b)	-	-	..	10.0	20.0
Reform of the Product Stewardship for Oil Scheme(b)	-	24.0	24.0	26.0	26.0
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance(b)	-	-	-	-	835.0
Small Business Support – helping small business manage their tax instalments and improving cashflow(b)	-	-1,640.0	1,640.0	-	-
Small Business Support – \$20,000 instant asset write-off	-	-	-670.0	-60.0	440.0
Small Business Support – Small Business Energy Incentive(b)	-	-	-260.0	-50.0	-
Tax Integrity – expanding the general anti-avoidance rule in the income tax law	-	-	*	*	*
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities(b)	-	137.5	235.4	227.1	118.0

Table 1: Receipt measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax(b)	-	30.0	60.0	100.0	100.0
Visa and Migration System(b)
Visa changes for Graduates and Students – increasing visa duration and work hours(b)	..	35.0	145.0	240.0	315.0
<i>Department of the Treasury</i>					
Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home(b)	-	2.8	-	-	-
International Support – Papua New Guinea	-	14.7	14.7	14.7	14.7
Portfolio total	-0.4	-1,625.2	3,728.7	4,210.1	6,002.8
Decisions taken but not yet announced and not for publication (nfp)	106.9	378.1	465.4	505.7	535.6
Total impact of receipt measures (c)	125.5	1,756.8	5,377.9	6,412.9	8,381.9

* The nature of the measure is such that a reliable estimate cannot be provided.

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

(a) A minus sign before an estimate indicates a reduction in receipts, no sign before an estimate indicates a gain in receipts.

(b) These measures can also be found in the payment measures summary table.

(c) Measures may not add due to rounding.

Agriculture, Fisheries and Forestry

Primary industries – changes to agricultural production levies

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	-	-0.7	-0.9	-0.9	-0.9
<i>Related payments (\$m)</i>					
Department of Agriculture, Fisheries and Forestry	-	-0.9	-1.4	-1.4	-1.4

The Government is making changes to the following agricultural levies at the request of industry to better reflect the current needs of the agricultural sector:

- Stone fruit levy: from 1 July 2023, at the request of Summerfruit Australia Limited, the Government will decrease the marketing component of the stone fruit levy from 0.441 to zero cents per kilogram of stone fruit, increase the research and development component from 0.539 to 0.980 cents per kilogram and maintain the Plant Health Australia (PHA) rate of 0.02 cents per kilogram of stone fruit. These changes will maintain the overall levy rate at 1 cent per kilogram of stone fruit.
- Rubus levy: from 1 October 2023, at the request of Raspberries and Blackberries Australia, the Government will decrease the research and development component of the rubus levy from 10 to 2 cents per kilogram of the fruit, reduce the marketing component from 2 to zero cents per kilogram of the fruit, and introduce a PHA component at 2 cents per kilogram of the fruit, to cover industry's financial commitments under the Emergency Pest Response Deed. These changes will decrease the overall levy rate from 12 to 4 cents per kilogram of the fruit.

This measure is estimated to decrease receipts by \$3.3 million and decrease payments by \$5.0 million over the 5 years from 2022–23.

Home Affairs

Increasing the Passenger Movement Charge

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	-	160.0	175.0	185.0
<i>Related payments (\$m)</i>					
Department of Home Affairs	-	6.7	5.5	1.6	1.7

The Government will increase the Passenger Movement Charge from 1 July 2024 by \$10 from \$60 to \$70 per passenger. The Passenger Movement Charge is a charge levied on passengers departing Australia on international flights or sea transport, irrespective of a passenger's intention to return to Australia. The Passenger Movement Charge was last increased in 2017, and the increase is broadly in line with inflation.

The Government will also provide \$15.5 million over the 5 years from 2022–23 to the Department of Home Affairs to improve the administration of the Passenger Movement Charge, which will be offset by an estimated increase to receipts of \$520.0 million over the 5 years from 2022–23.

Migration – raising the Temporary Skilled Migration Income Threshold (TSMIT)

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	20.0	-40.0	-15.0	-10.0	-10.0
Australian Taxation Office	-	-5.0	-10.0	-15.0	-15.0
Total – Receipts	20.0	-45.0	-25.0	-25.0	-25.0
<i>Related payments (\$m)</i>					
Department of the Treasury	-

The Government will increase the Temporary Skilled Migration Income Threshold from the current rate of \$53,900 to \$70,000 from 1 July 2023. This reflects the level it would have reached if it was indexed to wages when it was last adjusted 10 years ago.

Resetting the income threshold will ensure that the skilled migration program remains focused on its objective of attracting skilled migrants who complement the skills of the Australian workforce.

This measure is estimated to decrease receipts by \$100.0 million and result in a negligible impact on GST payments to the states and territories over the 5 years from 2022-23.

This measure meets the Government's election commitment as published in the *Plan for a Better Future*, and outcomes from the Jobs and Skills Summit.

Migration – uplift of Visa Application Charges

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	100.0	150.0	190.0	225.0

The Government will increase Visa Application Charges (VACs) from 1 July 2023. In addition to the regular CPI indexation, VACs will increase by 6 percentage points for visa applications, as well as an additional 15 percentage points for select visitor and temporary visa subclasses and an additional 40 percentage points for business innovation and investment visas.

The select visitor and temporary visa subclasses include visitor, working holiday, work and holiday, training, temporary activity, and temporary work (short stay specialist).

The Pacific Engagement Visa and Pacific Australia Labour Mobility scheme are exempt from the VAC uplift.

The increased revenue generated will fund costs associated with improving visa processing and other Government priorities.

This measure is estimated to increase receipts by \$665.0 million over the 5 years from 2022–23.

Migration Program – 2023-24 planning levels

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-
Australian Taxation Office	-	-10.0	-10.0	-5.0	-5.0
Total – Receipts	-	-10.0	-10.0	-5.0	-5.0
<i>Related payments (\$m)</i>					
National Disability Insurance Agency	-	3.0	6.5	2.2	-2.5
Department of Employment and Workplace Relations	-	-	-
Services Australia	-
Department of Health and Aged Care	-	-0.1	-0.1
Department of Education	-	-0.9	-5.4	-4.7	-3.8
Department of Social Services	-	-2.3	-4.0	-4.2	-3.5
Department of Home Affairs	-	-3.1	-5.3	-1.9	-1.3
Department of the Treasury	-	-5.0	-10.0	-10.0	-10.0
Total – Payments	-	-8.4	-18.4	-18.6	-21.1

For the 2023–24 permanent Migration Program, the Government will return the planning level to the longer-term level of 190,000 places and will allocate 137,100 places (around 70 per cent) to the Skill stream, helping address Australia’s longer term skill needs.

The Government will improve pathways to permanency for Temporary Skill Shortage (TSS) (subclass 482) visa holders. Restrictions will be removed to enable TSS visa holders on the short-term stream access to permanent residence pathways through the Employer Nomination Scheme (subclass 186) visa. The limit of one onshore renewal for the short-term stream TSS visa will also be removed.

This permanent Migration Program measure is estimated to decrease receipts by \$30.0 million and decrease payments by \$66.4 million over the 5 years from 2022–23. Improving pathways to permanency for TSS visa holders is estimated to result in an unquantifiable impact on receipts and increase payments by \$0.6 million over the 5 years from 2022–23.

Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	290.0	650.0	1,030.0	1,070.0
Australian Taxation Office	-	30.0	60.0	100.0	100.0
Total – Receipts	-	320.0	710.0	1,130.0	1,170.0
<i>Related payments (\$m)</i>					
<i>Department of the Treasury</i>	-	30.0	60.0	100.0	100.0

The Government will encourage smokers to quit by increasing tobacco excise and excise-equivalent customs duty by 5 per cent per year for 3 years from 1 September 2023, in addition to ordinary indexation.

The Government will also align the tax treatment of tobacco products subject to the per kilogram excise and excise-equivalent customs duty (such as roll-your-own tobacco) with the manufactured per-stick rate, by progressively lowering the ‘equivalisation weight’ from 0.7 to 0.6 grams. These progressive decreases will occur on 1 September each year from 2023, with the new weight coming fully into effect from 1 September 2026. This will raise the per kilogram duty accordingly.

The Government will expand compliance activity to address illicit tobacco and work with relevant agencies and state and territory governments to develop an appropriate multi-jurisdictional approach.

This measure is estimated to increase receipts by \$3.3 billion and increase GST payments to the states and territories by \$290.0 million over the 5 years from 2022–23.

These changes to tobacco excise are part of the Government’s response to the National Tobacco Strategy and related initiatives on vaping and smoking prevention and cessation, and an enhanced regulatory approach to vaping.

Visa changes for Graduates and Students – increasing visa duration and work hours

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	..	35.0	145.0	240.0	315.0
Department of Home Affairs	..	5.0	15.0	20.0	25.0
Total – Receipts	..	40.0	160.0	260.0	340.0
<i>Related payments (\$m)</i>					
Department of Home Affairs	0.4	0.2	-	-	-
Department of the Treasury	..	10.0	35.0	60.0	80.0
<i>Total – Payments</i>	0.4	10.2	35.0	60.0	80.0

The Government will grant an extra two years of post-study work rights to international higher education graduates of Australian institutions with eligible qualifications to strengthen the pipeline of skilled labour. This measure will apply from 1 July 2023.

The work hour cap for international student visa holders will be reinstated from 1 July 2023, following its removal during the COVID-19 pandemic. It will be increased by 8 hours from pre-pandemic levels to 48 hours per fortnight. International students working in the aged care sector will be exempt from the 48 hour per fortnight work limit until 31 December 2023.

These changes are in line with recommendations made in the report to Government by the Post Study Work Rights Working Group in October 2022.

The increase to post-study work rights is estimated to increase receipts by \$800.0 million, and increase payments by \$185.6 million, which includes a \$185.0 million increase in GST payments to the states and territories over the 5 years from 2022–23. Bringing back the work hours cap for international students is estimated to result in an unquantifiable increase in receipts over the 5 years from 2022–23.

Treasury

Amending measures of the former Government

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	2,541.0	-0.1	-0.1	-1.1
Australian Taxation Office	-	-2,232.0	90.0	135.0	190.0
Total – Receipts	-	309.0	89.9	134.9	188.9
<i>Related payments (\$m)</i>					
Department of Home Affairs	-0.7	-0.7	0.9	0.9	-
Australian Taxation Office	-10.9	234.4	13.8	-7.3	-7.3
Department of Industry, Science and Resources	-13.4	-16.8	-12.3	-12.0	-9.2
Total – Payments	-25.1	217.0	2.5	-18.5	-16.5

The Government will amend measures announced by the former Government to provide greater certainty to taxpayers:

- Amend the start date of the 2016–17 MYEFO measure: Tax integrity – franked distributions funded by capital raisings from 19 December 2016 to 15 September 2022.
- Amend the start date for some components of the 2022–23 March Budget measure: Streamlining excise administration for fuel and alcohol package from 1 July 2023 to 1 July 2024. The changed start date applies to the measures that:
 - remove overlapping Australian Border Force and ATO systems (Uniform Business Experience)
 - streamline license application and renewal requirements
 - remove regulatory barriers for excise and excise equivalent customs goods (including lubricants, bunker fuels for commercial shipping industries, and vapour recovery units)
 - further, the ATO will publish on its website a public register of entities that hold excise licences to store or manufacture excise and excise equivalent customs goods, from 1 July 2024.

- Amend the non-arm's length income (NALI) provisions which apply to expenditure incurred by superannuation funds by:
 - limiting income of self-managed superannuation funds and small Australian Prudential Regulation Authority (APRA) regulated funds that are taxable as NALI to twice the level of a general expense. Additionally, fund income taxable as NALI will exclude contributions
 - exempting large APRA regulated funds from the NALI provisions for both general and specific expenses of the fund
 - exempting expenditure that occurred prior to the 2018-19 income year.

The Government will also not proceed with 3 separate patent box measures announced by the former Government in the 2021–22 and 2022–23 March Budgets.

These changes will increase receipts by \$722.6 million and increase payments by \$159.3 million over the 5 years from 2022–23.

Amending the tax law to reduce compliance costs for general insurers

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	*	*	*	*

The Government will introduce legislation to amend the tax law to minimise the regulatory burden facing the general insurance industry. The introduction of the new accounting standard, AASB17 Insurance Contracts, by the Australian Accounting Standards Board, has meant that the tax law is no longer aligned with accounting standards. This change to the tax law will allow general insurers to continue to use audited financial reporting information, which is calculated according to the new standard, as the basis for their tax returns. The measure will have effect for income years commencing on or after 1 January 2023.

This measure is estimated to result in an unquantifiable impact on receipts over the 5 years from 2022–23.

Better Targeted Superannuation Concessions

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	325.0	625.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	4.5	14.3	16.0	10.8
Department of the Treasury	-	1.1	0.9	..	-
<i>Total – Payments</i>	-	5.6	15.2	16.0	10.8

The Government will reduce the tax concessions available to individuals with a total superannuation balance exceeding \$3 million, from 1 July 2025.

Individuals with a total superannuation balance of less than \$3 million will not be affected.

This reform is intended to ensure generous superannuation concessions are better targeted and sustainable. It will bring the headline tax rate to 30 per cent, up from 15 per cent, for earnings corresponding to the proportion of an individual's total superannuation balance that is greater than \$3 million. This rate remains lower than the top marginal tax rate of 45 per cent. Earnings relating to assets below the \$3 million threshold will continue to be taxed at 15 per cent or zero per cent if held in a retirement pension account.

Interests in defined benefit schemes will be appropriately valued and will have earnings taxed under this measure in a similar way to other interests. This will ensure commensurate treatment.

The additional tax on earnings imposed by this measure will impact around 80,000 individuals in 2025–26, or approximately 0.5 per cent of individuals with a superannuation account. The measure will not place a limit on the amount of money an individual can hold in superannuation. The current contributions rules continue to apply.

This measure is estimated to increase receipts by \$950.0 million and increase payments by \$47.6 million over the 5 years from 2022–23. This includes \$50.0 million in receipts associated with updating the notional contribution calculation methodology, applicable to all defined benefit members. In 2027–28, the first full year of receipts collection, the measure is expected to increase receipts by \$2.3 billion.

This measure is consistent with the Government's proposed objective of superannuation, to deliver income for a dignified retirement in an equitable and sustainable way.

Clarifying the tax treatment of ‘exploration’ and ‘mining, quarrying and prospecting rights’

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	*	*	*	*

The Government will amend the Petroleum Resource Rent Tax (PRRT) legislation to clarify that ‘exploration for petroleum’ is limited to the ‘discovery and identification of the existence, extent and nature of the petroleum resource’ and does not extend to ‘activities and feasibility studies directed at evaluating whether the resource is commercially recoverable’. This measure is consistent with the Government’s policy intent and the Commissioner of Taxation’s administrative treatment and written binding advice as set out in TR 2014/9, which applies from 21 August 2013. The amendments will apply to all expenditure incurred from 21 August 2013.

This measure will also clarify that mining, quarrying and prospecting rights (MQPRs) cannot be depreciated for income tax purposes until they are used (not merely held) and will limit the circumstances in which the issue of new rights over areas covered by existing rights lead to tax adjustments. These amendments will restore the policy intent of the law and apply in respect of all MQPRs acquired or started to be used after the date of announcement (7:30 PM (AEST) on 9 May 2023 (Budget night)).

These amendments ensure the PRRT and income tax legislation operates as intended following the Full Federal Court’s decision in *Commissioner of Taxation v Shell Energy Holdings Australia Limited* [2022] FCAFC 2.

This measure is estimated to result in an unquantifiable impact on receipts over the 5 years from 2022-23.

Extending the Personal Income Tax Compliance Program

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	166.6	308.3
<i>Related payments (\$m)</i>					
<i>Australian Taxation Office</i>	-	1.2	1.2	43.4	43.8
<i>Department of the Treasury</i>	-	0.6	0.6	-	-
<i>Total – Payments</i>	-	1.8	1.8	43.4	43.8

The Government will provide \$89.6 million to the ATO and \$1.2 million to Treasury to extend the Personal Income Tax Compliance Program for two years from 1 July 2025 and expand its scope from 1 July 2023.

This extension will enable the ATO to continue to deliver a combination of proactive, preventative and corrective activities in key areas of non-compliance, and to expand the scope of the program to address emerging areas of risk, such as deductions relating to short-term rental properties to ensure they are genuinely available to rent.

This measure is estimated to increase receipts by \$474.9 million and increase payments by \$90.8 million over the 5 years from 2022–23.

Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	18.1	55.9	92.2	113.3
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	54.2	55.6	56.5	57.5
Department of the Treasury	-	3.1	7.8	10.3	11.5
<i>Total – Payments</i>	-	57.3	63.4	66.8	69.0

The Government will extend funding for the Serious Financial Crime Taskforce (SFCT) and Serious Organised Crime program (SOC) over 4 years to 30 June 2027 and merge the programs, with a merged SFCT to commence from 1 July 2023. Funding for both programs currently terminates on 30 June 2023.

The SFCT and SOC are currently separately funded ATO-led cross-agency collaborations between the ATO, national policing and other law enforcement and regulatory agencies, targeting serious and organised crime groups and serious financial crime and tax evasion. An extension and merging of these programs will maximise the disruption of organised crime groups that seek to undermine the integrity of Australia’s public finances.

This measure is estimated to increase receipts by \$279.5 million and increase payments by \$256.6 million, including an increase in GST payments to the states and territories of \$32.7 million over the 5 years from 2022–23.

Extending the clean building managed investment trust withholding tax concession

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	*	*

The Government will extend the clean building managed investment trust (MIT) withholding tax concession to data centres and warehouses.

This measure will extend eligibility for the concession to data centres and warehouses that meet the relevant energy efficiency standard, where construction commences after 7:30 PM (AEST) on 9 May 2023 (Budget night). This measure will apply from 1 July 2025.

This measure will also raise the minimum energy efficiency requirements for existing and new clean buildings to a 6-star rating from the Green Building Council Australia or a 6-star rating under the National Australian Built Environment Rating System. The Government will consult on transitional arrangements for existing buildings. These changes will support investment in energy efficient commercial buildings, and in turn, reduce energy usage and energy bills for commercial tenants.

This measure is estimated to result in an unquantifiable decrease in receipts over the 5 years from 2022-23.

Foreign Investment – interfunding exemption

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-5.0	-5.0	-5.0	-5.0

The Government will exempt passive or low-risk interfunding transactions from mandatory notification requirements and fees under the *Foreign Acquisitions and Takeovers Act 1975*. This change will apply from the date of commencement of the amendments to the legislation.

An interfunding exemption will mean qualifying interfunding investments will not require prior approval or attract fees. This will significantly decrease the regulatory burden and financial costs for investors who undertake interfunding activities. Interfunding transactions will remain reviewable national security actions under the *Foreign Acquisitions and Takeovers Act 1975*, which ensures the Treasurer's national security powers will remain available if a national security risk arises.

This measure is estimated to decrease receipts by \$20.0 million over the 5 years from 2022-23.

GST compliance program – four-year extension

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	1,584.5	1,844.5	2,017.1	2,132.1
<i>Related payments (\$m)</i>					
Department of the Treasury	-	649.6	773.7	846.6	901.8
Australian Taxation Office	-	146.7	148.0	149.1	145.0
<i>Total – Payments</i>	-	796.3	921.7	995.7	1,046.8

The Government will provide \$588.8 million to the ATO over 4 years from 1 July 2023 to continue a range of activities that promote GST compliance. This measure is estimated to increase GST receipts by \$3.8 billion, and other tax receipts by \$3.8 billion, over the 5 years from 2022–23.

These activities will ensure businesses meet their tax obligations, including accurately accounting for and remitting GST, and correctly claiming GST refunds. Funding through this extension will also help the ATO develop more sophisticated analytical tools to combat emerging risks to the GST system.

This measure is estimated to increase receipts by \$7.6 billion and increase payments by \$3.8 billion over the 5 years from 2022–23.

Arrangements for funding these activities have been agreed by the states and territories in accordance with the *GST Administration Performance Agreement*.

Housing (Build-To-Rent Developments) – accelerating tax deductions and reducing managed investment trust withholding tax rate

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	..	-10.0	-20.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	-	2.9	0.9	0.6

For eligible new build-to-rent projects where construction commences after 7:30 PM (AEST) on 9 May 2023 (Budget night), the Government will:

- increase the rate for the capital works tax deduction (depreciation) to 4 per cent per year
- reduce the final withholding tax rate on eligible fund payments from managed investment trust (MIT) investments from 30 per cent to 15 per cent.

This measure will encourage investment and construction in the build-to-rent sector, expanding Australia's housing supply.

This measure will apply to build-to-rent projects consisting of 50 or more apartments or dwellings made available for rent to the general public. The dwellings must be retained under single ownership for at least 10 years before being able to be sold and landlords must offer a lease term of at least 3 years for each dwelling.

The reduced managed investment trust withholding tax rate for residential build-to-rent will apply from 1 July 2024. Consultation will be undertaken on implementation details, including any minimum proportion of dwellings being offered as affordable tenancies and the length of time dwellings must be retained under single ownership.

This measure is estimated to decrease receipts by \$30.0 million and increase payments by \$4.3 million over the 5 years from 2022–23.

Implementation of a global minimum tax and a domestic minimum tax

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	160.0	210.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	39.4	29.5	21.9	19.7
Department of Finance	-	0.1	0.1	0.1	0.1
<i>Total – Payments</i>	-	39.5	29.6	22.0	19.9

The Government will implement key aspects of Pillar Two of the OECD/G20 Two-Pillar Solution to address the tax challenges arising from digitalisation of the economy:

- i) A 15 per cent global minimum tax for large multinational enterprises with the Income Inclusion Rule applying to income years starting on or after 1 January 2024 and the Undertaxed Profits Rule applying to income years starting on or after 1 January 2025.
- ii) A 15 per cent domestic minimum tax applying to income years starting on or after 1 January 2024.

The global minimum tax and domestic minimum tax will be based on the OECD Global Anti-Base Erosion Model Rules, which are designed to ensure large multinationals pay an effective minimum level of tax on the income arising in each jurisdiction where they operate.

A global minimum corporate tax rate of 15 per cent prevents a ‘race to the bottom’ on corporate tax rates, and protects our corporate tax base. The global minimum tax rules would allow Australia to apply a top up tax on a resident multinational parent or subsidiary company where the group’s income is taxed below 15 per cent overseas.

A domestic minimum tax would give Australia first claim on top-up tax for any low-taxed domestic income. In a small number of instances, a large multinational company’s effective Australian tax rate may fall below 15 per cent. In these instances, the domestic minimum

tax applies so that Australia collects the revenue that would otherwise have been collected by another country's global minimum tax.

The global minimum tax and domestic minimum tax will apply to large multinationals with annual global revenue of EUR750 million (approximately \$1.2 billion) or more.

This measure is estimated to increase receipts by \$370.0 million and increase payments by \$111.0 million over the 5 years from 2022–23.

This measure progresses the Government's election commitment as published in the *Plan for a Better Future*.

Indirect Tax Concession Scheme – diplomatic and consular concessions

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-0.4	-0.1	-0.1	-0.1	-0.1
<i>Related payments (\$m)</i>					
Department of the Treasury	-0.3

The Government has extended refunds of indirect tax (including GST, fuel and alcohol taxes) under the Indirect Tax Concession Scheme (ITCS). New access to refunds has been provided for construction and renovation arrangements for North Macedonia and Latvia relating to their current and future diplomatic missions and consular posts. Saudi Arabia will also have ITCS access upgraded for its Embassy and current and future Consulate-General.

These concessions are provided in accordance with Australia's international obligations in relation to diplomatic missions and consular posts and will establish reciprocal entitlements for Australian diplomatic missions in these countries.

This measure is estimated to decrease receipts by \$0.8 million, and decrease GST payments to the states and territories by \$0.3 million over the 5 years from 2022–23.

International Support – Papua New Guinea

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	14.7	14.7	14.7	14.7

The Government provided a \$750.0 million loan to the Government of Papua New Guinea (PNG) in 2022–23. The loan provides budgetary support for the PNG Government's continued progress on economic reforms under the International Monetary Fund's Extended Credit Facility and Extended Fund Facility.

Personal Income Tax – exempting lump sum payments in arrears from the Medicare levy

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	-1.0	-1.0

The Government will exempt eligible lump sum payments in arrears from the Medicare levy from 1 July 2024.

This measure will ensure low-income taxpayers do not pay higher amounts of the Medicare levy as a result of receiving an eligible lump sum payment, for example as compensation for underpaid wages.

Eligibility requirements will ensure that relief is targeted to taxpayers who are genuinely low-income and should be eligible for a reduced Medicare levy. To qualify, taxpayers must be eligible for a reduction in the Medicare levy in the 2 most recent years to which the lump sum accrues. Taxpayers must also satisfy the existing eligibility requirements of the existing lump sum payment in arrears tax offset, including that a lump sum accounts for at least 10 per cent of the taxpayer's income in the year of receipt.

This measure is estimated to decrease receipts by \$2.0 million over the 5 years from 2022–23.

Personal Income Tax – increasing the Medicare levy low-income thresholds

Receipts (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-100.0	-140.0	-120.0	-100.0

The Government will increase the Medicare levy low-income thresholds for singles, families and seniors and pensioners from 1 July 2022. The increase in thresholds provides cost-of-living relief by taking account of recent CPI outcomes so that low-income individuals continue to be exempt from paying the Medicare levy.

The threshold for singles will be increased from \$23,365 to \$24,276. The family threshold will be increased from \$39,402 to \$40,939. For single seniors and pensioners, the threshold will be increased from \$36,925 to \$38,365. The family threshold for seniors and pensioners will be increased from \$51,401 to \$53,406. For each dependent child or student, the family income thresholds will increase by a further \$3,760 instead of the previous amount of \$3,619.

This measure is estimated to decrease receipts by \$460.0 million over the 5 years from 2022–23.

Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	500.0	600.0	800.0	500.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	1.4	1.3	0.9	0.9

The Government will amend the Petroleum Resource Rent Tax (PRRT) in response to Treasury's Review of the PRRT Gas Transfer Pricing (GTP) arrangements.

The Government will introduce a cap on the use of deductions to offset assessable PRRT income of liquefied natural gas (LNG) producers under the PRRT. The cap will bring forward PRRT receipts from LNG projects which are yet to pay PRRT and ensure a greater return to taxpayers from the offshore LNG industry.

The cap will limit deductible expenditure to the value of 90 per cent of each taxpayer's PRRT assessable receipts in respect of each project interest in the relevant income year and apply after mandatory transfers of exploration expenditure. The amounts that are unable to be deducted because of the cap will be carried forward and uplifted at the Government long-term bond rate.

The cap will only apply to PRRT projects that produce LNG. Projects would not be subject to the cap until 7 years after the year of first production or from 1 July 2023, whichever is later. The cap will not apply to certain classes of deductible expenditure in the PRRT – closing-down expenditure, starting base expenditure and resource tax expenditure.

The Government will also make a number of supporting changes to the GTP arrangements. From 1 July 2023, the Government will update the PRRT general anti-avoidance rule and the arm's length rule to clarify their application to the *Petroleum Resource Rent Tax Assessment Regulation 2015*. From 1 July 2024, the Government will modernise the PRRT for emerging developments in LNG project structures, better reflect the contributions and risks of the notional entities that comprise the LNG value chain, align the regulations with current transfer pricing practices and provide appropriate integrity rules for the regime.

This measure is estimated to increase receipts by \$2.4 billion over the 5 years from 2022-23. The Government will also provide \$4.4 million in resourcing to the ATO to administer and ensure compliance with this measure.

The Government will consult on final design and implementation details for the deductions cap and on the draft PRRT regulation later this year. Consultation on the other policy changes will occur in early 2024. The *Petroleum Resource Rent Tax Assessment Regulation 2015* will not be remade until the legislation implementing the deductions cap has been enacted.

Philanthropy – updates to the list of specifically listed deductible gift recipients

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-0.7	-3.4	-1.4	-1.8

The Government will amend the tax law to specifically list the following organisations as deductible gift recipients (DGRs) for the following dates:

- The Voice No Case Committee from the day after the entity is registered with the Australian Charities and Not-for-profits Commission to 30 June 2024
- Justice Reform Initiative Limited from 1 July 2023 to 30 June 2028
- Susan McKinnon Charitable Foundation Ltd from 1 July 2023 to 30 June 2028
- Transparency International Australia from 1 July 2023.

The Government will also extend the following organisations' DGR endorsement for the following dates:

- Victorian Pride Centre Ltd from 9 March 2023 to 8 March 2028
- Australian Sports Foundation Charitable Fund from 1 July 2023.

The listing of the Susan McKinnon Charitable Foundation Ltd is subject to the condition that DGR funds can only be used for purposes consistent with existing DGR categories in the tax law and it will maintain minimum annual distributions, consistent with the current requirements for ancillary funds.

The start date for the previously announced listing of 28 entities related to community foundations affiliated with the peak body Community Foundations Australia will be deferred from 1 July 2022 to the date of Royal Assent of relevant amendments to the tax law. The 30 June 2027 end date for the listing is removed. DGR status for these foundations will be subject to ongoing endorsement by the Commissioner of Taxation under new ministerial guidelines.

The listings of Lord Mayor's Charitable Foundation and Foundation Broken Hill Limited will be made consistent with that for other community foundations, including removal of end dates where applicable.

This measure is estimated to decrease receipts by \$7.3 million over the 5 years from 2022–23.

Powering Australia – amendment to the Electric Car Discount

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	..	10.0	20.0
<i>Related payments (\$m)</i>					
Department of the Treasury	-	-	5.0

The Government will sunset the eligibility of plug-in hybrid electric cars from the fringe benefits tax exemption for eligible electric cars. This change will apply from 1 April 2025. Arrangements involving plug-in hybrid electric cars entered into between 1 July 2022 and 31 March 2025 remain eligible for the Electric Car Discount.

This measure is estimated to increase receipts by \$30.0 million and increase GST payments to the states and territories by \$5.0 million over the 5 years from 2022–23.

This measure relates to the 2022–23 October Budget measure titled *Powering Australia – Electric Car Discount*.

Reform of the Product Stewardship for Oil Scheme

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	24.0	24.0	26.0	26.0
Department of Home Affairs	-	15.0	15.0	15.0	16.0
Total – Receipts	-	39.0	39.0	41.0	42.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	3.0	3.0	3.0	3.0
Department of the Treasury	-	2.0	2.0	3.0	3.0
Total – Payments	-	5.0	5.0	6.0	6.0

The Government will increase the Product Stewardship for Oil (PSO) levy by 5.7 cents from 1 July 2023. The PSO levy will increase from 8.5 cents to 14.2 cents per litre for specific oils and greases. The Government will also make consequential changes to PSO category 8 benefits from 1 July 2023, raising these to 14.2 cents for oils to match the increased PSO levy.

The Government is increasing the relevant excise and customs duties to make the scheme more sustainable.

This measure is estimated to increase receipts by \$161.0 million and increase payments by \$22.0 million, including GST payments to the state and territories of \$10.0 million over the 5 years from 2022–23.

Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-	-	835.0
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	40.2	-	-	-285.0
Department of the Treasury	-	1.2	0.5	-	-
Department of Finance	-	0.1	-	-	-
<i>Total – Payments</i>	-	41.4	0.5	-	-285.0

From 1 July 2026, employers will be required to pay their employees' SG entitlements on the same day that they pay salary and wages.

Currently, employers are only required to pay their employees' SG on a quarterly basis. By increasing the payment frequency of superannuation to align with the payment of salary and wages, this measure will both ensure employees have greater visibility over whether their entitlements have been paid and better enable the ATO to recover unpaid superannuation. Increased frequency of payment will also support better retirement outcomes. A 1 July 2026 commencement date will allow the ATO, payroll service providers and superannuation funds time to make necessary system changes and for employers to adjust their cash flow practices.

Changes to the design of the SG charge will also be necessary to align with increased payment frequency. The Government will consult with relevant stakeholders on the design of these changes, with the final design to be considered as part of the 2024–25 Budget.

These changes are estimated to increase receipts by \$835.0 million and decrease payments by \$285.0 million in 2026–27, due to the bring forward of superannuation tax receipts on SG contributions. However, this effect will be immediately offset by the associated company tax deductions of SG payments in 2027–28. Over the medium-term from 2022–23 to 2033–34 the proposal is estimated to reduce the underlying cash balance by \$256.6 million as there will be less SG charge debt raised due to increased compliance.

The Government will also provide \$40.2 million to the ATO in 2023–24, which includes \$27.0 million for the ATO to improve data matching capabilities to identify and act on cases of SG underpayment by employers and \$13.2 million for consultation and co-design.

In total, this package is estimated to increase receipts by \$835.0 million and decrease payments by \$243.1 million over the 5 years from 2022–23.

This package will particularly benefit those in lower paid, casual and insecure work who are more likely to miss out when super is paid less frequently.

The package will also deliver on the Government's election commitment to set public targets for the ATO on recovering unpaid superannuation. The ATO will report annually against new measures set out in the *Treasury Portfolio Budget Statement*.

Small Business Support – helping small business manage their tax instalments and improving cashflow

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-1,640.0	1,640.0	-	-
<i>Related payments (\$m)</i>					
Department of the Treasury	-	-40.0	40.0	-	-

The Government will amend the tax law to set the GDP adjustment factor for pay as you go (PAYG) and GST instalments at 6 per cent for the 2023–24 income year, a reduction from 12 per cent under the statutory formula.

The reduced factor will provide cash flow support to small businesses and other PAYG instalment taxpayers.

The 6 per cent GDP adjustment rate will apply to small businesses and individuals who are eligible to use the relevant instalment methods (up to \$10 million aggregated annual turnover for GST instalments and \$50 million annual aggregate turnover for PAYG instalments), in respect of instalments that relate to the 2023–24 income year and fall due after the enabling legislation receives Royal Assent.

This measure is estimated to have no net impact on receipts, and no net impact on GST payments to the states and territories, over the 5 years from 2022–23.

Small Business Support – \$20,000 instant asset write-off

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-670.0	-60.0	440.0

The Government will improve cash flow and reduce compliance costs for small businesses by temporarily increasing the instant asset write-off threshold to \$20,000, from 1 July 2023 until 30 June 2024.

Small businesses, with aggregated annual turnover of less than \$10 million, will be able to immediately deduct the full cost of eligible assets costing less than \$20,000 that are first used or installed ready for use between 1 July 2023 and 30 June 2024. The \$20,000 threshold will apply on a per asset basis, so small businesses can instantly write off multiple assets.

Assets valued at \$20,000 or more (which cannot be immediately deducted) can continue to be placed into the small business simplified depreciation pool and depreciated at 15 per cent in the first income year and 30 per cent each income year thereafter.

The provisions that prevent small businesses from re-entering the simplified depreciation regime for 5 years if they opt-out will continue to be suspended until 30 June 2024.

This measure is estimated to decrease receipts by \$290.0 million over the 5 years from 2022–23.

Small Business Support – Small Business Energy Incentive

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	-260.0	-50.0	-
<i>Related payments (\$m)</i>					
Australian Taxation Office	-	3.9	0.3	-	-

The Government will support small and medium businesses to save on energy bills through incentivising the electrification of assets and improvements to energy efficiency.

Small and medium businesses, with aggregated annual turnover of less than \$50 million, will be able to deduct an additional 20 per cent of the cost of eligible depreciating assets that support electrification and more efficient use of energy. Up to \$100,000 of total expenditure will be eligible for the Small Business Energy Incentive, with the maximum bonus deduction being \$20,000.

A range of depreciating assets, as well as upgrades to existing assets, will be eligible for the Small Business Energy Incentive. These will include assets that upgrade to more efficient electrical goods such as energy-efficient fridges, assets that support electrification such as heat pumps and electric heating or cooling systems, and demand management assets such as batteries or thermal energy storage. Full details of eligibility criteria will be finalised in consultation with stakeholders.

Eligible assets will need to be first used or installed ready for use between 1 July 2023 and 30 June 2024. Eligible upgrades will also need to be made in this period.

Certain exclusions will apply such as electric vehicles, renewable electricity generation assets, capital works, and assets that are not connected to the electricity grid and use fossil fuels.

This measure is estimated to decrease receipts by \$310.0 million and increase payments by \$4.2 million over the 5 years from 2022–23.

Tax Integrity – expanding the general anti-avoidance rule in the income tax law

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	-	*	*	*

The Government will improve the integrity of the tax system by expanding the scope of the general anti-avoidance rule for income tax (Part IVA of the *Income Tax Assessment Act 1936*) so that it can apply to:

- schemes that reduce tax paid in Australia by accessing a lower withholding tax rate on income paid to foreign residents
- schemes that achieve an Australian income tax benefit, even where the dominant purpose was to reduce foreign income tax.

This measure will apply to income years commencing on or after 1 July 2024, regardless of whether the scheme was entered into before that date.

This measure is estimated to result in an unquantifiable increase in receipts over the 5 years from 2022-23.

Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities

Receipts (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	137.5	235.4	227.1	118.0
<i>Related payments (\$m)</i>					
Department of the Treasury	-	41.1	58.6	55.5	25.8
Australian Taxation Office	-	23.2	27.0	28.3	15.8
<i>Total – Payments</i>	-	64.3	85.6	83.8	41.6

The Government will provide funding over 4 years from 1 July 2023 to enable the ATO to engage more effectively with businesses to address the growth of tax and superannuation liabilities.

The additional funding will facilitate ATO engagement with taxpayers who have high-value debts over \$100,000 and aged debts older than two years where those taxpayers are either public and multinational groups with an aggregated turnover of greater than \$10 million, or privately owned groups or individuals controlling over \$5 million of net wealth.

A lodgment penalty amnesty program is being provided for small businesses with aggregate turnover of less than \$10 million to encourage them to re-engage with the tax system. The amnesty will remit failure-to-lodge penalties for outstanding tax statements lodged in the period from 1 June 2023 to 31 December 2023 that were originally due during the period from 1 December 2019 to 29 February 2022.

This measure is estimated to increase receipts by \$718.0 million and increase payments by \$275.4 million over the 5 years from 2022–23. In addition to the \$82.1 million in funding for the ATO, the increase in payments also includes \$12.3 million in unpaid superannuation to be disbursed to employees, and \$181.0 million in GST payments to the states and territories.

Part 2: Payment Measures

Table 2: Payment measures since the 2022–23 October Budget^(a)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
AGRICULTURE, FISHERIES AND FORESTRY					
<i>Department of Agriculture, Fisheries and Forestry</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.4	-	-	-
Building a Better Future Through Considered Infrastructure Investment	-	0.7	-	-	-
Department of Agriculture, Fisheries and Forestry – funding supplementation	127.0	-	-	-	-
Partnering to Implement the National Soil Action Plan	-31.7	-	-	-	-
Phase Out of Live Sheep Exports by Sea – independent panel	2.2	3.4	-	-	-
Primary industries – changes to agricultural production levies(b)	-	-0.9	-1.4	-1.4	-1.4
Renewed Australian Animal Welfare Strategy	-	1.2	1.2	1.3	1.3
Simplified Trade System – additional funding	-	1.7	-	-	-
Strengthened and Sustainably Funded Biosecurity System(b)	-	198.7	269.3	300.3	265.9
Supporting a Stronger and More Sustainable Agriculture Sector	-2.6	11.6	11.3	7.5	7.9
Portfolio total	94.9	216.7	280.4	307.8	273.7
ATTORNEY-GENERAL'S					
<i>Administrative Appeals Tribunal</i>					
Continuation of Immigration Assessment Authority	-	4.0	-	-	-
Institutional Reform to Australia's System of Federal Administrative Review	-5.4	-4.6	-1.4	-1.5	-1.5
<i>Attorney-General's Department</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	3.5	3.2	2.8	2.8
Anti-Slavery Commissioner – establishment	-	2.0	2.0	2.0	2.0
Attorney-General's Portfolio – additional resourcing	nfp	nfp	nfp	nfp	nfp
Better, Safer Future for Central Australia Plan	-	-4.0	-3.5	-1.7	-
Enhancing Pacific Engagement(b)	-	2.7	3.0	3.1	3.1
Institutional Reform to Australia's System of Federal Administrative Review	5.4	4.6	1.4	1.5	1.5

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
ATTORNEY-GENERAL'S (continued)					
Nuclear-Powered Submarine Program – initial implementation(b)	-	1.2	1.2	-	-
Office of the Special Investigator Operations and Downstream Impacts Funding – extension	-	4.3	4.6	-	-
Strengthening Australia's Anti-Money Laundering Framework	-	-	-	-	-
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	20.0	21.0	nfp	nfp
Stronger Privacy Protection and Enforcement	-	0.5	0.5	-	-
Women's Safety	-	5.6	5.8	5.6	5.6
<i>Australian Criminal Intelligence Commission</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.4	-0.6	-0.8	-0.8
<i>Australian Federal Police</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.2	-0.3	-0.4	-0.4
Enhancing Pacific Engagement(b)	-	71.9	74.6	71.1	99.6
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	27.6	26.1	-	-
<i>Australian Law Reform Commission</i>					
Women's Safety	-	1.7	-	-	-
<i>Australian Transaction Reports and Analysis Centre</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.1	-0.2	-0.3	-0.3
Strengthening Australia's Anti-Money Laundering Framework	-	-	-	-	-
<i>Federal Court of Australia</i>					
Women's Safety	-	10.3	7.7	7.8	7.8
<i>Office of Parliamentary Counsel</i>					
Attorney-General's Portfolio – additional resourcing	-	0.8	1.9	2.0	1.4
<i>Office of the Australian Information Commissioner</i>					
Next Steps for Digital ID	-	1.1	-	-	-
Strengthening Medicare(b)	-	2.4	2.4	-	-
Stronger Privacy Protection and Enforcement	-	16.1	11.3	8.4	8.4
Treasury Portfolio – additional resourcing(b)	-	1.6	1.7	-	-
<i>Office of the Commonwealth Ombudsman</i>					
Improving the Administration of Student Loans(b)	-	-	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
ATTORNEY-GENERAL'S (continued)					
<i>Office of the Director of Public Prosecutions</i>					
Office of the Special Investigator					
Operations and Downstream Impacts					
Funding – extension	-	2.1	3.4	-	-
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	0.4	0.5	-	-
<i>Office of the Inspector-General of Intelligence and Security</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-	2.3	4.9	4.9
<i>Office of the Special Investigator</i>					
Office of the Special Investigator					
Operations and Downstream Impacts					
Funding – extension	-	56.7	58.4	-	-
Portfolio total	-	231.9	227.2	nfp	nfp
CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER					
<i>Australian Institute of Marine Science</i>					
Securing the Future of Australia's Marine Science	-	35.3	42.7	42.5	42.9
<i>Australian Renewable Energy Agency</i>					
Hydrogen Headstart	-	4.2	4.8	4.7	4.8
Powering the Regions Fund – final design	-	-	-	-	-
Reducing Transport Emissions	-	-	-	-	-5.2
<i>Bureau of Meteorology</i>					
Aviation Meteorological Services Charging Reform(b)	-	0.9	1.4	2.0	2.7
Flood Warning Infrastructure Network Remediation	-	8.6	19.6	22.6	26.3
National Climate Adaptation and Risk Program	-	16.4	6.5	-	-
Water Market Reform – strengthening integrity and transparency	-	7.5	8.5	8.8	7.9
<i>Clean Energy Finance Corporation</i>					
Household Energy Upgrades Fund – establishment(b)	-	2.6	2.5	2.6	2.7
<i>Clean Energy Regulator</i>					
Guarantee of Origin(b)	-	6.2	12.5	6.4	4.8
Independent Review of Australian Carbon Credit Units – initial response	-	2.3	-0.7	-4.5	-4.5
<i>Department of Climate Change, Energy, the Environment and Water</i>					
Capacity Investment Scheme	nfp	nfp	nfp	nfp	nfp
Capturing Australia's Emissions Reduction Data – additional funding	-	7.2	7.9	6.6	-
Climate Change, Energy, the Environment and Water – reprioritisation	-38.2	-32.5	-23.8	-6.0	-1.5

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER (continued)					
Closing the Gap – further investment	-	-	-	-	-
Energy Price Relief Plan	nfp	nfp	nfp	nfp	nfp
Ensuring the Supply of Reliable, Secure and Affordable Energy	-	16.7	8.8	7.1	0.9
Future-proofing the Murray-Darling Basin	-	27.2	16.6	1.1	-
Guarantee of Origin(b)	-	-6.2	-12.4	-6.4	-3.1
Household Energy Upgrades Fund – establishment(b)	-	23.2	75.4	111.7	128.3
Hydrogen Headstart	-	7.3	2.8	2.2	151.2
Independent Review of Australian Carbon Credit Units – initial response	-	9.1	7.4	4.5	4.5
National Climate Adaptation and Risk Program	-	3.0	2.1	-	-
National Waste Education Campaign	-	5.0	5.0	-	-
National Water Grid Fund – addressing legacy projects	-	-	-	-	-
National Water Grid Fund – delivering commitments	-	0.7	6.8	6.8	6.9
National Water Reform – First Nations peoples' water ownership	-	-	-	-	-
Natural Heritage Trust – project funding	-	-	-	-	-
Nature Positive Plan – better for the environment, better for business(b)	-	49.5	60.1	49.6	54.9
Nuclear-Powered Submarine Program – initial implementation(b)	-	4.5	3.1	-	-
Powering the Regions Fund – final design	-	-	-	-	-
Reducing Transport Emissions	-	3.6	1.2	0.2	0.2
Urban Rivers and Catchments Program – additional funding	-	-17.3	3.2	6.9	7.2
Waste Export Ban – delayed cost recovery	-	3.9	-	-	-
<i>Director of National Parks</i>					
Protecting Australia's Iconic National Parks	-	76.7	122.0	86.1	70.4
<i>Murray-Darling Basin Authority</i>					
Future-proofing the Murray-Darling Basin	-	28.7	32.4	25.6	16.9
<i>North Queensland Water Infrastructure Authority</i>					
North Queensland Water Infrastructure Authority – efficiencies(b)	-	-1.2	-2.7	-2.8	-2.8
<i>Sydney Harbour Federation Trust</i>					
Sydney Harbour Federation Trust – infrastructure improvements	-	25.7	19.6	-	-
Portfolio total	-38.2	318.8	433.3	378.3	516.4

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
DEFENCE					
<i>Australian Signals Directorate</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-1.4	-2.1	-2.9	-2.9
Cyber Security – additional funding	-0.2	-2.9	-3.0	-3.1	-3.1
<i>Department of Defence</i>					
Additional Assistance to Ukraine	-	-	-	-	-
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.3	-0.5	-0.6	-0.6
Advanced Strategic Capabilities Accelerator	-	-	-	-	-
Australian Defence Force Deployments	37.4	-	-	-	-
Cyber Security – additional funding	-	3.9	-	-	-
Enhancing Pacific Engagement(b)	-	-	-	-	-
Extension of the Defence Industry Pathways Program	-	-	-	-	-
Nuclear-Powered Submarine Program – initial implementation(b)	-	nfp	nfp	nfp	nfp
Office of the Special Investigator Operations and Downstream Impacts Funding – extension	-	-63.0	-66.4	-	-
Recognising the Australian Defence Force's Unique Service to the Nation	-	-	-	-	-
Securing a Unique and Critical Defence Capability(b)	-	nfp	nfp	nfp	nfp
<i>Department of Veterans' Affairs</i>					
A Modern and Clinically Appropriate Medicare Benefits Schedule	-	0.4	-0.6	-1.1	-1.3
Aged Care Regulatory Reform	-	1.7	1.7	-	-
Assistance for IVF – assisted reproductive technology storage	-	-0.1
COVID-19 Aged Care Response	0.3	-	-	-	-
COVID-19 Response	4.6	3.5	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
DEFENCE (continued)					
Department of Veterans' Affairs Claims Processing – additional funding	-	64.1	-	-	-
Funding Pay Increases for Aged Care Workers	-	1.1	-	-	-
Implementing Aged Care Reform – home care	-	0.3	-	-	-
Improving Aged Care Support(b)	-	-	..	0.1	0.1
Improving the Investment in Aged Care	-	-	-15.5	-18.1	-22.6
Increased Support for Commonwealth Rent Assistance Recipients	-	3.0	3.6	3.5	3.4
Jobs and Skills Summit – incentivise pensioners into the workforce – 6 months extension	-	0.2	-	-	-
Medicare Urgent Care Clinics – additional funding	..	0.6	0.4	0.5	0.5
Modernisation and Sustainment of ICT Systems	-	71.1	67.0	59.9	55.7
Pharmaceutical Benefits Scheme (PBS) New and Amended Listings(b)	1.9	4.6	5.0	5.7	4.7
Reducing Patient Costs and Improving Services through Community Pharmacies(b)	-	-4.1	-11.2	-14.9	-16.4
Sir John Monash Centre – additional funding	-	-	-	-	-
Strengthening Medicare(b)	-	7.1	10.2	9.7	9.4
Supporting Veteran Families at Risk	-	0.1	0.2	0.2	0.2
Supporting Veterans – volunteer training in suicide recognition and intervention	-	1.0	1.0	-	-
Vaping Regulation Reform and Smoking Cessation Package	-	-	-	0.8	0.8
Portfolio total	44.0	90.9	-10.2	39.7	27.9
EDUCATION					
<i>Department of Education</i>					
Additional Child Care Subsidy – improving access	-	..	-	-	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.2	-	-	-
Better, Safer Future for Central Australia Plan	-40.0	0.3	0.1	-	-
Child Care Subsidy Reform – additional integrity	-	-29.5	-37.4	-38.9	-39.0
Closing the Gap – further investment	-	0.3	-	-	-
Early Childhood Education and Care Workforce	0.1	30.8	25.5	9.1	6.9
Education – reprioritisation	-14.1	-15.4	-9.0	-10.7	-3.9
First Nations – supporting education outcomes	-2.2	14.4	16.4	0.2	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
EDUCATION (continued)					
Higher Education Support – amendments	-10.0	5.4	2.6	1.3	0.7
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Improving the Administration of Student Loans(b)	3.3	11.5	12.6	7.5	1.9
Migration Program – 2023-24 planning levels(b)	-	-0.9	-5.4	-4.7	-3.8
Nuclear-Powered Submarine Program – initial implementation(b)	-	11.0	26.9	39.9	50.7
Strengthening the Capability of the Education Portfolio to Deliver Critical Functions	-	30.9	32.9	37.6	4.1
Teacher Workforce Action Plan	-13.6	-3.2	-4.2	-6.6	0.4
Visa and Migration System(b)	-	-	-	-	-
Portfolio total	-76.5	55.8	61.0	34.7	18.0
EMPLOYMENT AND WORKPLACE RELATIONS					
<i>Asbestos Safety and Eradication Agency</i>					
Addressing Silicosis and Silica-Related Diseases	-	0.9	1.1	1.1	1.1
<i>Department of Employment and Workplace Relations</i>					
Addressing Silicosis and Silica-Related Diseases	-	2.3	2.0	0.8	0.8
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.4	-	-	-
Australian Skills Guarantee – implementation	-	2.8	2.1	2.1	1.5
Boosting Employment Support	4.6	18.2	2.0	0.8	0.2
Employment and Workplace Relations – reprioritisation	-16.9	-36.4	-47.6	-48.3	-47.9
Enhancing Pacific Engagement(b)	-1.4	36.9	27.8	40.1	63.3
Extension of National Skills Agreement Negotiation Resourcing	-	5.5	-	-	-
Foundation Skills Programs – redesign and pilot extension	-	12.9	-11.3	-6.2	4.6
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Improving the Administration of Student Loans(b)	-	13.6	18.7	4.7	4.7
Increase to Working Age Payments(b)	-	0.4	1.0	1.3	1.5
Increased Support for Commonwealth Rent Assistance Recipients	-	0.2	0.5	0.7	0.7
Migration Program – 2023-24 planning levels(b)	-	-	-
National Careers Institute – continuation	-	5.1	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
EMPLOYMENT AND WORKPLACE RELATIONS (continued)					
Nuclear-Powered Submarine Program – initial implementation(b)	-	1.9	2.0	-	-
Parenting Payment (Single) – improved support for single parents(b)	-	9.3	24.5	34.3	39.0
Safe and Fair Workplaces	-	12.5	12.1	1.1	1.1
Targeted Support for Apprenticeships	2.7	25.1	18.1	2.0	6.4
Visa and Migration System(b)	0.4	2.9	3.0	1.7	0.8
<i>Fair Work Commission</i>					
Safe and Fair Workplaces	-	0.6	-	-	-
<i>Office of the Fair Work Ombudsman</i>					
Employment and Workplace Relations – reprioritisation	-	-4.1	-3.9	-3.9	-3.9
Enhancing Pacific Engagement(b)	-	5.3	4.5	8.1	9.4
Portfolio total	-10.7	116.3	56.6	40.4	83.3
FINANCE					
<i>Australian Electoral Commission</i>					
Delivering the Referendum to Recognise Aboriginal and Torres Strait Peoples in the Constitution Through a Voice to Parliament	-	15.5	-	-	-
Electoral Commission – critical ICT replacement (second tranche)	-	nfp	nfp	nfp	nfp
<i>Department of Finance</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	..	-	-	-
Big Data, Timely Insights Phase 2 – securing Australia's critical economic data and supporting better informed macroeconomic policy	-	0.1	0.1	-	-
Buy Australian Plan(b)	-	6.6	4.0	4.7	2.9
Electoral Commission – critical ICT replacement (second tranche)	-	0.1	-	0.2	0.2
Establish the Australian Centre for Disease Control	-	0.1	0.1	-	-
Finance Portfolio – additional resourcing	-	18.0	12.3	12.4	12.5
Implementation of a global minimum tax and a domestic minimum tax(b)	-	0.1	0.1	0.1	0.1
Implementing Aged Care Reform – home care	-	0.1	-	-	-
Improving the Administration of Student Loans(b)	-	0.2	0.2	0.1	-
Improving the Culture of Parliamentary Workplaces	-	16.7	12.7	11.6	12.4
Improving the Effectiveness and Sustainability of the National Disability Insurance Scheme	-	0.1	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
FINANCE (continued)					
Modernisation and Sustainment of ICT Systems	-	0.1	0.1	0.1	0.1
Next Steps for Digital ID	-	10.0	-	-	-
Nuclear-Powered Submarine Program – initial implementation(b)	-	nfp	nfp	nfp	nfp
Parliamentary Workplace Reform	-	39.6	39.7	39.8	39.9
Progressing the National Disability Data Asset	-	0.1	0.1	0.1	0.1
Protecting the Australian Border	-	-0.1	-0.1	-	-
Securing a Unique and Critical Defence Capability(b)	-	nfp	nfp	nfp	nfp
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance(b)	-	0.1	-	-	-
Strengthened and Sustainably Funded Biosecurity System(b)	-	0.1	0.1	0.1	-
Strengthening the Capability of the Education Portfolio to Deliver Critical Functions	-	0.1	0.1	0.1	0.1
Sustain myGov	-	0.1	-	-	-
<i>Digital Transformation Agency</i>					
Next Steps for Digital ID	-4.5	4.5	-	-	-
Portfolio total	-4.5	112.2	69.5	69.4	68.3
FOREIGN AFFAIRS AND TRADE					
<i>Australian Secret Intelligence Service</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.7	-1.1	-1.5	-1.5
Australian Secret Intelligence Service – additional funding	-	-	-	-	-
<i>Australian Trade and Investment Commission</i>					
Austrade and Export Market Development Grants – reprioritisation	-	3.0	5.0	-43.5	-25.5
Simplified Trade System – additional funding	-	13.6	-	-	-
Supporting Australian Critical Minerals	-	1.4	1.8	1.8	1.8
Sydney WorldPride Grant	0.9	-	-	-	-
<i>Department of Foreign Affairs and Trade</i>					
An Australian Development Program Fit for Our Times	-	5.6	10.4	10.3	132.2
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.7	-	-	-
Attorney-General's Portfolio – additional resourcing	nfp	nfp	nfp	nfp	nfp

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
FOREIGN AFFAIRS AND TRADE (continued)					
Australian Diplomatic Representation to Afghanistan	-	3.0	2.6	2.7	2.6
Australian Engagement in Southeast Asia	-	7.8	10.3	10.8	11.9
Enhanced Strategic Capability	-	17.3	22.1	20.7	20.0
Enhancing Pacific Engagement(b)	-35.3	33.4	94.3	95.4	93.1
Expansion of Emerging Markets Impact Investment Fund	-	-15.0	-56.0	-52.0	-45.0
Indo-Pacific Economic Framework	-	6.6	9.7	7.8	7.8
Maintaining Support for an Effective Foreign Service	-	110.9	93.2	94.5	78.3
Nuclear-Powered Submarine Program – initial implementation(b)	-	34.7	39.9	-	-
Supporting Australian Critical Minerals	-	0.1	0.1	0.1	0.1
<i>Export Finance and Insurance Corporation (National Interest component)</i>					
Australian Infrastructure Financing Facility for the Pacific – Sasape Shipyard(b)	nfp	nfp	nfp	nfp	nfp
Portfolio total	-34.4	222.4	232.3	147.1	275.8
HEALTH AND AGED CARE					
<i>Aged Care Quality and Safety Commission</i>					
Aged Care Regulatory Reform	-	73.4	4.3	2.9	2.9
COVID-19 Aged Care Response	3.1	3.1	-	-	-
Implementing Aged Care Reform – home care	-	2.0	-	-	-
<i>Australian Digital Health Agency</i>					
COVID-19 Response	2.9	-	-	-	-
Implementing Aged Care Reform – home care	-	4.2	-	-	-
Reducing Patient Costs and Improving Services through Community Pharmacies(b)	-	3.0	2.7	0.4	0.4
Strengthening Medicare(b)	-	320.0	341.1	124.9	125.2
<i>Australian Institute of Health and Welfare</i>					
Long Term Dental Funding Reform	-	-	-	-	-
Developmental Work and Interim Funding	-	-	-	-	-
<i>Australian Radiation Protection and Nuclear Safety Agency</i>					
Ensuring Ongoing Radiation Protection and Nuclear Safety for All Australians	-	3.7	3.3	1.0	1.0
Nuclear-Powered Submarine Program – initial implementation(b)	-	19.1	6.2	-	-
<i>Australian Sports Commission</i>					
Investment in Sport	-	8.5	1.1	-	-
<i>Cancer Australia</i>					
Improving Health Outcomes for Aboriginal and Torres Strait Islander people	-	2.2	11.5	12.7	12.2

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
HEALTH AND AGED CARE (continued)					
Vaping Regulation Reform and Smoking Cessation Package	-	5.1	5.3	1.8	2.0
<i>Department of Health and Aged Care</i>					
10 Year National Action Plan for LGBTIQA+ Health and Wellbeing	-	-	-	-	-
A Modern and Clinically Appropriate Medicare Benefits Schedule	-	5.6	-69.8	-122.0	-134.0
Aged Care Regulatory Reform	-	98.7	48.4	29.4	22.9
Assistance for IVF – assisted reproductive technology storage	-	-2.6	-1.6	-0.8	0.2
Better, Safer Future for Central Australia Plan	..	3.5	6.2	6.3	-
COVID-19 Aged Care Response	223.1	361.5	-	-	-
COVID-19 Response	nfp	nfp	nfp	nfp	-
Delivering the Referendum to Recognise Aboriginal and Torres Strait Peoples in the Constitution Through a Voice to Parliament	-	10.5	-	-	-
Dengue and Other Disease Mitigation Through Mosquito Control in Tennant Creek	-	-0.4	-	-	-
Disaster Support	-	2.9	4.3	-	-
Enhancing National Strategies for Bloodborne Viruses and Sexually Transmissible Infections	-	9.8	-	-	-
Enhancing Pacific Engagement(b)	-	0.5	0.9	1.0	1.1
Establish the Australian Centre for Disease Control	-	42.1	47.7	-	-
Funding Pay Increases for Aged Care Workers	-	246.3	105.4	73.3	76.7
Good Friday Appeal – Royal Children's Hospital Melbourne	-	2.0	2.0	2.0	-
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Implementing Aged Care Reform – home care	-	239.9	36.0	17.9	15.9
Improving Aged Care Support(b)	0.9	171.2	265.3	195.2	180.8
Improving Health Outcomes for Aboriginal and Torres Strait Islander people	-	45.7	85.7	74.2	85.5
Improving the Investment in Aged Care	-	-	-583.5	-681.7	-851.8
Increased Support for Commonwealth Rent Assistance Recipients	-	0.2	0.3	0.3	0.3
Investment in Sport	-	4.8	0.5	1.0	3.5
Long Term Dental Funding Reform Developmental Work and Interim Funding	-	1.9	0.9	0.2	..
Medicare Urgent Care Clinics – additional funding	14.5	-5.1	-16.9	2.5	-
Mental Health	-1.3	160.8	93.9	-79.7	-84.8

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
HEALTH AND AGED CARE (continued)					
Migration Program – 2023–24 planning levels(b)	-	-0.1	-0.1
National Clinical Quality Registry Program	-	8.3	10.2	11.0	10.4
National Immunisation Program	-	65.6	95.4	102.4	103.8
National Medical Stockpile	0.7	0.7	-	-	-
Nuclear-Powered Submarine Program – initial implementation(b)	-	1.5	1.6	-	-
Parenting Payment (Single) – improved support for single parents(b)	-	4.4	6.8	8.0	8.9
Pharmaceutical Benefits Scheme (PBS) New and Amended Listings(b)	136.7	450.7	507.5	544.1	557.0
Preparatory Work for Implementation of New Legislation to Modernise the National Gene Technology Scheme – more effective delivery of regulation	-	3.2	-	-	-
Preventive Health Reform	-	23.1	13.9	9.6	4.2
Reducing Harm Caused by Alcohol and Other Drugs in Australia	-	19.4	13.7	-	-
Reducing Patient Costs and Improving Services through Community Pharmacies(b)	0.1	202.0	-131.5	-48.6	-80.2
Reinvesting in Health and Aged Care Programs	-	-414.6	-415.9	-417.0	-422.0
Revive – National Cultural Policy and Location Incentive(b)	-	-	-	1.5	1.7
Strengthening Medicare(b)	0.2	988.9	1,265.4	1,162.2	1,182.7
Strengthening Medicare – improving Medicare integrity	-	11.8	2.3	2.3	2.4
Support for Children and New and Expecting Parents	-	7.6	10.8	-	-
Support for People with Autism	-	0.9	0.3	-	-
Supporting Affordable Health Care – Cost Recovery Arrangements(b)	-	10.1	6.7	6.4	6.3
Therapeutic Goods Administration – public good activities	-	15.0	15.2	15.3	15.5
Urgent Health Supports for Flood-affected Communities	-	-	-	-	-
Vaping Regulation Reform and Smoking Cessation Package	-	53.5	67.2	172.7	173.4
Visa and Migration System(b)	0.1	2.1	3.9	3.5	2.9
Younger People in Residential Aged Care	-	2.8	2.1	0.6	-
<i>National Mental Health Commission</i>					
Mental Health	-	-	-	-	-
Portfolio total	381.0	3,301.0	1,876.7	1,236.8	1,027.0

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
HOME AFFAIRS					
<i>Australian Security Intelligence Organisation</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.4	-0.6	-0.9	-0.9
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	2.9	2.9	-	-
<i>Department of Home Affairs</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.2	-0.4	-0.5	-0.5
Adult Migrant English Program – improved delivery model	-	-	-	-	-
Amending measures of the former Government(b)	-0.7	-0.7	0.9	0.9	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.1	-	-	-
Building a Better Future Through Considered Infrastructure Investment	-	17.9	-	-	-
Cyber Security – additional funding	0.2	27.9	3.0	3.1	3.1
Enduring Funding Mechanism for AusCheck(b)	-	34.6	43.4	45.6	41.2
Enhancing Pacific Engagement(b)	-	7.6	6.5	7.8	8.3
Establish the Australian Centre for Disease Control	-	0.3	0.5	-	-
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Increasing the Passenger Movement Charge(b)	-	6.7	5.5	1.6	1.7
Migrant and Refugee Settlement Services	-	9.1	-	-	-
Migration Program – 2023-24 planning levels(b)	-	-3.1	-5.3	-1.9	-1.3
Permanent Residency and Citizenship Implications of the Love and Thoms High Court Case	-	1.6	1.4	1.1	0.4
Protecting the Australian Border	-73.7	-20.3	-18.4	4.5	4.6
Simplified Trade System – additional funding	-	8.0	-	-	-
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	1.4	1.4	-	-
Visa and Migration System(b)	73.4	165.8	27.9	12.3	15.3
Visa changes for Graduates and Students – increasing visa duration and work hours(b)	0.4	0.2	-	-	-
Women's Safety	-	5.1	2.0	1.4	1.5
<i>National Emergency Management Agency</i>					
Disaster Support	-3.5	nfp	nfp	nfp	nfp
Portfolio total	-3.9	264.5	70.7	75.0	73.4

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
INDUSTRY, SCIENCE AND RESOURCES					
<i>Australian Nuclear Science and Technology Organisation</i>					
Nuclear-Powered Submarine Program – initial implementation(b)	-	10.2	6.1	-	-
Securing a Responsive Nuclear Medicine and Science Capability for Australia	-	nfp	nfp	nfp	nfp
<i>Commonwealth Scientific and Industrial Research Organisation</i>					
Strengthening Medicare(b)	-	4.6	4.7	-	-
<i>Department of Industry, Science and Resources</i>					
Amending measures of the former Government(b)	-13.4	-16.8	-12.3	-12.0	-9.2
Australian Engagement in Southeast Asia	-	3.7	3.6	3.7	3.8
Enhanced Support for Small and Medium-sized Businesses and Startups	-	8.8	31.4	45.9	-4.1
Growing Australia's Critical Technologies Industries	-56.9	-20.6	13.4	31.6	17.9
National Reconstruction Fund Corporation – establishment(b)	-7.3	-30.6	2.0	2.1	2.1
Nuclear-Powered Submarine Program – initial implementation(b)	-	1.7	3.5	-	-
Powering the Regions Fund – final design	-	-	-	-	-
Refocusing Support for the Australian Space Industry	-34.4	-9.0	-8.0	6.9	1.0
Safely Managing Australia's Radioactive Waste	-	67.2	85.8	90.8	76.6
Securing a Responsive Nuclear Medicine and Science Capability for Australia	-	nfp	-	-	-
Strengthening Australia's Science, Technology, Engineering and Mathematics Capabilities	-8.4	59.9	21.8	15.4	12.5
Supporting Australian Critical Minerals	-1.1	16.2	18.4	16.5	16.5
Working with the Australian Resources Industry on the Pathway to Net Zero	-21.4	nfp	5.7	5.8	1.5
<i>National Offshore Petroleum Safety and Environmental Management Authority</i>					
Powering the Regions Fund – final design	-	-	-	-	-
<i>National Reconstruction Fund Corporation</i>					
National Reconstruction Fund Corporation – establishment(b)	-	53.2	nfp	nfp	-
Portfolio total	-143.0	148.5	176.2	206.7	118.7

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS					
<i>Australia Council</i>					
Revive – National Cultural Policy and Location Incentive(b)	-	22.5	45.5	62.6	72.6
<i>Australian Broadcasting Corporation</i>					
Better Funded National Broadcasters	-	-	-	17.9	18.5
Enhancing Pacific Engagement(b)	-	4.7	1.2	1.3	1.3
<i>Australian Communications and Media Authority</i>					
Fighting Scams(b)	-	4.3	2.0	2.1	2.1
Minimising Online Gambling Harms	-	nfp	nfp	nfp	nfp
Online Safety	-	32.2	32.9	33.3	33.7
Regulatory Powers to Combat Misinformation and Disinformation	-	2.3	1.9	1.9	1.9
<i>Australian Film, Television and Radio School</i>					
Supporting Arts Training in Australia	-	0.5	-	-	-
<i>Australian Maritime Safety Authority</i>					
Supporting Transport Priorities	-	15.3	-	-	-
<i>Australian National Maritime Museum</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	8.2	6.3	3.6	4.9
<i>Australian Transport Safety Bureau</i>					
Supporting Transport Priorities	-	4.6	-	-	-
<i>Civil Aviation Safety Authority</i>					
Supporting Transport Priorities	-	34.8	-	-	-
<i>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</i>					
2032 Brisbane Olympic and Paralympic Games – venue infrastructure	-	-	-	-	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.3	-	-	-
Better, Safer Future for Central Australia Plan	-	-	-	-	-
Building a Better Future Through Considered Infrastructure Investment	-	20.0	20.0	20.0	-
Disaster Support	-	nfp	nfp	nfp	nfp
Enhancing Pacific Engagement(b)	-	5.8	5.8	5.8	5.8
Fighting Scams(b)	-	0.2	0.1	0.1	0.1
Funding for Territories(b)	-	4.6	4.1	21.7	1.4
Heavy Vehicle Road User Charge – increase	-	-	-	-	-
National Approach for Sustainable Urban Development	-9.3	16.4	144.1	177.7	53.6
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	8.2	8.7	8.3	8.2

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS (continued)					
Online Safety	-	-	-	-	-
Reducing Transport Emissions	0.5	6.3	4.5	3.2	1.2
Regulatory Powers to Combat Misinformation and Disinformation	-2.3	-	-	-	-
Revive – National Cultural Policy and Location Incentive(b)	-42.2	0.5	16.5	-20.2	-54.2
Supporting Arts Training in Australia	-	8.8	-	-	-
Supporting Media Sustainability and Building Media Literacy	-	nfp	0.9	-	-
Supporting Transport Priorities	9.9	49.1	32.2	42.3	12.1
Viewer Access Satellite Television	nfp	nfp	nfp	nfp	nfp
White Paper on Developing Northern Australia – refresh	-	-	-	-	-
<i>National Archives of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	11.6	14.2	4.4	6.3
<i>National Film and Sound Archive of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	6.9	9.5	8.5	9.1
<i>National Gallery of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	36.8	41.1	19.9	21.3
Revive – National Cultural Policy and Location Incentive(b)	-	2.1	2.9	3.0	3.8
<i>National Library of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	38.9	54.9	28.2	29.9
<i>National Museum of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	22.8	24.7	14.8	15.9
<i>National Portrait Gallery of Australia</i>					
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	6.4	6.6	6.8	7.2
<i>National Transport Commission</i>					
Supporting Transport Priorities	-	-	-	-	-
<i>Old Parliament House</i>					
Delivering the Referendum to Recognise Aboriginal and Torres Strait Peoples in the Constitution Through a Voice to Parliament	-	-	-	-	-
National Cultural Policy – National Collecting Institutions – sustainability(b)	-	9.8	11.8	7.9	8.4
<i>Screen Australia</i>					
Revive – National Cultural Policy and Location Incentive(b)	-	0.9	0.9	0.9	0.9

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS (continued)					
<i>Special Broadcasting Service Corporation</i>					
Better Funded National Broadcasters	-	-	10.9	12.2	12.4
Portfolio total	-43.4	385.8	504.2	488.3	278.4
PARLIAMENT					
<i>Department of Parliamentary Services</i>					
Parliamentary Departments – additional resourcing	-	5.5	3.7	3.9	3.5
<i>Department of the House of Representatives</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	0.3	0.3	0.3	0.3
<i>Department of the Senate</i>					
Parliamentary Departments – additional resourcing	-	2.2	2.2	2.3	2.3
Portfolio total	-	8.0	6.3	6.4	6.2
PRIME MINISTER AND CABINET					
<i>Aboriginal Hostels Limited</i>					
Closing the Gap – further investment	-	10.0	10.0	-	-
<i>Australian Institute of Aboriginal and Torres Strait Islander Studies</i>					
Revive – National Cultural Policy and Location Incentive(b)	0.6	2.6	1.8	-	-
<i>Australian National Audit Office</i>					
Additional Resourcing for the Australian National Audit Office	-	3.4	3.1	4.1	3.9
<i>Australian Public Service Commission</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	3.7	1.8	-	-
<i>Department of the Prime Minister and Cabinet</i>					
Additional Resourcing for the National Australia Day Council	-	11.5	-	-	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	-2.9	-4.5	-	-
Enhancing Pacific Engagement(b)	-	0.5	0.5	0.5	0.5
Improving the Culture of Parliamentary Workplaces	-	4.0	-	-	-
National Net Zero Authority	-	23.2	20.0	20.0	20.0
Preserving Australia's Global Economic Influence	-	nfp	nfp	nfp	nfp
Prime Minister and Cabinet – additional resourcing	-	11.3	2.5	2.5	2.4

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
PRIME MINISTER AND CABINET (continued)					
<i>National Indigenous Australians Agency</i>					
Better, Safer Future for Central Australia Plan	42.2	2.0	14.7	24.7	31.0
Closing the Gap – further investment	-8.0	144.3	30.0	-14.0	-43.1
Delivering the Referendum to Recognise Aboriginal and Torres Strait Peoples in the Constitution Through a Voice to Parliament	-	5.5	-	-	-
Women's Safety – First Nations	-	19.0	37.8	6.9	6.5
<i>Office of National Intelligence</i>					
Adequate Funding for Oversight of Our Intelligence Agencies	-	-0.1	-0.1	-0.2	-0.2
Portfolio total	34.8	238.0	117.6	44.5	21.0
SOCIAL SERVICES					
<i>Australian Institute of Family Studies</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.5	-	-	-
<i>Department of Social Services</i>					
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.7	-	-	-
Central Coordination of Disability Policy – measure progress against Australia's Disability Strategy	-	2.8	2.8	2.3	2.3
Child Support Scheme – response to family law inquiry	-	2.4	0.5	0.3	-0.5
Closing the Gap – further investment	-14.6	-8.9	9.8	10.9	0.5
Disability Workforce COVID-19 Leave Grant	..	14.0	-	-	-
Ensuring Robust Policy, Financial, Legislative and Governance Oversight of the National Disability Insurance Scheme	-	13.0	-	-	-
Forced Adoption Support Services – 10 year anniversary funding	-	-	-	-	-
Future National Redress Scheme Funding	-	61.8	25.9	26.7	27.5
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Improving the Effectiveness and Sustainability of the National Disability Insurance Scheme	-	3.1	2.7	1.8	0.8
Increase to Working Age Payments(b)	-	961.1	1,286.6	1,289.3	1,297.0
Increased Support for Commonwealth Rent Assistance Recipients	-	523.7	699.9	720.4	738.5
Jobs and Skills Summit – incentivise pensioners into the workforce – 6 months extension	-	2.8	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
SOCIAL SERVICES (continued)					
Migration Program – 2023-24 planning levels(b)	-	-2.3	-4.0	-4.2	-3.5
Parenting Payment (Single) – improved support for single parents(b)	-	355.9	486.5	494.8	503.2
Permanent Residency and Citizenship Implications of the Love and Thoms High Court Case	-	0.1	0.3	0.2	0.2
Prime Minister and Cabinet – additional resourcing	-	0.5	-	-	-
Progressing the National Disability Data Asset	-	12.9	11.7	3.4	2.8
Social Services – grants and additional support	-	-	-	-	-
Strengthening Medicare(b)	-	0.3	0.3	0.3	0.3
Support for First Nations Disability Advocates	-	1.0	-	-	-
Support for People with Autism	-	3.7	-	-	-
Supported Employment	-	16.1	23.2	14.7	3.1
Targeting Entrenched Community Disadvantage	-	11.6	12.3	10.3	6.6
Visa and Migration System(b)	3.5	95.6	178.7	166.9	145.4
Women's Safety	-	8.0	19.1	13.5	9.5
Women's Safety – First Nations	-2.3	10.7	38.0	67.1	22.9
Younger People in Residential Aged Care	-	1.8	0.1	-	-
<i>National Disability Insurance Agency</i>					
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Improving the Effectiveness and Sustainability of the National Disability Insurance Scheme	-	278.2	180.6	133.4	-490.6
Migration Program – 2023-24 planning levels(b)	-	3.0	6.5	2.2	-2.5
Strengthening Medicare(b)	-	1.1	1.1	1.1	1.1
Visa and Migration System(b)	-	14.7	27.7	31.7	33.3
<i>NDIS Quality and Safeguards Commission</i>					
Investing in Market Quality and Safeguards for People with Disability	-	71.2	71.4	-	-
<i>Services Australia</i>					
A Modern and Clinically Appropriate Medicare Benefits Schedule	..	3.6	-1.2	-2.1	-2.3
Additional Child Care Subsidy – improving access	-	1.2	0.5	0.5	0.5
Administration of Emergency Response Payments	-	231.8	-	-	-
Aged Care Regulatory Reform	..	11.3	9.1	1.6	1.6
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.4	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
SOCIAL SERVICES (continued)					
Assistance for IVF – assisted reproductive technology storage	-	3.5	0.5	0.5	0.5
Boosting Employment Support	..	0.6	-	-	-
Child Care Subsidy Reform – additional integrity	-	1.3	1.3	1.4	1.4
Child Support Scheme – response to family law inquiry	..	2.5	..	-	-
Closing the Gap – further investment	0.1	0.3	-0.1	-	-
COVID-19 Aged Care Response	0.1	-	-	-	-
COVID-19 Response	14.9	7.4	0.3	0.3	0.3
Cyber Security – additional funding	-	2.8	-	-	-
Energy Price Relief Plan	nfp	nfp	nfp	nfp	nfp
Enhancing Pacific Engagement(b)	0.3	1.5
Funding Pay Increases for Aged Care Workers	0.8	8.3	1.3	0.8	0.8
Immigration Policy Settings for New Zealand Citizens(b)	-	-	-	-	-
Implementing Aged Care Reform – home care	-	22.5	-	-	-
Improving Aged Care Support(b)	-	18.2	5.5	2.4	2.0
Increase to Working Age Payments(b)	5.4	20.5	3.1	2.2	2.2
Increased Support for Commonwealth Rent Assistance Recipients	5.9	10.8	0.3	0.3	0.3
Jobs and Skills Summit – incentivise pensioners into the workforce – six months extension	-	0.7	-	-	-
Medicare Urgent Care Clinics – additional funding	0.7	4.0	1.2	1.1	-
Migration Program – 2023-24 planning levels(b)	-
National Immunisation Program	1.6	2.3	0.5	0.5	0.5
Parenting Payment (Single) – improved support for single parents(b)	2.4	-4.1	-30.1	-29.7	-29.3
Permanent Residency and Citizenship Implications of the Love and Thoms High Court Case	-
Pharmaceutical Benefits Scheme (PBS) New and Amended Listings(b)	0.8	-0.5	-0.7	-0.9	-1.0
Reducing Patient Costs and Improving Services through Community Pharmacies(b)	0.2	0.9	-2.3	-5.2	-5.5
Strengthening Medicare(b)	0.5	78.5	40.2	22.2	22.1
Strengthening Medicare – improving Medicare integrity	-	6.6	2.5	1.3	0.7
Sustain myGov	-	103.9	-	-	-
Targeted Support for Apprenticeships	-	0.2	-25.5	-20.5	-9.9
Vaping Regulation Reform and Smoking Cessation Package	-	-	-	0.2	0.2
Visa and Migration System(b)	0.1	1.6	3.1	2.2	1.2
Portfolio total	20.4	3,003.7	3,091.2	2,966.2	2,284.2

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY					
<i>Australian Bureau of Statistics</i>					
Big Data, Timely Insights Phase 2 – securing Australia's critical economic data and supporting better informed macroeconomic policy	-	40.7	47.4	39.2	29.2
Targeting Entrenched Community Disadvantage	-	3.7	4.8	4.1	3.8
<i>Australian Competition and Consumer Commission</i>					
Energy Price Relief Plan	nfp	nfp	nfp	nfp	nfp
Ensuring the Supply of Reliable, Secure and Affordable Energy	-	13.4	11.2	10.9	11.0
Fighting Scams(b)	-	18.5	23.6	15.9	-
Treasury Portfolio – additional resourcing(b)	-	31.9	37.7	-	-
Working with the Australian Resources Industry on the Pathway to Net Zero	0.4	-	-	-	-
<i>Australian Office of Financial Management</i>					
Comprehensive Sustainable Finance Agenda(b)	-	1.9	3.9	1.3	1.3
<i>Australian Securities and Investments Commission</i>					
Comprehensive Sustainable Finance Agenda(b)	-	4.3	-	-	-
Fighting Scams(b)	-	4.8	4.2	4.2	4.4
<i>Australian Taxation Office</i>					
Amending measures of the former Government(b)	-10.9	234.4	13.8	-7.3	-7.3
Better Targeted Superannuation Concessions(b)	-	4.5	14.3	16.0	10.8
Cyber Security – additional funding	-8.6	-	-	-	-
Driving Collaboration with Small Business to Reduce the Time Spent Complying with Tax Obligations	-	5.6	9.4	5.4	1.4
Extend the Personal Income Tax Compliance Program(b)	-	1.2	1.2	43.4	43.8
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program(b)	-	54.2	55.6	56.5	57.5
GST compliance program – 4-year extension(b)	-	146.7	148.0	149.1	145.0
Heavy Vehicle Road User Charge – increase	-	-101.8	-228.2	-369.3	-391.5

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY (continued)					
Housing (Build-To-Rent Developments) – accelerating tax deductions and reducing managed investment trust withholding tax rate(b)	-	-	2.9	0.9	0.6
Implementation of a global minimum tax and a domestic minimum tax(b)	-	39.4	29.5	21.9	19.7
Jobs and Skills Summit – incentivise pensioners into the workforce – 6 months extension	-	-	-	-	-
Next Steps for Digital ID	-	1.1	-	-	-
Petroleum Resource Rent Tax – Government Response to the Review of the PRRT Gas Transfer Pricing arrangements(b)	-	1.4	1.3	0.9	0.9
Reform of the Product Stewardship for Oil Scheme(b)	-	3.0	3.0	3.0	3.0
Revive – National Cultural Policy and Location Incentive(b)	-	-	-4.4	36.7	25.1
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance(b)	-	40.2	-	-	-285.0
Simplified Trade System – additional funding	-	0.6	-	-	-
Small Business Support – Small Business Energy Incentive(b)	-	3.9	0.3	-	-
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities(b)	-	23.2	27.0	28.3	15.8
Treasury Portfolio – additional resourcing(b)	-	0.8	0.7	0.8	0.6
<i>Department of the Treasury</i>					
2032 Brisbane Olympic and Paralympic Games – venue infrastructure	-	36.0	107.9	348.4	583.8
ACT Sustainable Household Scheme	-	7.5	-	-	-
APS Capability Reinvestment Fund: 2023-24 projects funded under round one(b)	-	0.2	-	-	-
Better Targeted Superannuation Concessions(b)	-	1.1	0.9	..	-
Better, Safer Future for Central Australia Plan	-	30.5	26.5	16.5	16.5
Building a Better Future Through Considered Infrastructure Investment	-	105.0	130.0	86.0	100.0
Climate Change, Energy, the Environment and Water – reprioritisation	-	-	-6.5	-	-
Closing the Gap – further investment	-	-	-	-	-

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY (continued)					
Comprehensive Sustainable Finance Agenda(b)	-	1.6	nfp	-	-
COVID-19 Response	142.6	142.6	-	-	-
Cyber Security – additional funding	-	6.7	8.5	8.2	-
Dengue and Other Disease Mitigation Through Mosquito Control in Tennant Creek	-	0.4	-	-	-
Disaster Support	-	-	-	-	-
Energy Price Relief Plan	nfp	nfp	nfp	nfp	nfp
Enhancing National Strategies for Bloodborne Viruses and Sexually Transmissible Infections	-	2.5	2.5	2.5	2.5
Enhancing Pacific Engagement(b)	-	5.0	15.0	25.0	35.0
Extend the Personal Income Tax Compliance Program(b)	-	0.6	0.6	-	-
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program(b)	-	3.1	7.8	10.3	11.5
GST compliance program – 4-year extension(b)	-	649.6	773.7	846.6	901.8
Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home(b)	-	2.7	-	-	-
Indirect Tax Concession Scheme – diplomatic and consular concessions(b)	-0.3	-	-	-	-
Long Term Dental Funding Reform Developmental Work and Interim Funding	-	107.8	107.8	-	-
Medicare Urgent Care Clinics – additional funding	9.2	19.4	25.8	26.3	-
Migration – raise the Temporary Skilled Migration Income Threshold (TSMIT)(b)	-	-	-	-	-
Migration Program – 2023-24 planning levels(b)	-	-5.0	-10.0	-10.0	-10.0
National Approach for Sustainable Urban Development	-	20.0	45.0	80.0	100.0
National Housing and Homelessness Agreement Transitional Funding	-	67.5	-	-	-
National Immunisation Program	-	-	2.9	-	-
National Waste Education Campaign	-9.8	-0.1	-0.1	-	-
National Water Grid Fund – addressing legacy projects	-29.5	-23.8	-17.6	-1.7	-52.4
National Water Grid Fund – delivering commitments	-4.7	-30.8	28.4	31.1	-1.2
Natural Heritage Trust – project funding	-	-	-	-	-
Partnering to Implement the National Soil Action Plan	-	20.0	-	-	-
Powering Australia – amendment to the Electric Car Discount(b)	-	-	-	-	5.0

Table 2: Payment measures since the 2022–23 October Budget^(a) (continued)

	2022-23 \$m	2023-24 \$m	2024-25 \$m	2025-26 \$m	2026-27 \$m
TREASURY (continued)					
Reform of the Product Stewardship for Oil Scheme(b)	-	2.0	2.0	3.0	3.0
Securing Australians' Superannuation Package – increasing the payment frequency of the Superannuation Guarantee (SG) and investing in SG compliance(b)	-	1.2	0.5	-	-
Small Business Support – Helping small business manage their tax instalments and improving cashflow(b)	-	-40.0	40.0	-	-
Strengthening Australia's Arrangements for High Risk Terrorist Offenders	-	11.6	14.2	-	-
Supporting Australian Critical Minerals	-	0.5	0.5	0.5	0.6
Supporting Transport Priorities	-	-47.0	-	-	-
Targeting Entrenched Community Disadvantage	-	2.0	12.1	20.0	30.0
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities(b)	-	41.1	58.6	55.5	25.8
Teacher Workforce Action Plan	4.0	7.0	7.0	7.0	-
Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax(b)	-	30.0	60.0	100.0	100.0
Treasury Portfolio – additional resourcing(b)	-0.4	39.9	23.4	6.5	10.5
Vaping Regulation Reform and Smoking Cessation Package	-	1.5	4.5	4.5	4.5
Visa and Migration System(b)	-	-	-	-	-
Visa changes for Graduates and Students – increasing visa duration and work hours(b)	-	10.0	35.0	60.0	80.0
Women's Safety	-	91.5	79.1	-	-
Working with the Australian Resources Industry on the Pathway to Net Zero	-	-6.9	1.9	5.0	-
Portfolio total	92.0	1,892.1	1,795.1	1,793.1	1,637.0
Decisions taken but not yet announced and not for publication (nfp)	899.4	3,172.4	1,827.3	971.5	973.6
Total impact of payment measures (c)	1,212.0	13,779.0	10,825.0	8,960.0	7,867.0

* The nature of the measure is such that a reliable estimate cannot be provided.

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

(a) A minus sign before an estimate indicates a reduction in payments, no sign before an estimate indicates increased payments.

(b) These measures can also be found in the receipt measures summary table.

(c) Measures may not add due to rounding.

Agriculture, Fisheries and Forestry

Department of Agriculture, Fisheries and Forestry – funding supplementation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	127.0	-	-	-	-

The Government will provide \$127.0 million in 2022–23 for the Department of Agriculture, Fisheries and Forestry (DAFF) to meet a funding shortfall predominantly related to cost recovered activities, and increased biosecurity operations including frontline border operations and import clearances. The supplementation funding will ensure that DAFF is able to meet its financial commitments as they fall due, while continuing to deliver its core functions.

See also the related payment measure titled *Strengthened and Sustainably Funded Biosecurity System*.

Partnering to Implement the National Soil Action Plan

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	20.0	-	-	-
Department of Agriculture, Fisheries and Forestry	-31.7	-	-	-	-
Total – Payments	-31.7	20.0	-	-	-

The Government will provide \$20.0 million in 2023–24 to fund states and territories to deliver initiatives that contribute to priority actions of the *National Soil Action Plan*, tailored to regional soil needs and conditions. Funding for this measure is subject to financial contributions from the states and territories.

This measure will be offset by redirecting \$20.0 million from the *National Soil Resources Information System* included as part of the 2021–22 Budget measure titled *Agriculture 2030*, with a further \$11.7 million redirected to offset other priorities in the Agriculture, Fisheries and Forestry portfolio.

Phase Out of Live Sheep Exports by Sea – independent panel

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	2.2	3.4	-	-	-

The Government will provide \$5.6 million over two years from 2022–23 to establish a panel to undertake an independent assessment and consultation process to inform the phase out of live sheep exports by sea.

Renewed Australian Animal Welfare Strategy

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	-	1.2	1.2	1.3	1.3

The Government will provide \$5.0 million over 4 years from 2023–24 to develop a renewed Australian Animal Welfare Strategy (the Strategy) to establish national standards to support improved animal welfare outcomes.

The Strategy will re-establish a national framework for priority setting and associated national standards; and measures for the improvement of animal welfare outcomes.

This measure builds on the 2022–23 October Budget measure titled *Animal Welfare Strategy – Inspector-General of Animal Welfare – establishment*.

This measure delivers on the Government’s election commitment as published in the *Plan for a Better Future*.

Strengthened and Sustainably Funded Biosecurity System

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	-	198.7	269.3	300.3	265.9
Department of Finance	-	0.1	0.1	0.1	-
Total – Payments	-	198.8	269.4	300.4	265.9
<i>Related receipts (\$m)</i>					
Department of Agriculture, Fisheries and Forestry	-	-	74.6	79.5	80.2

The Government will provide an additional \$1.0 billion over 4 years from 2023–24 (and \$268.1 million per year ongoing) to meet its election commitment to strengthen Australia’s biosecurity system. Funding includes:

- \$845.0 million over 4 years from 2023–24 (and \$255.3 million per year ongoing) to maintain biosecurity policy, operational and technical functions on a sustainable basis, including regulation, surveillance, domestic preparedness and response, and international engagement and capability development
- \$145.2 million over 3 years from 2023–24 to deliver modern digital systems in cargo pathways that are integrated with business systems, cut red tape and streamline regulation and service delivery for importers
- \$40.6 million over 4 years from 2023–24 (and \$12.0 million per year ongoing) to continue the *Indigenous Ranger Biosecurity Program* to reduce biosecurity risks in Northern Australia and provide social and economic benefits to First Nations, rural and remote communities.

The cost of the measure will be partially offset through introducing:

- cost recovery arrangements for the clearance of low value imported cargo, which is expected to raise \$81.3 million over 3 years from 2024–25
- a biosecurity protection levy on Australian producers of agricultural, forestry and fishery products from 1 July 2024, set at a rate equivalent to 10 per cent of the 2020–21 industry-led agricultural levies, which is estimated to increase receipts by \$153.0 million over 3 years from 2024–25. The levy recognises the benefits that primary producers derive from Australia’s biosecurity system, including detection, identification and response associated with invasive pests and diseases, maximising trade opportunities, and enhancing access to premium overseas markets.

This measure builds on the 2022–23 October Budget measure titled *Bolstering Australia’s Biosecurity System – protecting Australia from escalating exotic animal disease risks*.

Supporting a Stronger and More Sustainable Agriculture Sector

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Agriculture, Fisheries and Forestry	-2.6	11.6	11.3	7.5	7.9

The Government will provide \$38.3 million over 4 years from 2023–24 (and \$7.6 million per year ongoing) to support agricultural statistics, climate analysis and upgrades to data and information systems for the Australian Bureau of Agricultural and Resource Economics and Sciences.

This measure will be partially offset by savings from within the Agriculture, Fisheries and Forestry Portfolio.

Attorney-General's

Adequate Funding for Oversight of Our Intelligence Agencies

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Attorney-General's Department	-	3.5	3.2	2.8	2.8
Department of the House of Representatives	-	0.3	0.3	0.3	0.3
Office of the Inspector-General of Intelligence and Security	-	-	2.3	4.9	4.9
Office of National Intelligence	-	-0.1	-0.1	-0.2	-0.2
Australian Transaction Reports and Analysis Centre	-	-0.1	-0.2	-0.3	-0.3
Australian Federal Police	-	-0.2	-0.3	-0.4	-0.4
Department of Home Affairs	-	-0.2	-0.4	-0.5	-0.5
Department of Defence	-	-0.3	-0.5	-0.6	-0.6
Australian Criminal Intelligence Commission	-	-0.4	-0.6	-0.8	-0.8
Australian Security Intelligence Organisation	-	-0.4	-0.6	-0.9	-0.9
Australian Secret Intelligence Service	-	-0.7	-1.1	-1.5	-1.5
Australian Signals Directorate	-	-1.4	-2.1	-2.9	-2.9
Total – Payments	-	-	-	-	-

The Government will provide \$25.8 million over 4 years from 2023–24 (and \$8.1 million per year ongoing) to bolster oversight of National Intelligence Community agencies. Funding includes:

- \$12.4 million over 4 years from 2023–24 to support the review of national security and counter-terrorism laws by a full-time Independent National Security Legislation Monitor
- \$12.2 million over 3 years from 2024–25 for the Office of the Inspector-General of Intelligence and Security to support the Inspector-General's oversight role
- \$1.3 million over 4 years from 2023–24 to the Department of the House of Representatives to support an expansion of the oversight role of the Parliamentary Joint Committee on Intelligence and Security.

The cost of this measure will be met from within the existing resourcing of the National Intelligence Community agencies.

Anti-Slavery Commissioner – establishment

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Attorney-General's Department	-	2.0	2.0	2.0	2.0

The Government will provide \$8.0 million over 4 years from 2023–24 (and \$2.0 million per year ongoing) to establish an Anti-Slavery Commissioner to work across Government, industry and civil society, to support compliance with the *Modern Slavery Act 2018*, to improve transparency in supply chains and help fight modern slavery in Australia and abroad.

This measure delivers on the Government’s election commitment as published in the *Plan for a Better Future* and builds on the 2022–23 October Budget measure titled *Tackling Modern Slavery*.

Attorney-General’s Portfolio – additional resourcing

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Office of Parliamentary Counsel	-	0.8	1.9	2.0	1.4
Attorney-General's Department	nfp	nfp	nfp	nfp	nfp
Department of Foreign Affairs and Trade	nfp	nfp	nfp	nfp	nfp
Total – Payments	-	0.8	1.9	2.0	1.4

The Government will provide ongoing funding to support the delivery of Government priorities in the Attorney-General’s portfolio. Funding includes:

- additional funding for Australia’s participation in a number of international legal actions
- \$6.2 million in 2023–24 to be met from the Confiscated Assets Account under the *Proceeds of Crime Act 2002* to continue electronic surveillance legislative reform
- \$6.1 million over 4 years from 2023–24 (and \$1.4 million per year ongoing) for the Office of Parliamentary Counsel to increase legislative drafting capacity
- \$3.6 million in 2022–23 for Commonwealth representation before the Royal Commission into the Robodebt Scheme
- \$3.0 million over 4 years from 2023–24 (and \$0.8 million per year ongoing) for the Inspector of the National Anti-Corruption Commission to oversee the National Anti-Corruption Commission in accordance with the expanded functions of the Inspector in the *National Anti-Corruption Commission Act 2022* as determined by the Parliament during the passage of legislation.

The financial implications for this measure are partially not for publication (nfp) due to legal and international relations sensitivities.

Institutional Reform to Australia's System of Federal Administrative Review

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Attorney-General's Department	-	-	-	-	-
Administrative Appeals Tribunal	-	-	-	-	-
Total – Payments	-	-	-	-	-

The Government will provide \$89.5 million over 5 years from 2022–23 (and \$1.5 million per year ongoing) to support the establishment of a new federal administrative review body in place of the Administrative Appeals Tribunal (AAT). Funding includes:

- \$63.4 million over two years from 2023–24 to appoint additional full-time members to address the backlog of AAT cases
- \$14.4 million over 5 years from 2022–23 (and \$1.5 million per year ongoing) for the Attorney-General's Department to manage the transition to the new administrative review body
- \$11.7 million over two years from 2022–23 to develop a modern case-management system for the new administrative review body.

Funding for this measure has already been provided for by the Government.

Office of the Special Investigator Operations and Downstream Impacts Funding – extension

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Office of the Special Investigator	-	56.7	58.4	-	-
Attorney-General's Department	-	4.3	4.6	-	-
Office of the Director of Public Prosecutions	-	2.1	3.4	-	-
Department of Defence	-	-63.0	-66.4	-	-
Total – Payments	-	-	-	-	-

The Government will provide \$129.4 million over two years from 2023–24 to continue the work of the Office of the Special Investigator (OSI) and support the prosecution of alleged war crimes by Australian Defence Force troops in Afghanistan. Funding includes:

- \$115.1 million over two years from 2023–24 to enable the OSI to continue investigations
- \$8.8 million over two years from 2023–24 for the Attorney-General's Department to provide support to the OSI, including legal advice and requests for evidence from foreign jurisdictions
- \$5.5 million over two years from 2023–24 for the Office of the Director of Public Prosecutions to consider and prosecute briefs of evidence received from the OSI.

This measure will be offset by redirecting funding from the Department of Defence.

Strengthening Australia's Anti-Money Laundering Framework

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Attorney-General's Department	-	-	-	-	-
Australian Transaction Reports and Analysis Centre	-	-	-	-	-
Total – Payments	-	-	-	-	-

The Government will provide \$14.3 million over 4 years from 2023–24 to support policy and legislative reforms to harden Australia against illicit financing and evaluation of Australia's anti-money laundering framework. Funding includes:

- \$8.6 million over 3 years from 2023–24 to the Australian Transaction Reports and Analysis Centre (AUSTRAC) to develop and consult stakeholders on legislative reforms to modernise Australia's anti-money laundering and counter-terrorism financing regime and support preparation for, and participation in, the evaluation of Australia's regime against global standards by the Financial Action Task Force

- \$5.6 million over 4 years from 2023–24 in additional departmental resourcing for the Attorney-General's Department.

The cost of this measure will be met from the Confiscated Assets Account under the *Proceeds of Crime Act 2002*.

Strengthening Australia's Arrangements for High Risk Terrorist Offenders

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Federal Police	-	27.6	26.1	-	-
Attorney-General's Department	-	20.0	21.0	nfp	nfp
Department of the Treasury	-	11.6	14.2	-	-
Australian Security Intelligence Organisation	-	2.9	2.9	-	-
Department of Home Affairs	-	1.4	1.4	-	-
Office of the Director of Public Prosecutions	-	0.4	0.5	-	-
Total – Payments	-	64.0	66.1	nfp	nfp

The Government will provide \$130.1 million over two years from 2023–24 to continue to protect the Australian community from the threats posed by convicted high risk terrorist offenders, including through the assessment of ongoing risks and seeking and implementing post-sentence supervision orders after the completion of custodial sentences.

Ongoing funding from 2025–26 for this measure will be held in the Contingency Reserve until a review of arrangements with jurisdictions is completed.

Stronger Privacy Protection and Enforcement

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Office of the Australian Information Commissioner	-	16.1	11.3	8.4	8.4
Attorney-General's Department	-	0.5	0.5	-	-
Total – Payments	-	16.6	11.8	8.4	8.4

The Government will provide \$45.2 million over 4 years from 2023–24 (and \$8.4 million per year ongoing) for stronger privacy protection and enforcement. Funding includes:

- \$44.3 million over 4 years from 2023-24 (and \$8.4 million per year ongoing) for the Office of the Australian Information Commissioner to support a standalone Privacy Commissioner, progress investigations and enforcement action in response to privacy and data breaches, and enhance its data and analytics capability
- \$0.9 million over two years from 2023-24 for the Attorney-General's Department to progress the Government's response to the recent review of the *Privacy Act 1988* and to support a separate independent statutory review of Part IIIA of the Act, with costs associated with preparing the government response to the recent review to be met from within existing resources.

This measure builds on the 2022–23 October Budget measure titled *Attorney General's Portfolio – additional resourcing*.

Climate Change, Energy, the Environment and Water

ACT Sustainable Household Scheme

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	7.5	-	-	-

The Government will provide \$7.5 million in 2023-24 to support the ACT Sustainable Household Scheme, which provides concessional loans to households to electrify or improve the efficiency of their homes.

Aviation Meteorological Services Charging Reform

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Bureau of Meteorology	-	0.9	1.4	2.0	2.7
<i>Related receipts (\$m)</i>					
Bureau of Meteorology	-	12.0	11.6	12.8	13.9

The Government will save \$43.2 million over 4 years from 2023-24 (and \$11.7 million per year ongoing) by increasing the Meteorological Services Charge for international and domestic commercial aviation operators to ensure essential aviation meteorological services are appropriately funded.

This measure will deliver \$50.2 million over 4 years from 2023-24 in additional revenue (and \$14.4 million per year ongoing) from the aviation sector. The Government will also provide \$7.1 million over 4 years from 2023-24 (and \$2.8 million per year ongoing) to the Bureau of Meteorology to maintain and strengthen its capability to provide aviation meteorological services.

This measure builds on the 2022-23 October Budget measure titled *Aviation Meteorological Services – additional funding*.

Capacity Investment Scheme

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	nfp	nfp	nfp	nfp	nfp
Total – Payments	-	-	-	-	-

The Government will establish the Capacity Investment Scheme to underwrite new investment in clean energy, accelerating the development of cheap, clean renewable generation and storage and ensuring the smooth transformation of Australia’s energy market. Funding includes:

- \$9.9 million over 5 years from 2022–23 (and \$0.4 million per year to 2041–42) for the Australian Energy Market Operator to deliver auctions in South Australia and Victoria and undertake contract management activities for selected projects
- \$6.4 million in 2023–24 for the Department of Climate Change, Energy, the Environment and Water to design the auction process in late 2023 to operate in South Australia and Victoria, and continue work on a national rollout of the scheme
- underwriting costs for clean energy projects in South Australia and Victoria selected through the auction process.

The Government will also work with New South Wales to deliver Capacity Investment Scheme auctions in 2023 in partnership with the NSW Electricity Infrastructure Roadmap.

The financial implications for this measure are not for publication (nfp) due to commercial sensitivities.

The costs of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

Capturing Australia's Emissions Reduction Data – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	7.2	7.9	6.6	-

The Government will provide additional funding of \$21.8 million over 3 years from 2023–24 to maintain and enhance the capability of Australia's National Greenhouse Accounts to deliver high-quality emissions data and track progress against Australia's emissions reduction targets.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

Climate Change, Energy, the Environment and Water – reprioritisation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	-	-6.5	-	-
Department of Climate Change, Energy, the Environment and Water	-38.2	-32.5	-23.8	-6.0	-1.5
Total – Payments	-38.2	-32.5	-30.4	-6.0	-1.5

The Government will redirect \$113.1 million over 8 years from 2022–23 across the Climate Change, Energy, the Environment and Water portfolio to fund portfolio policy priorities. Redirected funding includes:

- \$57.2 million from uncommitted funding from the 2021–22 Budget measure titled *Emissions Reduction and New Investments under the Technology Investment Roadmap* to new measures supporting clean energy technology investment
- \$22.2 million from the partial reversal of the 2020–21 Budget measure titled *JobMaker Plan – securing Australia's liquid fuel stocks*, including reducing uncommitted funding for diesel storage projects not taken up by industry
- \$10.5 million from the partial reversal of the 2020–21 Budget measure titled *JobMaker Plan – investment in new energy technologies*, including redirecting uncommitted research funding to delivering high-quality emissions data and reporting against Australia's emissions reduction targets
- \$10.0 million from the partial reversal of the 2022–23 March Budget measure titled *Strengthening the Great Barrier Reef through Stewardship and Leadership*, with uncommitted funding to be redirected towards tropical marine science activities that better align with Government priorities

- \$6.5 million from the partial reversal of the 2021–22 Budget measure titled *Agriculture 2030*, with uncommitted funding from the *Food Waste for Healthy Soils Fund* to be redirected to better align with Government priorities
- \$4.0 million from the partial reversal of the 2021–22 Budget measure titled *Incentivising Recycling Behaviours*, with uncommitted funding from the *Food Waste for Healthy Soils Fund* to be redirected to better align with Government priorities
- \$2.0 million from the partial reversal of the 2022–23 March Budget measure titled *Streamlining Environmental Protections and Modernising Indigenous Cultural Heritage Protections*, with uncommitted funding to be redirected towards implementing the Government’s *Nature Positive Plan: better for environment, better for business*
- \$0.7 million from the partial reversal of the 2019–20 Budget measure titled *Climate Solutions Package* to redirect uncommitted funding from the Energy Efficient Communities program to better align with Government priorities.

Ensuring the Supply of Reliable, Secure and Affordable Energy

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	16.7	8.8	7.1	0.9
Australian Competition and Consumer Commission	-	13.4	11.2	10.9	11.0
Total – Payments	-	30.1	19.9	18.0	11.9

The Government will provide \$80.0 million over 4 years from 2023–24 (and \$11.1 million per year ongoing) to support the supply of cheap, clean and reliable energy across Australia. Funding includes:

- \$35.6 million over 4 years from 2023–24 (and \$8.8 million per year ongoing) to the Australian Energy Regulator (AER) to continue compliance and enforcement activities to regulate and monitor energy markets
- \$28.4 million over 4 years from 2023–24 to support the delivery of new cross-government energy market reforms and national energy projects as directed by Energy Ministers through the Energy Special Account
- \$10.9 million over 4 years from 2023–24 (and \$2.4 million per year ongoing) to the AER for new legislated functions that will support Australia’s energy transformation and reduce emissions.

The Government will also increase resilience in the retail electricity sector by progressing work with Snowy Hydro Limited to register in the Retailer of Last Resort scheme.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

This measure builds on the 2022–23 October Budget measure titled *Support for the Australian Energy Regulator to Implement Regulatory Changes*.

Flood Warning Infrastructure Network Remediation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Bureau of Meteorology	-	8.6	19.6	22.6	26.3
Total – Payments	-	8.6	19.6	22.6	26.3

The Government will provide \$236.0 million over 10 years from 2023–24 (and \$13.9 million per year ongoing from 2032–33) to remediate high priority flood warning infrastructure and address critical reliability risks. The Bureau of Meteorology will acquire, upgrade and integrate local and state government-owned rain and river gauges into its existing flood warning network.

Partial funding for this measure will be held in the Contingency Reserve until cost-sharing arrangements for the ongoing maintenance of these assets are agreed with states and territories.

Future-proofing the Murray-Darling Basin

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Murray-Darling Basin Authority	-	28.7	32.4	25.6	16.9
Department of Climate Change, Energy, the Environment and Water	-	27.2	16.6	1.1	-
Total – Payments	-	56.0	49.0	26.7	16.9

The Government will provide \$148.6 million over 4 years from 2023–24 towards the sustainability of the Murray-Darling Basin (Basin). Funding includes:

- \$103.7 million for the Murray-Darling Basin Authority to prepare for and undertake the first statutory review of the *Murray-Darling Basin Plan 2012*, with updated science to enable the Basin to adapt to the impacts of climate change
- \$44.9 million for the Department of Climate Change, Energy, the Environment and Water to provide advice and work with Basin states and affected communities on the Basin Plan.

This measure builds on the 2022–23 October Budget measures titled *Murray-Darling Basin Plan – compliance and science* and *Murray-Darling Basin – delivering on water commitments*.

Guarantee of Origin

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Clean Energy Regulator	-	6.2	12.5	6.4	4.8
Department of Climate Change, Energy, the Environment and Water	-	-6.2	-12.4	-6.4	-3.1
Total – Payments	-	0.1	0.1	..	1.7
<i>Related receipts (\$m)</i>					
Clean Energy Regulator	-	-	0.5	3.8	4.4

The Government will provide \$38.2 million over 4 years from 2023–24 (and \$6.5 million per year ongoing) to establish a Guarantee of Origin Certificate scheme to track and verify emissions associated with hydrogen and other low emissions products, and provide an enduring mechanism to certify renewable electricity.

The cost of this measure will be partially recovered from certification fees and partially provided by redirecting funding from 2023–24 from the Strategic International Partnerships Investment Stream program.

This measure builds on the 2022–23 October Budget measure titled *Enabling a Low Emissions Future and Supporting Green Markets*.

Household Energy Upgrades Fund – establishment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	23.2	75.4	111.7	128.3
Clean Energy Finance Corporation	-	2.6	2.5	2.6	2.7
Total – Payments	-	25.8	77.9	114.3	131.0
<i>Related receipts (\$m)</i>					
Clean Energy Finance Corporation	-	0.6	8.3	23.2	29.3

The Government will provide \$1.3 billion in funding to establish the Household Energy Upgrades Fund to support home upgrades that improve energy performance and save energy. Funding includes:

- \$1.0 billion in funding to the Clean Energy Finance Corporation to provide low-cost finance and mortgages in partnership with private financial institutions for home upgrades that save energy

- \$300.0 million over 4 years from 2023–24 held in the Contingency Reserve to support upgrades to social housing, in collaboration with states and territories, that save energy
- \$36.7 million over 4 years from 2023–24 (and \$2.1 million per year ongoing) to develop further initiatives to improve energy performance, including expanding and modernising the Greenhouse and Energy Minimum Standards program and the Nationwide House Energy Rating scheme.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

This measure extends the 2022–23 October Budget measure titled *Support for Energy Security and Reliability*.

Hydrogen Headstart

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	7.3	2.8	2.2	151.2
Australian Renewable Energy Agency	-	4.2	4.8	4.7	4.8
Total – Payments	-	11.5	7.7	6.9	156.1

The Government will provide \$2.0 billion to accelerate development of Australia’s hydrogen industry, catalyse clean energy industries, and help Australia connect to new global hydrogen supply chains. Funding includes:

- \$2.0 billion for the establishment of a new Hydrogen Headstart program, which will provide revenue support for investment in renewable hydrogen production through competitive production contracts, including funding for the Australian Renewable Energy Agency and the Department of Climate Change, Energy, the Environment and Water to support the development and operation of the program
- \$5.6 million in 2023–24 to analyse the implications for Australia of intensifying global competition for clean energy industry, and to identify actions before the end of 2023 to further catalyse clean energy industries, ensure Australian manufacturing competitiveness and attract capital investment
- \$2.0 million over two years from 2024–25 to establish a fund to support First Nations communities to engage with hydrogen project proponents and planning processes.

Funding for the Hydrogen Headstart program will be held in the Contingency Reserve.

Independent Review of Australian Carbon Credit Units – initial response

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	9.1	7.4	4.5	4.5
Clean Energy Regulator	-	2.3	-0.7	-4.5	-4.5
Total – Payments	-	11.4	6.7	-	-

The Government will provide \$18.1 million over two years from 2023–24 to implement priority reforms to the operation of the Australian Carbon Credit Unit (ACCU) scheme as part of the Government’s initial response to the Independent Review of Australian Carbon Credit Units. Funding includes:

- \$5.9 million over two years from 2023–24 to conduct audits of human induced regeneration projects
- \$4.5 million over two years from 2023–24 to upgrade the Clean Energy Regulator’s systems to publish carbon estimation area data
- \$4.2 million over two years from 2023–24 to consult on the design of proposed reforms
- \$3.5 million over two years from 2023–24 to establish the Carbon Abatement Integrity Committee to ensure method integrity for ACCUs.

The Government has also transferred functions relating to method development activities for ACCUs from the Clean Energy Regulator to the Department of Climate Change, Energy, the Environment and Water.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

National Climate Adaptation and Risk Program

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Bureau of Meteorology	-	16.4	6.5	-	-
Department of Climate Change, Energy, the Environment and Water	-	3.0	2.1	-	-
Total – Payments	-	19.4	8.6	-	-

The Government will provide \$28.0 million over two years from 2023–24 to develop Australia’s first National Climate Risk Assessment and a National Adaptation Plan to understand the risks to Australia from climate change, invest in a plan to adapt to those risks, and commission an independent review of the Australian Climate Service.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Climate Change, Energy, the Environment and Water – reprioritisation*.

This measure builds on the 2022–23 October Budget measure titled *Commonwealth Climate Risk and Opportunity Management Program*.

The Government will consider future funding for the *National Climate Adaptation and Risk Program* when the National Climate Risk Assessment and a National Adaptation Plan are developed.

National Waste Education Campaign

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	5.0	5.0	-	-
Department of the Treasury	-9.8	-0.1	-0.1	-	-
Total – Payments	-9.8	4.9	4.9	-	-

The Government will provide \$10.0 million over two years from 2023–24 towards a nationwide consumer behaviour change program for waste.

This measure will be fully offset by redirecting funding from the 2021–22 Budget measure titled *Agriculture 2030*.

National Water Grid Fund – addressing legacy projects

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	-	-	-	-
Department of the Treasury	-29.5	-23.8	-17.6	-1.7	-52.4
Total – Payments	-29.5	-23.8	-17.6	-1.7	-52.4

The Government will achieve savings of \$872.5 million over 11 years from 2022–23 through responsible investment decisions on National Water Grid Fund projects, including not proceeding with:

- \$595.0 million over 7 years from 2026–27 for the Dungowan Dam project, as the business case did not provide sufficient support for construction of the project
- \$162.5 million over 7 years from 2026–27 for the Emu Swamp Dam and Pipeline project, which is being reconsidered against alternative options as part of the regional water assessment
- \$39.7 million over 4 years from 2022–23 for the Southern Forests Irrigation Scheme project, as additional planning activities did not provide sufficient support for construction of the project
- \$35.0 million over 3 years from 2022–23 for the Fingal Irrigation Scheme, as low customer demand does not support construction of the project
- \$40.3 million over 3 years from 2022–23 for projects that are being re-sscoped, not progressing or do not require additional Commonwealth funding.

The measure also defers funding of \$19.1 million from 2026–27 for the Wyangala Dam Wall Raising and the Hughenden Irrigation Scheme projects, with a final decision on these projects to be taken once planning work is complete.

The savings from this measure will be redirected to fund other Government priorities.

This measure builds on the 2022–23 October Budget measure titled *Government Spending Audit – National Water Grid Fund – responsible investment*.

National Water Grid Fund – delivering commitments

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	0.7	6.8	6.8	6.9
Department of the Treasury	-4.7	-30.8	28.4	31.1	-1.2
Total – Payments	-4.7	-30.1	35.1	37.9	5.7

The Government will provide \$70.9 million over 11 years from 2023–24 to extend resourcing for the National Water Grid Authority to deliver committed water infrastructure projects and support its expanded remit.

The Government will also reallocate \$197.1 million over 6 years from 2023–24 from within the *National Water Grid Fund* to fund construction of 3 water infrastructure projects:

- \$109.0 million for the Northern Midlands Irrigation Scheme
- \$62.1 million for the Sassafras-Wesley Vale Irrigation Scheme
- \$26.1 million for the Quality Water for Wannon project.

This measure builds on the 2022–23 October Budget measure titled *National Water Grid – delivering commitments*.

The cost of this measure will be partially met from within the *National Water Grid Fund*.

National Water Reform – First Nations peoples' water ownership

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	-	-	-	-

The Government will provide \$9.2 million over 4 years from 2022–23 to consult on and design an enduring arrangement for First Nations peoples to own, access and manage water in Australia.

Funding for this measure has already been provided for by the Government.

This measure delivers on the Government's election commitment as published in the *Plan for a Better Future*.

Natural Heritage Trust – project funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	-	-	-	-
Department of the Treasury	-	-	-	-	-
Total – Payments	-	-	-	-	-

The Government will allocate \$741.3 million over 5 years from 2023–24 from the Natural Heritage Trust special account to support local and long-term environmental and agricultural outcomes. Funding includes:

- \$341.2 million over 5 years from 2023–24 to protect nature, threatened species and habitats and to maintain delivery capability through activities like the BushBlitz, Natural Resource Management (NRM) partnerships and on-ground conservation and recovery activities
- \$302.1 million over 5 years from 2023–24 to support a climate-smart, sustainable agricultural sector including funding for NRM organisations, on-ground projects, support for farmers to improve soil health and natural resources and funding to maintain delivery capability
- \$50.0 million over 5 years from 2023–24 to conserve and restore Ramsar listed wetlands and catchments
- \$48.0 million over 5 years from 2023–24 to continue management of Australia’s state-managed world heritage listed properties.

The cost of this measure will be met from within the existing resourcing of the Natural Heritage Trust special account.

This measure builds on the 2022–23 October Budget measure titled *Next Phase of Natural Heritage Trust Funding*.

Nature Positive Plan – better for the environment, better for business

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	49.5	60.1	49.6	54.9
<i>Related receipts (\$m)</i>					
Australian Taxation Office

The Government will provide \$214.1 million over 4 years from 2023–24 (and \$4.5 million per year ongoing) to deliver the *Nature Positive Plan: better for the environment, better for business* (Nature Positive Plan), including:

- \$121.0 million over 4 years from 2023–24 to establish Environment Protection Australia to enforce environmental laws and restore confidence in Australia’s environmental protection system
- \$51.5 million over 4 years from 2023–24 (and \$4.5 million per year ongoing) to establish Environment Information Australia to provide an authoritative source of high-quality environmental information
- \$34.0 million over two years from 2023–24 to implement the Nature Positive Plan, including legislative reforms and national environment standards
- \$7.7 million in 2023–24 to continue developing the foundations of a Nature Repair Market, including detailed rules (methods) for different types of projects.

The Government will delay the start date of the biodiversity certificate component of the 2022–23 March Budget measure titled *Primary Producers – increasing concessional tax treatment for carbon abatement and biodiversity stewardship income* from 1 July 2022 to 1 July 2024. This delay will align the start date of this component of the measure with the commencement of the Nature Repair Market.

The Government will also expand the eligibility criteria for existing on-ground support programs that build capacity and support participation in carbon and biodiversity markets to include all landholders and, by broadening access to these funds, to more organisations beyond Natural Resource Management groups, including First Nations groups.

The Government will consider future funding for the Nature Positive Plan when initial establishment work has been completed and ongoing administrative and operational requirements are better understood.

This measure builds on the 2022–23 October Budget measure titled *Response to the Samuel Review*.

North Queensland Water Infrastructure Authority – efficiencies

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
North Queensland Water Infrastructure Authority	-	-1.2	-2.7	-2.8	-2.8
<i>Related receipts (\$m)</i>					
North Queensland Water Infrastructure Authority	-	..	-	-	-

The Government will save \$9.5 million over 4 years from 2023-24 through the abolition of the North Queensland Water Infrastructure Authority.

The Government will transfer the functions of the North Queensland Water Infrastructure Authority to the Department of Climate Change, Energy, the Environment and Water.

Savings from this measure will be redirected to fund other Government policy priorities.

Powering the Regions Fund – final design

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Renewable Energy Agency	-	-	-	-	-
Department of Climate Change, Energy, the Environment and Water	-	-	-	-	-
Department of Industry, Science and Resources	-	-	-	-	-
National Offshore Petroleum Safety and Environmental Management Authority	-	-	-	-	-
Total – Payments	-	-	-	-	-

The Government will allocate \$1.3 billion over 5 years from 2022–23 from \$1.9 billion provided in the 2022–23 October Budget to support the decarbonisation of existing industries, develop new clean energy industries and support sovereign manufacturing capacity essential to the energy transition including:

- \$450.3 million over 4 years from 2023–24 (and a further \$149.7 million over 3 years from 2027–28) to establish the Safeguard Transformation Stream to support decarbonisation investments at trade-exposed industrial facilities covered by the Safeguard Mechanism
- \$400.0 million over 4 years from 2023–24 to establish the Industrial Transformation Stream to support reduction of direct and indirect emissions at existing industrial facilities, or clean energy development, in regional Australia

- \$400.0 million over 3 years from 2023–24 to establish the Critical Inputs to Clean Energy Industries Stream to support the sovereign manufacturing capability of industries that produce inputs (primary steel production, cement and lime, alumina and aluminium) that are essential to the development of Australia’s clean energy industries
- \$14.5 million over 4 years from 2023–24 to accelerate the development of the offshore renewable energy industry growth strategy and regulatory compliance activities
- \$8.6 million over 4 years from 2023–24 to support implementation and review of the Safeguard Mechanism reforms
- \$3.9 million over two years from 2023–24 for a review of policy options to reduce carbon leakage, including of an Australian carbon border adjustment mechanism.

Funding of \$89.0 million has also been provided through the Powering the Regions Fund to support energy transition investments important to regional Australia, including the 2023–24 Budget measures titled *Capacity Investment Scheme* and *Ensuring the Supply of Reliable, Secure and Affordable Energy*.

The *Powering the Regions Fund* will continue to support Government purchase of Australian Carbon Credit Units.

This measure builds on the 2022–23 October Budget measures titled *Establishing Offshore Renewables in Australia* and *Powering Australia – establishing the Powering the Regions Fund*.

Protecting Australia’s Iconic National Parks

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Director of National Parks	-	76.7	122.0	86.1	70.4

The Government will provide \$355.1 million over 4 years from 2023–24 (and \$68.0 million per year ongoing) to protect Commonwealth National Parks and marine reserves and deliver critical infrastructure funding for the Muñitjulu community, home to the Traditional Owners of Uluru-Kata Tjuta National Park. Funding includes:

- \$127.8 million over 4 years from 2023–24 (and \$40.3 million per year ongoing) to sustain the Director of National Parks’ core business, and deliver environmental conservation, on-park research and threatened species protection
- \$92.8 million over 4 years from 2023–24 (and \$0.7 million per year ongoing) to provide essential water, sewerage and electrical services for the Muñitjulu community
- \$70.4 million over 4 years from 2023–24 (and \$25.6 million per year ongoing) to sustain existing assets and prevent further deterioration, and address immediate safety risks by replacing assets at the end of their functional life

- \$27.6 million over 4 years from 2023–24 to address critical infrastructure needs, including housing, at the Booderee, Kakadu and Uluru-Kata Tjuta National Parks
- \$25.9 million over 4 years from 2023–24 to improve visitor and tourism infrastructure at Kakadu National Park
- \$10.6 million over 4 years from 2023–24 (and \$1.5 million per year ongoing) for essential technology and communication upgrades.

This measure, which includes essential water services for Muŋitjulu, will be partially offset by redirecting funding from the *National Water Grid Fund*.

See also the related payment measure titled *National Water Grid Fund – addressing legacy projects* in the Climate Change, Energy, the Environment and Water Portfolio.

Securing the Future of Australia's Marine Science

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Institute of Marine Science	-	35.3	42.7	42.5	42.9

The Government will provide \$163.4 million over 4 years from 2023–24 (and \$43.5 million per year ongoing) to secure the future of the Australian Institute of Marine Science (AIMS), addressing its ongoing financial sustainability. Funding includes:

- \$88.1 million over 4 years from 2023–24 (and \$29.7 million per year ongoing) for necessary increases to AIMS' workforce to enable it to continue delivering on projects to protect and restore the Great Barrier Reef
- \$40.4 million over 4 years from 2023–24 (and \$11.2 million per year ongoing) for enhancement of existing science and technology capabilities to improve the scale, scope and speed of marine monitoring and data analysis
- \$31.9 million over 4 years from 2023–24 (and \$2.3 million per year ongoing) for critical electrical infrastructure upgrades and refurbishment of unusable and unsafe lab and office facilities
- \$3.0 million over 4 years from 2023–24 (and \$0.3 million per year ongoing) for the replacement of the AIMS' small research vessel.

Sydney Harbour Federation Trust – infrastructure improvements

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Sydney Harbour Federation Trust	-	25.7	19.6	-	-

The Government will provide additional funding of \$45.2 million over two years from 2023–24 to continue the renewal and repair of heritage-listed infrastructure and undertake public safety improvements at North Head Sanctuary and Cockatoo Island.

The additional funding will support work to address the critical backlog of repair work at the North Head Sanctuary and Cockatoo Island.

The Government will consider future funding for the measure titled *Sydney Harbour Federation Trust – infrastructure improvements* when longer-term delivery plans for the Sydney Harbour Federation Trust *Strategic Asset Management Plan* are known.

Urban Rivers and Catchments Program – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	-17.3	3.2	6.9	7.2

The Government will provide additional funding of \$118.5 million over 6 years from 2023–24 for the *Urban Rivers and Catchments Program* to fund projects to improve local waterways, fund activities that restore the natural habitats of aquatic species and create recreational spaces for local communities. The additional funding will deliver the next phase of the program.

This measure will be partially offset by reprofiling funding from the 2022–23 October Budget measure titled *Next Phase of Natural Heritage Trust Funding*.

This measure builds on the 2022–23 October Budget measure titled *Urban Rivers and Catchments Program*.

Waste Export Ban – delayed cost recovery

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	-	3.9	-	-	-
Total – Payments	-	3.9	-	-	-

The Government will provide \$3.9 million in 2023–24 to delay the commencement of cost recovery for the regulation of waste exports under the *Recycling and Waste Reduction Act 2020* by one year to 1 July 2024 in recognition of the financial pressure on the recycling industry as it adapts to the full implementation of the waste export ban.

Cost recovery arrangements and future funding for this measure will be reviewed in the 2024–25 Budget to ensure they are fit-for-purpose, once introduced.

Water Market Reform – strengthening integrity and transparency

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Bureau of Meteorology	-	7.5	8.5	8.8	7.9
Total – Payments	-	7.5	8.5	8.8	7.9

The Government will provide \$32.7 million over 4 years from 2023–24 (and \$3.4 million per year ongoing) to restore transparency, integrity and confidence to water markets including:

- a single digital platform for national water data management
- a new water market website to publish minute-by-minute updates on water market information
- water market data standards that prescribe the data that must be provided to the Bureau of Meteorology to support transparency and enforceability of the new water market regulatory regime.

Partial funding for this measure will be held in the Contingency Reserve until the project's ICT investment approval process is completed.

This measure builds on the 2022–23 October Budget measure titled *Murray-Darling Basin – water market reform*.

Cross Portfolio

Better, Safer Future for Central Australia Plan

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	..	3.5	6.2	6.3	-
Department of the Treasury	-	30.5	26.5	16.5	16.5
National Indigenous Australians Agency	42.2	2.0	14.7	24.7	31.0
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	-	-	-	-
Attorney-General's Department	-	-4.0	-3.5	-1.7	-
Department of Education	-40.0	0.3	0.1	-	-
Total – Payments	2.2	32.3	44.0	45.8	47.5

As part of a \$250 million investment, the Government will provide funding of \$155.9 million over 5 years from 2022–23 to support the *Better, Safer Future for Central Australia Plan*. Funding includes:

- \$50.0 million over 4 years from 2023–24 under the *Infrastructure Investment Program* for infrastructure projects in Central Australia
- \$40.4 million over two years from 2023–24 to schools in Central Australia to improve school attendance and education outcomes. This measure will prioritise community engagement and locally driven responses in partnership with local community organisations
- \$23.5 million over 4 years from 2022–23 to expand the Child & Youth Assessment & Treatment Service and support the development of the Central Australian Aboriginal Congress Aboriginal Corporation’s ‘Health Hub’ in Alice Springs
- \$10.0 million over 4 years from 2023–24 for justice reinvestment initiatives in Central Australia to reduce crime, contact with the criminal justice system and recidivism through the Confiscated Assets Account
- \$10.0 million over 3 years from 2023–24 for broadband and mobile services upgrades to support digital connectivity needs for First Nations people in Central Australia through the *Regional Connectivity Program*
- \$9.2 million over 3 years from 2023–24 to address community safety and early intervention and crime prevention projects for First Nations people in Central Australia

- \$7.5 million over two years from 2023–24 for coordination, governance activities and capacity building in community-controlled organisations
- \$3.9 million over 3 years from 2023–24 for the development of a Youth Services Action Plan for Central Australia
- \$1.2 million in 2023–24 to establish up to 5 Junior Ranger sites in Central Australia
- \$0.3 million in 2022–23 to provide mobile and internet for Wi-Fi connectivity in Alice Springs Town Camps through the *Digital Connectivity Project*.

The remaining \$94.1 million over 5 years from 2022–23 will be held in the Contingency Reserve pending further work with Central Australian communities and First Nations organisations on the design and implementation of additional measures as part of the *Better, Safer Future for Central Australia Plan*.

This builds on the initial \$48.8 million package to improve community safety in Alice Springs and Central Australia announced by the Prime Minister on 24 January 2023. Funding included:

- \$25.0 million in 2023–24 to extend funding for safety and community services in Alice Springs
- \$14.2 million in 2022–23 to improve community safety in Alice Springs and surrounds
- \$2.0 million for CCTV, lighting and safety measures in Alice Springs
- \$5.6 million in 2023–24 for additional emergency accommodation and safe places in Alice Springs
- \$2.0 million over two years from 2022–23 to boost domestic violence services through the Tangentyere Council.

Delivering the Referendum to Recognise Aboriginal and Torres Strait Peoples in the Constitution Through a Voice to Parliament

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
National Indigenous Australians Agency	-	5.5	-	-	-
Old Parliament House	-	-	-	-	-
Australian Electoral Commission	-	15.5	-	-	-
Department of Health and Aged Care	-	10.5	-	-	-
Total – Payments	-	31.5	-	-	-

The Government will provide \$364.6 million over 3 years from 2022–23 to deliver the referendum to recognise Aboriginal and Torres Strait peoples in the Constitution through a Voice to Parliament. Funding includes:

- \$336.6 million over two years from 2023–24 for the Australian Electoral Commission to deliver the referendum, including \$10.6 million to produce information pamphlets for the ‘yes’ and ‘no’ cases for distribution to all Australian households
- \$12.0 million over two years from 2022–23 for the National Indigenous Australians Agency (NIAA) and the Museum of Australian Democracy for neutral public civics education and awareness activities
- \$10.5 million in 2023–24 to the Department of Health and Aged Care to increase mental health supports for First Nations people during the period of the referendum
- \$5.5 million in 2023–24 to the NIAA for consultation, policy and delivery.

The Government will also extend the 2022–23 March Budget measure titled *Indigenous Voice – Local and Regional Voice Implementation* until 30 June 2025, to enable the investment of \$20.0 million to progress Regional Voice arrangements.

Partial funding for this measure has already been provided for by the Government including \$160.0 million provisioned in the 2016–17 Budget measure titled *Towards Constitutional Recognition of Aboriginal and Torres Strait Islander peoples*.

This measure builds on the 2022–23 October Budget measure titled *Delivery of a First Nations Voice to Parliament Referendum – preparatory work*.

Energy Price Relief Plan

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Climate Change, Energy, the Environment and Water	nfp	nfp	nfp	nfp	nfp
Department of the Treasury	nfp	nfp	nfp	nfp	nfp
Australian Competition and Consumer Commission	nfp	nfp	nfp	nfp	nfp
Services Australia	nfp	nfp	nfp	nfp	nfp
Total – Payments	-	-	-	-	-

The Government will provide \$1.5 billion over 5 years from 2022–23 (and \$2.7 million per year ongoing) to reduce the impact of rising energy prices on Australian households and businesses by providing targeted energy bill relief and progressing gas market reforms. Funding includes:

- \$1.5 billion over two years from 2023–24 to establish the Energy Bill Relief Fund to support targeted energy bill relief to eligible households and small business customers, which includes pensioners, Commonwealth Seniors Health Card holders, Family Tax Benefit A and B recipients and small business customers of electricity retailers
- \$14.7 million over 5 years from 2022–23 (and \$2.7 million per year ongoing) to the Australian Competition and Consumer Commission to administer and enforce compliance with a temporary cap of \$12 per gigajoule on the price of gas and to develop and implement a mandatory gas code of conduct
- \$9.5 million over 3 years from 2022–23 for the Australian Energy Regulator to monitor coal and gas markets across the National Electricity Market.

The Government will also provide funding to support the New South Wales and Queensland governments to implement a cap of \$125 per tonne on the price of coal used for electricity generation. This funding is not for publication (nfp) due to commercial sensitivities.

This measure builds on the 2022–23 October Budget measure titled *Supporting the Supply of Australian Gas*.

Improving the Administration of Student Loans

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	3.3	11.5	12.6	7.5	1.9
Department of Employment and Workplace Relations	-	13.6	18.7	4.7	4.7
Office of the Commonwealth Ombudsman	-	-	-	-	-
Department of Finance	-	0.2	0.2	0.1	-
Total – Payments	3.3	25.3	31.5	12.3	6.7
<i>Related receipts (\$m)</i>					
Department of Employment and Workplace Relations	-0.4	-0.4	-0.4	-0.4	-0.4
Department of Education	-0.6	-0.6	-0.6	-0.6	-0.6
Total – Receipts	-1.0	-1.0	-1.0	-1.0	-1.0

The Government will provide \$87.8 million over 5 years from 2022–23 (including \$53.1 million in capital funding, and \$2.0 million per year ongoing) to improve the administration of student loans and enhance the security and privacy of data holdings. Funding includes:

- \$42.2 million over 4 years from 2023–24 for the Department of Employment and Workplace Relations to implement a new digital solution to support the efficient and effective administration of the *VET Student Loans* program
- \$36.9 million over 5 years from 2022–23 (and \$2.0 million per year ongoing) for the Department of Education to optimise the Tertiary Collection of Student Information system to improve data quality, analytic support and the security of tertiary student loan records
- \$8.7 million over two years from 2023–24 for the Commonwealth Ombudsman and the Department of Employment and Workplace Relations to extend the *VET FEE-HELP* student redress measures by one year to 31 December 2023.

The Government will also forgo \$5.4 million in receipts over 5 years from 2022–23 (and \$15.5 million over two years to 2033–34) to support students affected by a delay in the transfer of some historical tertiary education loan records to the Australian Taxation Office. This will mean waiving the following debts for affected loans, as determined at the date of transfer to the Australian Taxation Office:

- historical indexation, as well as indexation that will be applied on 1 June 2023 on loans issued prior to 1 July 2022 under the *Higher Education Loan Program*, the *VET Student Loans* program, the *Trade Support Loans* program and on loans issued in 2017 and 2018 under the *VET FEE-HELP* program
- outstanding debt for *VET FEE-HELP* loans issued from 2009 to 2016.

Partial funding for this measure has already been provided for by the Government.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measures titled *Education – reprioritisation* and *Employment and Workplace Relations – reprioritisation*.

Women’s Safety

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	91.5	79.1	-	-
Federal Court of Australia	-	10.3	7.7	7.8	7.8
Department of Social Services	-	8.0	19.1	13.5	9.5
Attorney-General’s Department	-	5.6	5.8	5.6	5.6
Department of Home Affairs	-	5.1	2.0	1.4	1.5
Australian Law Reform Commission	-	1.7	-	-	-
Total – Payments	-	122.3	113.6	28.2	24.4

The Government will provide a further \$326.7 million over 4 years from 2023–24 (and \$19.4 million per year ongoing) to deliver women’s safety initiatives under the *National Plan to End Violence Against Women and Children 2022–32* (the National Plan). Funding includes:

- \$159.0 million over two years from 2023–24 to extend the Family and Domestic and Sexual Violence Responses National Partnership Agreement with state and territory governments and to continue to address service gaps to and support frontline service delivery
- \$38.2 million to extend the current *Escaping Violence Payment* (EVP) and Temporary Visa Holders Experiencing Violence Pilot (TVP) to January 2025. The cost of this proposal would be met from within the existing resourcing of the Department of Social Services
- \$33.1 million over 4 years from 2023–24 (and \$7.6 million per year ongoing) to continue and expand nationally the *Family Law Priority Property Pool* program (PPP500) that helps separated couples achieve quick, fair and affordable settlements via a streamlined court process to resolve small property disputes
- \$24.3 million over 4 years from 2023–24 (and \$5.9 million per year ongoing) to pilot an additional referral pathway for the *Support for Trafficked People Program* and restructure the program to better meet the needs of victim-survivors, while increasing ongoing funding to address current and projected demand

- \$18.4 million over 4 years from 2023–24 (and \$5.0 million per year ongoing) to improve safety in international child abduction cases for women and children fleeing violence
- \$13.4 million over two years from 2023–24 to extend the *Lawyer-assisted Family Law Property Mediation* program, assisting separated couples to mediate and reach agreement on property division in family law matters involving small property pools
- \$12.1 million over 4 years from 2023–24 to develop and distribute social media resources for young people on consent with advice from an expert advisory group, and to support community-led sexual violence prevention pilots
- \$10.0 million over 4 years from 2023–24 to expand the family violence provisions within the *Migration Regulations 1994* and support visa holders experiencing domestic and family violence, including secondary applicants for permanent visa subclasses, offshore temporary Partner visa applicants and Prospective Marriage visa holders
- \$8.5 million over 4 years from 2023–24 for initiatives aimed at early intervention to prevent domestic, family and sexual violence, including by developing a perpetrator risk assessment framework for frontline service providers, extending the Mensline Changing for Good Service and developing a national perpetrator referral database of services to improve uptake of intervention services
- \$6.5 million over 4 years from 2023–24 (and \$0.9 million per year ongoing) for the Attorney-General’s Department to work with states and territories to strengthen and harmonise sexual assault and consent laws, and for the Australian Law Reform Commission to review justice responses to sexual violence
- \$3.3 million over 3 years from 2023–24 to review emergency accommodation services and their suitability for children and to conduct an independent evaluation of the 1800RESPECT service.

This measure builds on the 2022–23 October Budget measure titled *Women’s Safety*.

See also the related payment measure titled *Women’s Safety – First Nations*.

Women's Safety – First Nations

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
National Indigenous Australians Agency	-	19.0	37.8	6.9	6.5
Department of Social Services	-2.3	10.7	38.0	67.1	22.9
Total – Payments	-2.3	29.7	75.8	74.0	29.4

The Government will provide \$194.0 million over 5 years from 2022–23 (and \$4.0 million in 2027–28) to support the *Dedicated Aboriginal and Torres Strait Islander Action Plan* (Action Plan) under the *National Plan to End Violence against Women and Children 2022–2032*. Funding includes:

- \$145.3 million over 4 years from 2023–24, including a provision of \$128.6 million in the Contingency Reserve, to support activities which address immediate safety concerns for First Nations women and children who are experiencing, or at risk of experiencing, family, and domestic and sexual violence
- \$23.2 million over 4 years from 2023–24 to support families impacted by violence and at risk of engaging in the child protection system, through delivery of 7 place-based, trauma-aware and culturally responsive healing programs aimed at early intervention and recovery and supporting families
- \$17.6 million over two years from 2023–24 to deliver on family safety initiatives under the Action Plan
- \$7.8 million over 5 years from 2022–23 (and \$4.0 million in 2027–28) to support the development of a standalone First Nations National Plan for Family Safety, including governance, secretariat and data arrangements.

To support priorities under the 2023 *Commonwealth Closing the Gap Implementation Plan*, the Government will also provide \$68.6 million over two years from 2023–24 to support Family Violence Prevention Legal Services Providers to deliver legal and non-legal support for First Nations victim-survivors of family, domestic and sexual violence, and will also undertake an initial review to inform the development of a national standard for government data on lost, missing, or murdered First Nations women and children.

The cost of this measure will be partially met from within the existing resourcing of the Department of Social Services and the National Indigenous Australians Agency's *Indigenous Advancement Strategy*.

See also the related payment measure titled *Women's Safety*.

Defence

Additional Assistance to Ukraine

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	-	-	-	-	-

The Government will provide \$189.6 million over two years from 2022–23 to deliver additional assistance to Ukraine following the invasion by Russia. This includes the provision of Bushmaster Protected Mobility Vehicles and unmanned aerial vehicles, infantry training to the Ukrainian Armed Forces and 155-millimetre artillery ammunition to Ukraine as part of a joint initiative between France and Australia.

The cost of this measure will be met from within the existing resourcing of the Department of Defence and funding already provided for by the Government.

This measure extends the 2022–23 October Budget measure titled *Assistance to Ukraine*.

Advanced Strategic Capabilities Accelerator

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	-	-	-	-	-

The Government will provide \$3.4 billion over 10 years from 2023–24 to establish the Advanced Strategic Capabilities Accelerator within the Department of Defence to lift capacity to translate disruptive new technologies into Defence capability rapidly, in close partnership with Australian industry.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

This measure delivers on the Government's election commitment *Advanced Strategic Research Agency* as published in the *Plan for a Better Future*, and implements a key priority in line with the recommendations of the *Defence Strategic Review*.

Australian Defence Force Deployments

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	37.4	-	-	-	-

The Government will provide \$37.4 million in 2022–23 for Australian Defence Force deployments, including:

- assisting the Solomon Islands' Government to maintain stability and security under *Operation Lilia*
- providing training to the Armed Forces of Ukraine as part of a United Kingdom-led program under *Operation Kudu*
- undertaking additional surveillance in support of the Department of Home Affairs' *Operation Sovereign Borders*
- supporting the Vanuatu Government following Tropical Cyclones Judy and Kevin in March 2023, including deployment of personnel, air transport and aerial damage assessments under *Operation Vanuatu Assist 23*.

Department of Veterans' Affairs Claims Processing – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	64.1	-	-	-

The Government will provide \$64.1 million in 2023–24 to provide additional resourcing to help eliminate the claims backlog and continue providing increased support to veterans who are having claims processed. This measure will respond to increased demand for downstream services, particularly in the Veteran Access Network, Complex Case Management, Account Processing, Information Access and Rehabilitation, Pharmacy and Health Approvals.

This measure builds on the 2022–23 October Budget measures titled *Investing in Frontline Service Delivery and Expanding the Demand Driven Funding Model*.

This measure supports the *Australian Government Response to the Interim Report of the Royal Commission into Defence and Veteran Suicide*.

Extension of the Defence Industry Pathways Program

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	-	-	-	-	-

The Government will provide \$11.4 million over 3 years from 2023–24 to extend the Defence Industry Pathways Program within the Western Australian shipbuilding sector. The Program provides 12-month skills development opportunities through which participants gain an understanding of defence industry and obtain a nationally accredited Certificate III qualification.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

Modernisation and Sustainment of ICT Systems

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	71.1	67.0	59.9	55.7
Department of Finance	-	0.1	0.1	0.1	0.1
Total – Payments	-	71.2	67.1	60.0	55.8

The Government will provide \$254.1 million over 4 years from 2023–24 (and \$56.1 million per year ongoing from 2027–28) to replace, enhance and sustain the Department of Veterans' Affairs' new and at-risk legacy ICT systems.

This measure builds on the 2022–23 October Budget measure titled *Modernisation to Reduce Wait Times to Access Support and Services*.

This measure supports the *Australian Government Response to the Interim Report of the Royal Commission into Defence and Veteran Suicide*.

Nuclear-Powered Submarine Program – initial implementation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	34.7	39.9	-	-
Australian Radiation Protection and Nuclear Safety Agency	-	19.1	6.2	-	-
Department of Education	-	11.0	26.9	39.9	50.7
Australian Nuclear Science and Technology Organisation	-	10.2	6.1	-	-
Department of Climate Change, Energy, the Environment and Water	-	4.5	3.1	-	-
Department of Employment and Workplace Relations	-	1.9	2.0	-	-
Department of Industry, Science and Resources	-	1.7	3.5	-	-
Department of Health and Aged Care	-	1.5	1.6	-	-
Attorney-General's Department	-	1.2	1.2	-	-
Department of Defence	-	nfp	nfp	nfp	nfp
Department of Finance	-	nfp	nfp	nfp	nfp
Total – Payments	-	85.8	90.4	39.9	50.7
<i>Related receipts (\$m)</i>					
<i>Department of Education</i>	-	-	-

The Government will provide \$4.5 billion over 10 years from 2023–24 (and \$482.7 million per year ongoing) to support the initial steps in Australia’s acquisition of a conventionally-armed, nuclear-powered submarine capability. This forms part of the whole-of-program costs over the decade and funding includes:

- \$4.2 billion over 10 years from 2023–24 (and \$482.7 million per year ongoing) to support the establishment and ongoing operation of a new Australian Submarine Agency (the Agency), within the Defence portfolio to manage Australia’s nuclear-powered submarine program. This includes \$15.3 million over 10 years from 2023–24 (and \$1.5 million per year ongoing) to establish an Independent Monitor and Adviser to provide independent assurance for the nuclear-powered submarine program through periodic health-checks and proactive advice. The Agency will be funded through the Department of Defence until the Agency has been formally established
- \$127.3 million over 4 years from 2023–24 for 4,000 additional commencing Commonwealth supported places at universities and other higher education providers for courses that support the skills requirements of the nuclear-powered submarine program, including STEM and management disciplines. Of these places, at least 800 will be allocated to South Australian universities with the remainder to be allocated through a competitive process

- \$87.2 million over two years from 2023–24 to support initial regulatory activities and the development of regulatory standards and frameworks, and non-proliferation and safeguards arrangements for the nuclear-powered submarine program including:
 - \$25.2 million over two years from 2023–24 for the Australian Radiation Protection and Nuclear Safety Agency to conduct nuclear licencing activities and provide advice and services
 - \$21.9 million over two years from 2023–24 for the Australian Safeguards and Non-Proliferation Office to support the establishment of non-proliferation and safeguard arrangements with the International Atomic Energy Agency
 - \$16.3 million over two years for the Australian Nuclear Science and Technology Organisation to support radiological baselining and monitoring, and provide advice on the safe implementation of nuclear technology
 - \$7.9 million in 2023–24 for the Agency to support the establishment of the Australian Nuclear-Powered Submarine Safety Regulator and develop associated nuclear regulatory standards and frameworks
 - \$7.6 million over two years from 2023–24 for the Department of Climate Change, Energy, the Environment and Water to conduct the environmental regulation and assessments required under relevant environmental legislation
 - \$5.2 million over two years from 2023–24 for the Australian Radioactive Waste Agency within the Department of Industry, Science and Resources to support the development of radioactive waste management, storage and disposal arrangements with the Department of Defence and the Agency
 - \$3.1 million over two years from 2023–24 for the Department of Health and Aged Care to provide radiation health and safety advice, and support the review national of regulatory arrangements
- \$52.7 million over two years from 2023–24 for the Department of Foreign Affairs and Trade to provide international policy advice and diplomatic support for the nuclear-powered submarine program
- \$11.1 million over two years from 2023–24 for the Department of Finance to provide commercial, financial and investment program management advice in support of the delivery of the nuclear-powered submarine program
- \$3.9 million over two years from 2023–24 for the Department of Employment and Workplace Relations to establish a dedicated taskforce to support the development and delivery of skills and training initiatives for the nuclear-powered submarine program
- \$2.4 million over two years from 2023–24 for the Attorney-General’s Department to provide legal and policy advice for the nuclear-powered submarine program, including for the development of relevant treaties and international agreements

- \$1.1 million over two years from 2023–24 for the Department of Education to support the development and delivery of education, skills and training initiatives for the nuclear-powered submarine program.

The Government will also provide Australian Naval Infrastructure Pty Ltd with an equity injection over 5 years from 2023–24 to commence early construction and design works for a submarine construction yard and to design the Skills and Training Academy, in South Australia. The financial implications of this component of the measure are not for publication (nfp) due to commercial sensitivities.

This measure forms part of the Government’s nuclear-powered submarine program announced on 14 March 2023.

This measure will support the implementation of the Government’s response to the *Defence Strategic Review* (2023).

This measure will be offset through a broader reprioritisation within the *Defence Integrated Investment Program*.

Recognising the Australian Defence Force’s Unique Service to the Nation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	-	-	-	-	-

The Government will provide \$397.4 million over two years from 2023–24 to support the retention of Defence personnel and the achievement of Defence’s workforce growth targets. Funding includes:

- \$395.4 million over two years from 2023–24 to pilot a \$50,000 continuation bonus that would be offered to Australian Defence Force (ADF) personnel nearing the completion of relevant initial periods of service
- \$2.0 million in 2023–24 to conduct a defence housing feasibility review aimed at reducing the housing burden on ADF personnel, encouraging home ownership and ensuring Defence housing meets future needs.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

This measure supports the priority for growth and retention of a highly skilled Defence workforce within the Government’s response to the *Defence Strategic Review*.

Sir John Monash Centre – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	-	-	-	-

The Government will provide additional capital funding of \$8.3 million over 6 years from 2023–24 to support the Sir John Monash Centre in France.

The additional funding is required to replace ageing technical equipment and maintain compatibility with new and emerging technology.

Funding for this measure has already been provided for by the Government.

Supporting Veteran Families at Risk

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	0.1	0.2	0.2	0.2

The Government will provide \$0.5 million over 4 years from 2023–24 (and \$0.2 million per year ongoing) to expand the supports under the *Defence, Veterans' and Families' Acute Support Package Act* to grandparents who are full-time carers for grandchildren who are children of a veteran.

Supporting Veterans – volunteer training in suicide recognition and intervention

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	1.0	1.0	-	-

The Government will provide additional funding of \$2.0 million over two years from 2023–24 to continue the Department of Veterans' Affairs' mental health literacy and suicide intervention training program for the ex-service community.

This measure supports the *Australian Government Response to the Interim Report of the Royal Commission into Defence and Veteran Suicide*.

Education

Additional Child Care Subsidy – improving access

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	1.2	0.5	0.5	0.5
Department of Education	-	..	-	-	-
Total – Payments	-	1.2	0.5	0.5	0.5

The Government will provide \$2.8 million over 4 years from 2023–24 to streamline the delivery of the Additional Child Care Subsidy (ACCS) and expand the exceptional circumstances criteria that can be applied to applications to backdate ACCS (child wellbeing) by more than 28 days.

The changes will improve access to the ACCS (child wellbeing), which supports families that need practical help to support their child’s safety and wellbeing.

The cost of this measure will be met from savings identified in the 2023–24 Budget measures titled *Child Care Subsidy Reform – additional integrity* and *Education – reprioritisation*.

Child Care Subsidy Reform – additional integrity

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	1.3	1.3	1.4	1.4
Department of Education	-	-29.5	-37.4	-38.9	-39.0
Total – Payments	-	-28.2	-36.0	-37.6	-37.6

The Government will undertake additional payment integrity activities to safeguard the *Child Care Subsidy* program from fraud and non-compliance. This will achieve net savings of \$139.4 million over 4 years from 2023–24.

Funding of \$13.3 million over 4 years from 2023–24 will be provided to the Department of Education to support a range of activities to further reduce fraudulent Child Care Subsidy claims. To support this work, Services Australia will receive a further \$5.3 million over 4 years from 2023–24 for their digital forensics capability.

The savings from this measure will offset the 2023–24 Budget measure titled *Early Childhood Education and Care Workforce* and other Government policy priorities in the Education portfolio.

This measure builds on the 2022-23 October Budget measure titled *Child Care Subsidy Reforms Integrity Package*.

Early Childhood Education and Care Workforce

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	0.1	30.8	25.5	9.1	6.9

The Government will provide \$72.4 million over 5 years from 2022-23 to support the Early Childhood Education and Care (ECEC) sector to build and retain the ECEC workforce. Funding includes:

- \$34.4 million over 5 years from 2022-23 to subsidise ECEC services to backfill up to 75,000 early childhood educators, early childhood teachers and centre directors to undertake mandatory or highly recommended training, or to pay an allowance to the educator if training is undertaken outside work hours
- \$33.1 million over 5 years from 2022-23 to provide financial assistance for up to 6,000 educators in the ECEC sector to undertake a paid practicum in initial teacher education courses at a bachelor or post-graduate level
- \$4.8 million over 5 years from 2022-23 to support up to 2,000 ECEC workers to undertake a practicum exchange at a different service, with a living allowance for students undertaking a practicum in a rural or remote location.

The initiatives will prioritise support for First Nations educators, and educators in regional and remote areas.

The cost of this measure will be met from savings identified in the 2023-24 Budget measures titled *Child Care Subsidy Reform – additional integrity* and *Education – reprioritisation*.

Education – reprioritisation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	-14.1	-15.4	-9.0	-10.7	-3.9

The Government will achieve savings of \$53.1 million over 5 years from 2022–23 (and \$3.8 million per year ongoing) across the Education portfolio. Savings include:

- \$36.9 million over 5 years from 2022–23 (and \$2.0 million per year ongoing) from legacy grant schemes the *Strategic University Reform Fund* and the *Regional Research Collaboration Program* to optimise the Tertiary Collection of Student Information system to improve data quality, analytic support and the security of tertiary student loan records
- \$11.3 million over 4 years from 2022–23 from uncommitted funding in the *National School Reform Fund* and the *Quality Outcomes Program* identified through the Government Spending Audit
- \$3.0 million over 5 years from 2022–23 (and \$0.7 million per year ongoing) by ceasing funding for the *Quality Initiatives Program*, which is duplicative of other expenditure in the Education portfolio
- \$1.9 million over 4 years from 2023–24 (and \$1.1 million per year ongoing) by recovering overpayments and improving funding integrity in non-government schools.

The savings from this measure will be redirected to fund other Government policy priorities in the Education portfolio.

First Nations – supporting education outcomes

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	-2.2	14.4	16.4	0.2	-

The Government will continue initiatives that support better educational outcomes for First Nations peoples, a key priority under the *National Agreement on Closing the Gap*. Funding includes:

- \$32.8 million over two years from 2023–24 for the Clontarf Foundation to extend its existing program for the 2024 school year to support school engagement for at-risk First Nations young men

- savings of \$4.2 million over 4 years from 2022–23 from the *Building Boarding Schools on Country Program*, bringing total investment in the program to \$70.8 million to construct one new boarding school at Windjana Gorge, Western Australia and construct an Indigenous Education Research Centre near the school, and upgrade the existing Yiramatay Studio School in the Kimberley Region, Western Australia.

The Government will also expand the scope of the *City-Country Partnerships Program*, a commitment under the 2023 *Commonwealth Closing the Gap Implementation Plan* that supports partnerships between high performing city schools and remote schools with a high proportion of First Nations students, to allow any high performing Independent, Catholic or Government metropolitan school to apply to participate in the program.

This measure will be offset by redirecting funding from within the Education portfolio.

Higher Education Support – amendments

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	-10.0	5.4	2.6	1.3	0.7

The Government will provide additional funding of \$18.7 million over 4 years from 2023–24 (and \$4.7 million per year ongoing) to extend and expand existing higher education student support programs. Funding includes:

- \$17.7 million over 4 years from 2023–24 (and \$4.7 million per year ongoing) in additional funding for the *Higher Education Disability Support Program* to enable providers to better support students with disability to access and succeed in higher education, including by helping to purchase equipment and modify teaching materials and delivery methods
- \$1.0 million in 2023–24 to maintain the national Microcredentials Marketplace, which enables users to find and compare registered microcredential courses offered by tertiary education providers.

The Government will also extend the *Women in STEM Cadetships and Advanced Apprenticeships Program* for two years to 30 June 2027, to provide new and existing participants more time to complete their science, technology, engineering and maths qualification while simultaneously continuing their careers.

This measure will be fully offset by savings from within the Education portfolio.

Strengthening the Capability of the Education Portfolio to Deliver Critical Functions

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Education	-	30.9	32.9	37.6	4.1
Department of Finance	-	0.1	0.1	0.1	0.1
Total – Payments	-	31.0	33.0	37.7	4.2

The Government will provide \$105.9 million over 4 years from 2023–24 (including \$57.9 million in capital funding, and \$4.1 million per year ongoing) to strengthen the Education portfolio’s capability to deliver critical functions. Funding includes:

- \$91.7 million over 4 years from 2023–24 (including \$57.9 million in capital funding, and \$4.1 million per year ongoing) to transform program administration for schools and higher education providers by developing a stable, secure, and streamlined information and communications technology platform
- \$14.2 million in 2023–24 to support the Department of Education’s critical business and policy functions.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measures titled *Child Care Subsidy Reform – additional integrity and Education – reprioritisation*.

Teacher Workforce Action Plan

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	4.0	7.0	7.0	7.0	-
Department of Education	-13.6	-3.2	-4.2	-6.6	0.4
Total – Payments	-9.6	3.8	2.8	0.4	0.4

The Government will provide \$35.0 million over 4 years from 2022–23 to attract more people to the teaching profession and retain more teachers in the workforce. This funding forms part of the \$328 million *National Teacher Workforce Action Plan* (the Action Plan) agreed by Commonwealth, State and Territory Education Ministers in December 2022. Funding includes:

- \$25.0 million over 4 years from 2022–23 to establish a Teacher Workload Reduction Fund to pilot new ways to reduce teacher workloads and maximise the time they have to teach
- \$10.0 million over two years from 2022–23 for a national communications campaign to raise the status of the teaching profession.

As part of the Action Plan the Government agreed in December 2022 to broaden the cohorts eligible for teaching bursaries to include mid-career professionals, people from culturally and linguistically diverse backgrounds, and other underrepresented communities.

In addition, the Government will provide \$9.3 million over 4 years from 2023–24 for the Department of Education, the Australian Institute for Teaching and School Leadership, and the Australian Curriculum, Assessment and Reporting Authority to support the implementation of the Action Plan.

This measure will be fully offset from savings within the Education Portfolio.

Employment and Workplace Relations

Addressing Silicosis and Silica-Related Diseases

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	2.3	2.0	0.8	0.8
Asbestos Safety and Eradication Agency	-	0.9	1.1	1.1	1.1
Total – Payments	-	3.2	3.1	1.9	1.9

The Government will provide \$10.0 million over 4 years from 2023–24 (and \$1.9 million per year ongoing) to address the rise of silicosis in workers and develop a national strategy for the prevention of silicosis and silica-related diseases. Funding includes:

- \$4.7 million over 4 years from 2023–24 (and \$0.8 million per year ongoing) to establish a dedicated occupational lung diseases team to oversee implementation and investigate long-term reforms for an improved national framework for occupational lung diseases
- \$4.2 million over 4 years from 2023–24 (and \$1.1 million per year ongoing) to extend the Asbestos Safety and Eradication Agency’s remit to include the prevention of silicosis and other silica related occupational diseases and broaden the functions of the Asbestos Safety and Eradication Council
- \$1.2 million over two years from 2023–24 to Safe Work Australia’s social partners to increase awareness and support better work practices relating to managing silica dust in the workplace.

The cost of this measure will be met from savings identified in the 2023–24 Budget measure titled *Employment and Workplace Relations – reprioritisation*.

Australian Skills Guarantee – implementation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	2.8	2.1	2.1	1.5

The Government will provide \$8.6 million over 4 years from 2023–24 (and \$1.5 million per year ongoing) to implement the Australian Skills Guarantee, ensuring one in 10 workers on major Australian Government-funded projects is an apprentice, trainee or paid cadet.

The Australian Skills Guarantee will apply from 1 July 2024 to projects with contracts valued at \$10.0 million or more in the construction and information and communications technology sectors and will include sub-targets for women. More ambitious targets will be set for flagship construction projects with contracts valued at \$100.0 million or more.

For information and communications technology projects, initial targets for apprentices, trainees, paid cadets, and the targets for women will be negotiated with suppliers on a project-by-project basis, with targets based on workforce information provided during the tender process.

The cost of this measure will be partially met from savings identified in the 2023–24 Budget measure titled *Employment and Workplace Relations – reprioritisation*.

This measure builds on the 2022–23 October Budget measure titled *Australian Skills Guarantee*.

Boosting Employment Support

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	4.6	18.2	2.0	0.8	0.2
Services Australia	..	0.6	-	-	-
Total – Payments	4.6	18.8	2.0	0.8	0.2

The Government will provide \$26.3 million over 5 years from 2022–23 to boost employment services for young Australians in the care economy, continue pre-employment services for First Nations people who are incarcerated, trial a new regional employment service approach and support workers and communities through enhancements to the *Local Jobs Program*. Funding includes:

- \$15.2 million over two years from 2022–23 to support the establishment of the Y Careers Agency to provide young people with employment opportunities in the care economy, including the early childhood education and care, disability and aged care sectors
- \$5.7 million over two years from 2022–23 to extend the *Time to Work Employment Services* program (non-remote) for 12 months to provide continued pre-employment services for First Nations people who are incarcerated
- \$5.6 million over 5 years from 2022–23 to support continuity of employment services in the Broome employment region and ensure future services are responsive to the needs of the local community
- \$0.2 million in efficiencies over two years from 2023–24 through enhancements to the *Local Jobs* program to support workers and communities to adjust to dynamic economic and labour market conditions.

The Government will also abolish the *ParentsNext* program from 1 July 2024 and develop a replacement voluntary program, with interim changes to be considered as soon as possible to move *ParentsNext* to voluntary participation.

Y Careers delivers on the Government’s election commitment as published in the *Plan for a Better Future*.

This measure will be offset by savings from the 2023–24 Budget measure titled *Employment and Workplace Relations Portfolio – reprioritisation*.

Employment and Workplace Relations – reprioritisation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Office of the Fair Work Ombudsman	-	-4.1	-3.9	-3.9	-3.9
Department of Employment and Workplace Relations	-16.9	-36.4	-47.6	-48.3	-47.9
Total – Payments	-16.9	-40.5	-51.5	-52.2	-51.9

The Government will achieve savings of \$212.9 million over 5 years from 2022–23 (and \$41.4 million per year ongoing) across the Employment and Workplace Relations portfolio which will be redirected to fund other portfolio policy priorities. Savings include:

- \$111.6 million over 4 years from 2023–24 by reducing place allocations for the *Self-Employment Assistance Small Business Coaching* program to more accurately reflect utilisation of places
- \$27.5 million over 4 years from 2023–24 by temporarily reducing uncommitted *Industry Workforce Training* program funding
- \$22.8 million over 4 years from 2023–24 by ceasing the *Entrepreneurship Facilitators Program* from 1 July 2023
- \$20.0 million over 4 years from 2023–24 by temporarily reducing uncommitted funding to support Job and Skills Councils
- \$15.8 million over 4 years from 2023–24 by reducing the departmental operating funding of the Office of the Fair Work Ombudsman by 2.5 per cent
- \$10.4 million over two years from 2022–23 by not proceeding with the *Accelerating Australian Apprenticeships Pilot* program
- \$3.9 million over two years from 2022–23 by rescoping the *Skills Assessments Pilots* to align with current demand trends
- \$1.1 million in 2023–24 by ceasing the *Career Revive* program on 30 June 2023.

The savings from this measure will be redirected to fund other Government policy priorities in the Employment and Workplace Relations portfolio.

Extension of National Skills Agreement Negotiation Resourcing

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	5.5	-	-	-

The Government will provide \$5.5 million in 2023–24 to continue supporting negotiations on a long-term skills funding agreement with the states and territories. Subject to the outcome of these negotiations, the Government has also retained \$3.7 billion in the Contingency Reserve for a 5-year National Skills Agreement that will commence on 1 January 2024.

The cost of this measure will be met from savings identified in the 2023–24 Budget measure titled *Employment and Workplace Relations – reprioritisation*.

Foundation Skills Programs – redesign and pilot extension

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	12.9	-11.3	-6.2	4.6

The Government will introduce a redesigned Commonwealth foundation skills program to improve access to training for all Australians seeking to develop their language, literacy, numeracy and digital skills from 1 July 2024. This measure delivers on the Government’s commitment from the Jobs and Skills Summit to reinvigorate foundation skills programs to support workers and vulnerable Australians to gain secure employment.

The redesigned program will expand eligibility to those who are not registered job seekers, and will be delivered through a mix of national and local solutions to improve access and delivery. This will include a specific focus on First Nations people with place-based, whole of community projects designed to meet community language, literacy, numeracy, and digital needs, and delivered through First Nations organisations in partnership with TAFEs and other Registered Training Organisations, or Adult and Community Education sector providers.

The Government will also provide \$3.5 million over two years from 2022–23 to extend the Foundation Skills for Your Future Remote Community Pilots by 12 months to 30 June 2024 to align with the commencement of the redesigned program.

The cost of this measure will be met from within the existing resourcing of the *Foundation Skills for Your Future* program and the *Skills for Education and Employment* program.

National Careers Institute – continuation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	5.1	-	-	-

The Government will provide additional funding of \$5.1 million in 2023–24 to continue functions of the National Careers Institute and to evaluate its role in supporting Australians to access careers information. Funding will ensure the *Your Career* website is based on the latest labour market data and will continue the delivery of the School Leavers Information Kit to enable young people to make informed decisions about their education, employment, and training pathways.

The cost of this measure will be met from savings identified in the 2023–24 Budget measure titled *Employment and Workplace Relations – reprioritisation*.

Safe and Fair Workplaces

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	-	12.5	12.1	1.1	1.1
Fair Work Commission	-	0.6	-	-	-
Total – Payments	-	13.1	12.1	1.1	1.1

The Government will provide \$27.4 million over 4 years from 2023–24 (and \$1.1 million per year ongoing) to improve the safety and fairness of workplaces, and continue detailed consultation with key industries. Funding includes:

- \$20.0 million over two years from 2023–24 to increase to the Productivity, Education and Training Fund, to support engagement and practical activities of worker and employer representatives with workplace reforms as they progress and the implementation of the Government’s Workplace Relations agenda
- \$4.4 million over 4 years from 2023–24 (and \$1.1 million per year ongoing) to establish the National Construction Industry Forum including representatives from key employer groups, unions and government to provide advice on major challenges facing the building and construction industry including workplace relations, industry culture, skills and training, safety, gender equality and productivity
- \$2.0 million over two years from 2023–24 to develop a targeted training package on workplace psychosocial hazards, to be provided to organisations that train health and safety representatives in the Commonwealth jurisdiction

- \$0.8 million in 2023–24 to conduct a review of modern awards in the context of new gender equality and job security objects and the updated modern awards and minimum wages objectives in the *Fair Work Act 2009*, the review will also consider opportunities to make awards simpler to use
- \$0.3 million in 2023–24 for a specialist review into the operations of the Office of the Fair Work Ombudsman.

The Government is continuing its comprehensive consultation with stakeholders on the implementation of election commitments and Jobs and Skills Summit outcomes to close loopholes in the workplace relations system, including the Same Job, Same Pay principle, the regulation of employee-like forms of work, and legislating a fair, objective definition of casual employment.

The Government will also engage with stakeholders to explore the design and implementation of a national labour hire licensing scheme in Australia.

The cost of this measure will be met from savings identified in the 2023–24 Budget measure titled *Employment and Workplace Relations – reprioritisation*.

This measure builds on the 2022–23 October Budget measures titled *Outcomes of the Jobs and Skills Summit and Secure Australian Jobs*.

Targeted Support for Apprenticeships

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Employment and Workplace Relations	2.7	25.1	18.1	2.0	6.4
Services Australia	-	0.2	-25.5	-20.5	-9.9
Total – Payments	2.7	25.3	-7.3	-18.4	-3.5

The Government will provide additional funding of \$54.3 million over 5 years from 2022–23 to introduce a new non-financial support model for Australian Apprenticeships from 1 July 2024. The model will redesign and refocus key support services currently delivered by the Australian Apprenticeship Support Network to increase apprenticeship completion rates and the diversity of the apprentice workforce.

Grant funding of \$5.0 million over 3 years from 2024–25 will be provided to organisations with appropriate expertise in supporting women in the workplace, to further support women in historically male dominated trade apprenticeships. This will include providing education, advice or support to increase culturally safe and inclusive workplaces, reduce the cultural barriers to women’s participation, address workplace challenges and support businesses to attract and retain women. The new model will also provide support to women who commence their non-traditional trade apprenticeships prior to 1 July 2024 during their transition to new service arrangements.

This measure delivers on the Government's commitment from the Jobs and Skills Summit to explore options to improve the apprenticeship support system and drive-up completions. It will also assist employers linked to major and flagship construction projects to meet their targets for apprentices and women under the Australian Skills Guarantee.

The cost of this measure will be offset by savings achieved from streamlining Australian Apprenticeships Incentive System service arrangements by transferring the processing of wage subsidy claims from Services Australia to the Department of Employment and Workplace Relations and providers.

Finance

Buy Australian Plan

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	6.6	4.0	4.7	2.9
<i>Related receipts (\$m)</i>					
Department of Finance	-	6.6	4.0	4.7	2.9

The Government will provide \$18.1 million over 4 years from 2023–24 (and \$1.5 million per year ongoing) to the Department of Finance (Finance) to improve the Government procurement process for business, including:

- delivering tools to improve the ability of businesses to compete for procurement opportunities more effectively
- improving AusTender to increase transparency and establish a supplier portal for panels
- increasing engagement with small-to-medium enterprises to promote awareness of opportunities to sell to the Australian Government
- improving procurement and contract management capability across the Australian Public Service to deliver value-for-money Commonwealth procurements.

The cost of this measure will be met by an increase in fees Commonwealth entities pay to use Whole of Australian Government coordinated procurement arrangements managed by Finance.

This measure builds on the 2022–23 October Budget measure titled *Buy Australian Plan*.

Electoral Commission – critical ICT replacement (second tranche)

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	0.1	-	0.2	0.2
Australian Electoral Commission	-	nfp	nfp	nfp	nfp
Total – Payments	-	0.1	-	0.2	0.2

The Government will provide additional funding (including capital and ongoing funding) to build and sustain the second tranche of the Australian Electoral Commission's (AEC) ICT modernisation project.

Partial funding for this measure has already been provided for by the Government.

The financial implications for this measure are not for publication (nfp) due to ongoing commercial negotiations.

Finance Portfolio – additional resourcing

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	18.0	12.3	12.4	12.5

The Government will provide \$55.2 million over 4 years from 2023–24 (and \$12.5 million per year ongoing) for the Department of Finance (Finance) to support the delivery of the Government's policy agenda, including:

- \$40.8 million over 4 years from 2023–24 (and \$9.5 million ongoing) to increase Finance's capacity to deliver high quality policy and financial advice, improve the quality of government spending and investment and strengthen governance arrangements for government entities
- \$10.4 million over 4 years from 2023–24 (and \$3.0 million ongoing) to enhance the accountability and effectiveness of the Government's use of specialist investment vehicles by establishing a comprehensive central oversight and governance function within Finance
- \$4.0 million in 2023–24 for enhancements to the Parliamentary Expenses Management System to improve governance, operational support for clients and transparency of parliamentary expenses.

Improving the Culture of Parliamentary Workplaces

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	16.7	12.7	11.6	12.4
Department of the Prime Minister and Cabinet	-	4.0	-	-	-
Total – Payments	-	20.7	12.7	11.6	12.4

The Government will provide \$57.3 million over 4 years from 2023–24 (and \$12.4 million per year ongoing) to improve the culture of parliamentary workplaces for both parliamentarians and staff. Funding includes:

- \$51.7 million over 4 years from 2023–24 (and \$12.4 million per year ongoing) to establish the Parliamentary Workplace Support Service as an independent statutory authority to provide human resources, and work health and safety support to parliamentarians and staff employed under the *Members of Parliament (Staff) Act 1984*
- \$5.7 million in 2023–24 for the Department of the Prime Minister and Cabinet and the Department of Finance to implement remaining recommendations from *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplaces* (Set the Standard Report).

This measure delivers on the Government’s commitment to implement the recommendations of the Set the Standard Report.

Next Steps for Digital ID

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	10.0	-	-	-
Office of the Australian Information Commissioner	-	1.1	-	-	-
Australian Taxation Office	-	1.1	-	-	-
Digital Transformation Agency	-4.5	4.5	-	-	-
Total – Payments	-4.5	16.7	-	-	-

The Government will provide \$26.9 million in 2023–24 to sustain and develop the next stage of the Digital ID program. Funding includes:

- \$24.7 million for the Department of Finance and the Digital Transformation Agency (DTA) to maintain the current Digital ID system and design the policy and legislative foundations to transition to an economy-wide Digital ID ecosystem with an independent regulator

- \$1.1 million for the Office of the Australian Information Commissioner to provide ongoing privacy assurance for the Digital ID program
- \$1.1 million for the Australian Taxation Office for communications research associated with the myGovID brand.

The cost of this measure will be partially met from within the existing resourcing of the DTA.

Parliamentary Workplace Reform

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	39.6	39.7	39.8	39.9

The Government will provide \$159.0 million over 4 years from 2023–24 (and \$39.9 million per year ongoing) to provide additional frontline electorate staff resources for each parliamentarian, and extend the nominated traveller expense entitlement to every parliamentarian, to support an increased capacity for parliamentarians to be engaged and responsive to the increased needs of the community.

Securing a Unique and Critical Defence Capability

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Defence	-	nfp	nfp	nfp	nfp
Department of Finance	-	nfp	nfp	nfp	nfp
Total – Payments	-	-	-	-	-
Related receipts (\$m)					
Department of Finance	-	nfp	nfp	nfp	nfp

The Government will acquire an ownership interest in CEA Technologies Pty Limited to expand its sovereign defence capability and ensure the continued development and supply of equipment critical to Australia's defence capability. The ownership interest will grow to 100 per cent over a number of phases.

The Government will also provide \$3.2 million over 4 years from 2023-24 (and \$0.8 million per year ongoing) to support effective governance of the Commonwealth interest in CEA Technologies Pty Limited.

The financial implications of this measure are not for publication (nfp) due to commercial sensitivities.

Foreign Affairs and Trade

An Australian Development Program Fit for Our Times

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	5.6	10.4	10.3	132.2

The Government will provide \$158.6 million over 4 years from 2023–24 and \$8.6 billion over 10 years from 2027–28 in additional Official Development Assistance to ensure that Australia’s Official Development Assistance to developing countries continues to grow. Funding includes:

- \$121.8 million in 2026–27 and \$8.6 billion over 10 years from 2027–28 to increase Australia’s Official Development Assistance budget by 2.5 per cent per year on an ongoing basis from 2026–27
- \$36.8 million over 4 years from 2023–24 for the Department of Foreign Affairs and Trade to improve the administration of the program and maximise the benefits and effectiveness of Australia’s investment.

This measure builds on the 2022–23 October Budget measure titled *Additional Official Development Assistance*.

Austrade and Export Market Development Grants – reprioritisation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Trade and Investment Commission	-	3.0	5.0	-43.5	-25.5

The Government will achieve savings of \$61.0 million over 4 years from 2023–24 by reducing funding for the Export Market Development Grants program. No funding already committed or applications currently under assessment will be impacted by this measure.

The savings from this measure will be redirected to fund Government policy priorities in the Foreign Affairs and Trade portfolio.

Australian Diplomatic Representation to Afghanistan

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	3.0	2.6	2.7	2.6

The Government will provide \$10.8 million over 4 years from 2023–24 (and \$2.6 million per year ongoing) to continue Australian diplomatic representation to Afghanistan from Australia’s interim mission in Doha, Qatar, established following the international military withdrawal and the closure of the Australian Embassy in Kabul.

Australian Engagement in Southeast Asia

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	7.8	10.3	10.8	11.9
Department of Industry, Science and Resources	-	3.7	3.6	3.7	3.8
Total – Payments	-	11.6	13.9	14.5	15.7

The Government will provide \$55.7 million over 4 years from 2023–24 (and \$11.9 million per year ongoing) to enhance Australian diplomatic and business engagement with Southeast Asia and Timor-Leste. Funding includes:

- \$35.7 million over 4 years (and \$10.4 million per year ongoing) to build closer diplomatic and economic connections with Southeast Asia including by enhancing diplomatic capability, facilitating increased visits by leaders and emerging leaders from Southeast Asian nations and providing opportunities to study in Australia
- \$14.9 million to extend funding for the National Centre for Asia Capability (Asialink Business) for a further 4 years to support Australian businesses to deepen their engagement in our region
- \$5.2 million over 4 years (and \$1.5 million per year ongoing) to increase diplomatic engagement with Timor-Leste.

Australian Infrastructure Financing Facility for the Pacific – Sasape Shipyard

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Export Finance and Insurance Corporation (National Interest component)	nfp	nfp	nfp	nfp	nfp
<i>Related receipts (\$m)</i>					
Export Finance and Insurance Corporation (National Interest component)	nfp	nfp	nfp	nfp	nfp

The Government will provide a financing package to Sasape International Shipyard Limited (Sasape) in Solomon Islands to support acquisition of land and capital upgrades to restore Sasape's shipyard functionality.

The financing package includes a loan through the Australian Infrastructure Financing Facility for the Pacific complemented by grant funding which will be met from within Australia's existing Official Development Assistance funding.

The financial implications of this measure are not for publication (nfp) due to commercial sensitivities.

This measure builds on the 2022–23 October Budget measure titled *Australian Infrastructure Financing Facility for the Pacific – expansion*.

Australian Secret Intelligence Service – additional funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Secret Intelligence Service	-	-	-	-	-
Total – Payments	-	-	-	-	-

The Government will provide \$468.8 million over 4 years from 2023–24 (and \$185.6 million per year ongoing) to modernise the Australian Secret Intelligence Service.

Funding for this measure has already been provided for by the Government.

Enhanced Strategic Capability

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	17.3	22.1	20.7	20.0

The Government will provide \$80.0 million over 4 years (and \$20.0 million per year ongoing) to increase cooperation with partners to support a peaceful, open, stable and prosperous region.

Funding will enhance the Department of Foreign Affairs and Trade's ability to communicate Australia's story about who we are and promote our vision for the region.

Enhancing Pacific Engagement

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	0.3	1.5
Australian Federal Police	-	71.9	74.6	71.1	99.6
Department of Home Affairs	-	7.6	6.5	7.8	8.3
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	5.8	5.8	5.8	5.8
Office of the Fair Work Ombudsman	-	5.3	4.5	8.1	9.4
Department of the Treasury	-	5.0	15.0	25.0	35.0
Australian Broadcasting Corporation	-	4.7	1.2	1.3	1.3
Attorney-General's Department	-	2.7	3.0	3.1	3.1
Department of the Prime Minister and Cabinet	-	0.5	0.5	0.5	0.5
Department of Health and Aged Care	-	0.5	0.9	1.0	1.1
Department of Defence	-	-	-	-	-
Department of Employment and Workplace Relations	-1.4	36.9	27.8	40.1	63.3
Department of Foreign Affairs and Trade	-35.3	33.4	94.3	95.4	93.1
Total – Payments	-36.5	175.8	234.2	259.1	320.6
<i>Related receipts (\$m)</i>					
Australian Taxation Office	-	20.0	50.0	85.0	125.0
Department of Home Affairs	-	10.0	10.0
Total – Receipts	-	20.0	50.0	95.0	135.0

The Government will provide \$1.9 billion over 5 years from 2022–23 to expand Australia’s engagement with Pacific Island countries. Funding includes:

- \$370.8 million over 4 years to expand and improve the Pacific Australia Labour Mobility scheme, to support sustainable scheme growth and improve support for workers in line with Australian and Pacific aspirations
- \$1.4 billion over 4 years to build Pacific peace and security, to support Pacific family priorities and the relevant commitments under the 2050 Strategy for the Blue Pacific Continent including:
 - Defence’s expansion of Australia’s engagement with Pacific Island countries including through the provision of security infrastructure and maritime security capability including in support of the Government’s response to the Defence Strategic Review, with Defence expenditure to be met from within existing resources

- Australian Federal Police and the Attorney-General’s Department’s strengthening of Pacific law enforcement and criminal justice cooperation with partners in the Pacific
- \$114.3 million over 4 years to support a stronger, more united Pacific region, including supporting regional architecture, taking a regional approach to humanitarian relief and disaster preparedness, and improving diplomatic capability
- \$89.5 million over 4 years to deepen Pacific connections by strengthening cultural and people-to-people ties with the region and promote shared values.

Expansion and improvement of the Pacific Australia Labour Mobility scheme is estimated to increase receipts by \$300.0 million over 4 years from 2023–24.

The cost of this measure will be partially met from within the existing resourcing of the Department of Employment and Workplace Relations and the Department of Defence. This measure will also be partially offset by redirecting funding from the 2022–23 March Budget measure titled *Support to the Pacific and Timor-Leste – additional support*.

This measure builds on the 2022–23 October Budget measures titled *Pacific Security and Engagement Initiatives and Enhancing the Pacific Australia Labour Mobility*.

Expansion of Emerging Markets Impact Investment Fund

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	-15.0	-56.0	-52.0	-45.0

The Government will provide \$210.0 million over 4 years from 2023–24 to expand the Emerging Markets Impact Investment Fund (EMIIF) from \$40.0 million to \$250.0 million.

The EMIIF will continue to provide catalytic financing for small and medium enterprises operating in the Indo-Pacific and support the mobilisation of private and multilateral finance for development outcomes, including women’s economic empowerment and climate action.

The cost of this measure will be met from within Australia’s existing Official Development Assistance funding. As the majority of funding will provide equity and loan financing (rather than grants), the measure has a positive impact on the underlying cash balance.

Indo-Pacific Economic Framework

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	6.6	9.7	7.8	7.8

The Government will provide \$31.9 million over 4 years from 2023–24 to deliver technical assistance and capacity building support to Indo-Pacific nations to participate in the Indo-Pacific Economic Framework (IPEF).

The IPEF is a regional arrangement with Indo-Pacific members to build cooperation and economic integration in the Indo-Pacific region.

Maintaining Support for an Effective Foreign Service

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Foreign Affairs and Trade	-	110.9	93.2	94.5	78.3

The Government will provide \$376.9 million over 4 years from 2023–24 (and \$77.3 million per year ongoing) to maintain and improve delivery of core activities of the Department of Foreign Affairs and Trade. Funding includes:

- \$250.2 million over 4 years from 2023–24 (and \$69.8 million per year ongoing) to address a funding shortfall in overseas property expenses
- \$90.2 million over 3 years from 2023–24 for improvements to assure the reliability of DFAT's International Communications Network at overseas posts
- \$29.8 million over 4 years from 2023–24 (and \$6.6 million per year ongoing) to continue the administration of the *Foreign Arrangements Scheme* to ensure that arrangements between state or territory governments (and their entities) and foreign entities are consistent with Australia's foreign policy
- \$3.1 million over 4 years from 2023–24 (\$5.7 million over 7 years from 2023–24) for the Department of Foreign Affairs and Trade's participation in the design and build of, and transition to, the new National Security Office Precinct
- \$3.6 million over 4 years from 2023–24 (and \$0.9 million per year ongoing) to sustain nuclear monitoring activities undertaken by Geoscience Australia.

Simplified Trade System – additional funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Trade and Investment Commission	-	13.6	-	-	-
Department of Home Affairs	-	8.0	-	-	-
Department of Agriculture, Fisheries and Forestry	-	1.7	-	-	-
Australian Taxation Office	-	0.6	-	-	-
Total – Payments	-	23.8	-	-	-

The Government will provide an additional \$23.8 million in 2023–24 to continue initiatives to modernise and improve Australia’s international trade system, including delivering the simplified trade system reforms and continuation of the Trade Information Service.

Sydney WorldPride Grant

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Trade and Investment Commission	0.9	-	-	-	-

The Government has provided \$0.9 million in 2022–23 to support delivery of the Sydney Harbour Bridge WorldPride March held on 5 March 2023 in Sydney, New South Wales.

Health and Aged Care

10 Year National Action Plan for LGBTIQA+ Health and Wellbeing

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	-	-	-	-

The Government will provide \$0.9 million over two years from 2022–23 to develop a 10 Year National Action Plan to support the health and wellbeing of Lesbian, Gay, Bisexual, Transgender, Intersex, Queer and Asexual (LGBTIQA+) people and establish a LGBTIQA+ Health Advisory Group. The Action Plan will provide a national framework to improve the health outcomes of, and address health disparities, experienced by LGBTIQA+ Australians.

The cost of this measure will be met from within the existing resourcing of the Department of Health and Aged Care.

This measure builds on the 2022–23 October Budget measure titled *Supporting the Health and Wellbeing of LGBTIQA+ People*.

A Modern and Clinically Appropriate Medicare Benefits Schedule

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	..	3.6	-1.2	-2.1	-2.3
Department of Health and Aged Care	-	5.6	-69.8	-122.0	-134.0
Department of Veterans' Affairs	-	0.4	-0.6	-1.1	-1.3
Total – Payments	..	9.6	-71.5	-125.3	-137.6

The Government will provide \$137.2 million over 5 years from 2022–23 to ensure better targeted and more effective health care, and provide certainty that the Medicare Benefits Schedule (MBS) remains clinically appropriate, including:

- \$125.6 million over 5 years from 2022–23 to improve access to primary health care services and improve clinical practice through amendments to the MBS, including:
 - \$23.6 million to remedy previous changes to MBS orthopaedic items which have impeded patient access to orthopaedic procedures
 - \$18.5 million for testing genetic variants in patients suspected of having either a myeloid or lymphoid haematological malignancy

- \$16.8 million to introduce a new MBS item for an EndoPredict® gene expression profiling test to determine a patient’s risk of recurrent breast cancer
- \$13.1 million to introduce genetic testing for hearing loss in children
- \$10.9 million in 2023–24 to support the MBS Continuous Review program to ensure the MBS remains clinically appropriate.

The Government will also achieve efficiencies of \$461.3 million over 5 years from 2022–23, including:

- \$301.9 million over 3 years from 2024–25 by streamlining and modernising Chronic Disease Management planning items and improving associated regulations from 1 November 2024, consistent with recommendations from the MBS Review Taskforce
- \$151.7 million over 5 years from 2022–23 by reforming the MBS time-tiered general attendance items for general practice, including:
 - \$250.8 million of efficiencies to introduce a minimum consultation time for Level B items for general practitioners (GPs) to promote consistency in GP billing practices,
 - \$99.1 million to establish a new MBS item for a longer consultation of 60 minutes or more to support improved access and service affordability for patients with chronic conditions and complex needs
- \$6.8 million over 4 years from 2023–24 to align the MBS with contemporary practice, including:
 - \$3.1 million to introduce testing for the quantification of N-terminal pro B-type natriuretic peptide in patients with systemic sclerosis to assess the risk of pulmonary arterial hypertension
 - \$2.2 million to amend selected MBS Plastic and Reconstructive Surgery items and hospital requirements in line with sector advice, and to ensure patient safety is maintained
 - \$0.8 million to clarify co-claiming restrictions to ensure patients receive the same benefits for the same services, and improve practitioner billing practices
- \$0.9 million over 4 years from 2023–24 by consolidating the Quality Use of Pathology Program into a redesigned Quality Use of Diagnostics, Therapeutics and Pathology Program from 1 July 2024.

Aged Care Regulatory Reform

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	..	11.3	9.1	1.6	1.6
Department of Health and Aged Care	-	98.7	48.4	29.4	22.9
Aged Care Quality and Safety Commission	-	73.4	4.3	2.9	2.9
Department of Veterans' Affairs	-	1.7	1.7	-	-
Total – Payments	..	185.1	63.5	33.9	27.5

The Government will provide additional funding of \$309.9 million over 5 years from 2022–23 to implement the recommendations from the Royal Commission into Aged Care Quality and Safety and other initiatives to strengthen the regulation of the aged care sector and improve the health and safety of older Australians receiving aged care. Funding includes:

- \$139.9 million over 4 years from 2023–24 to improve the accountability and transparency of approved aged care providers through enhancements to the Star Rating system
- \$72.3 million in 2023–24 to support the development and implementation of a new, stronger Aged Care Regulatory Framework to support the new Age Care Act which is due to commence from 1 July 2024
- \$59.5 million over 5 years from 2022–23 to fund the ICT infrastructure to establish a national worker screening and registration scheme from 1 July 2024
- \$25.3 million in 2023–24 to ensure the Aged Care Quality and Safety Commission is appropriately resourced to deliver its audit and compliance program in 2023–24
- \$12.9 million over two years from 2023–24 to improve food and nutrition in aged care through the development, monitoring and enforcement of food and nutritional standards.

This measure will be partially offset by redirecting funding from the 2022–23 October Budget Measure titled *Improving the Investment in Aged Care*.

This measure builds on the 2022–23 October Budget measure titled *Fixing the Aged Care Crisis*.

See also the related payment measure titled *Improving Aged Care Support* in the Health and Aged Care Portfolio.

The Government will consider future funding for this measure when the longer-term legislative arrangements under the new Aged Care Act are developed.

Assistance for IVF – assisted reproductive technology storage

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	3.5	0.5	0.5	0.5
Department of Veterans' Affairs	-	-0.1
Department of Health and Aged Care	-	-2.6	-1.6	-0.8	0.2
Total – Payments	-	0.9	-1.1	-0.3	0.7

The Government will subsidise, from 1 July 2023, storage costs of eggs, sperm or embryos for patients with cancer and people at risk of passing on genetic diseases or conditions, for eligible participants who have undergone Medicare Benefits Schedule covered genetic testing.

This measure builds on the 2022–23 October Budget measure titled *Support for New and Expecting Parents*.

COVID-19 Aged Care Response

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	223.1	361.5	-	-	-
Aged Care Quality and Safety Commission	3.1	3.1	-	-	-
Department of Veterans' Affairs	0.3	-	-	-	-
Services Australia	0.1	-	-	-	-
Total – Payments	226.7	364.6	-	-	-

The Government will provide additional funding of \$591.3 million over two years from 2022–23 to continue the Government's response to COVID-19 in aged care. Funding includes:

- \$536.6 million over two years from 2022–23 to reimburse aged care providers for additional costs incurred due to COVID-19 outbreaks that occur on or before 31 December 2023
- \$41.3 million over two years from 2022–23 to extend access to in-reach PCR testing in residential aged care homes to 31 December 2023
- \$13.4 million in 2023–24 to reimburse aged care providers for the cost of leave entitlements for casual staff and those who have no other access to leave payments where staff cannot attend work due to being COVID-19 positive.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure extends the 2022–23 October Budget measure titled *COVID-19 Package – aged care*.

COVID-19 Response

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	142.6	142.6	-	-	-
Services Australia	14.9	7.4	0.3	0.3	0.3
Department of Veterans' Affairs	4.6	3.5	-	-	-
Australian Digital Health Agency	2.9	-	-	-	-
Department of Health and Aged Care	nfp	nfp	nfp	nfp	-
Total – Payments	165.0	153.5	0.3	0.3	0.3

The Government will provide additional funding over 5 years from 2022–23 to expand the COVID-19 vaccine strategy and provide Australians with COVID-19 treatments. Funding includes:

- \$757.4 million over two years from 2022–23 to ensure access to a range of vaccine administration channels, including community pharmacies, Primary Health Networks and the *Vaccine Administration Partnership Program*
- \$285.5 million over two years from 2022–23 to protect priority groups from COVID-19, by providing states and territories 50 per cent of the cost for Polymerase Chain Reaction (PCR) testing and agreed price per COVID-19 vaccination dose delivered for Australians most at risk of severe COVID-19 and death
- \$250.5 million over two years from 2022–23 to extend Medicare Benefits Schedule (MBS) items for PCR pathology testing for COVID-19 and other respiratory pathogens to 31 December 2023
- \$160.2 million over two years from 2022–23 for additional COVID-19 vaccine procurement and logistic arrangements, and to extend the Essential Vaccines Schedule
- \$61.6 million over two years from 2022–23 to continue resourcing for the *National COVID-19 Vaccine Program*
- \$57.3 million over two years from 2022–23 to extend support for First Nations Australians to access COVID-19 testing and vaccinations to 30 June 2024
- \$43.0 million over two years from 2022–23 to invest in ICT infrastructure to prepare for future pandemic events and extend existing COVID-19 programs

- \$14.3 million over two years from 2022–23 to extend Commonwealth funding for Healthdirect’s Living with COVID service to 31 December 2023
- \$14.2 million over two years from 2022–23 to extend MBS items for general practitioners (GPs) to undertake telehealth consultations to evaluate eligible COVID-positive patients’ suitability for oral antivirals
- \$12.7 million over 5 years from 2022–23 to establish and maintain a scalable GP-led Respiratory Clinic Panel, to be activated in response to another COVID-19 wave or other major health emergency
- \$4.7 million in 2023–24 to partner with culturally and linguistically diverse communities to boost COVID-19 vaccination rates
- \$3.9 million over two years from 2022–23 to support COVID-19 expert advisory groups and rapid health technology assessments to provide advice on COVID-19 vaccines and treatments
- \$3.1 million in 2022–23 to support digital mental health services to meet increased demand driven by the COVID-19 pandemic
- \$0.8 million over two years from 2022–23 to support cardiac magnetic resonance imaging for mRNA COVID-19 vaccine-associated myocarditis
- \$0.7 million over two years from 2023–24 to improve the detection of COVID-19 in wastewater samples from selected inbound Qantas flights, and to test incoming passengers from China, Hong Kong and Macau.

The Government has made further COVID-19 treatment and vaccine purchases under existing advance purchase agreements on the advice of the Science and Industry Technical Advisory Group, including:

- the treatment tixagevimab and cilgavimab (Evusheld®)
- the Moderna COVID-19 bivalent BA.4/5 vaccine (Spikevax®).

The financial implications of the COVID-19 treatment purchases are not for publication (nfp) due to commercial sensitivities.

The Government will also:

- maintain access to Medicare rebates for telehealth appointments for patients with COVID-19, regardless of whether they have an existing clinical relationship with a general practitioner, and subsidise consultations for vulnerable people with suspected COVID-19 to obtain a referral for a PCR test

- support eligible doctors and midwives through continued access to the Run-Off Cover Scheme by extending the medical indemnity legislative arrangements to address workforce shortages arising from COVID-19.

This measure will be partially met through the existing resources of the Department of Health and Aged Care. Commonwealth payments to the States are managed by the Treasury.

This measure builds on the 2022–23 March Budget measure titled *Guaranteeing Medicare- strengthening primary care*, 2022–23 October Budget measure *COVID-19 Package – Hospitals and Emergency Response, COVID-19 Package – Personal Protective Equipment and Rapid Antigen Tests, COVID-19 Response Package – Vaccine and Treatments*, 2022–23 March Budget measure *COVID-19 Response Package – Vaccine and Treatments*, 2022– 23 October Budget measure titled *COVID-19 Package – Medicare and medicines*, 2021 – 22 MYEFO Measure *COVID 19 Response Package – vaccines and treatments purchases* and *COVID-19 Response Package – COVID-19 Vaccine Program*, and the 2020–21 MYEFO measure *COVID-19 Response Package-vaccination and treatments*.

Dengue and Other Disease Mitigation Through Mosquito Control in Tennant Creek

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	0.4	-	-	-
Department of Health and Aged Care	-	-0.4	-	-	-
Total – Payments	-	-	-	-	-

The Government will provide an additional \$0.4 million in 2023–24 to extend support to the Northern Territory Government’s dengue fever (and other mosquito-borne disease) mitigation measures in Tennant Creek program.

Commonwealth payments to the states are managed by the Treasury.

The cost of this measure will be met from within the existing resourcing of the Department of Health and Aged Care.

Enhancing National Strategies for Bloodborne Viruses and Sexually Transmissible Infections

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	9.8	-	-	-
Department of the Treasury	-	2.5	2.5	2.5	2.5
Total – Payments	-	12.3	2.5	2.5	2.5

The Government will provide \$19.8 million over 4 years from 2023–24 to extend activities to support the prevention, intervention and treatment of blood borne viruses and sexually transmissible infections. Funding includes:

- \$13.2 million over 4 years from 2023–24 to expand activities that aim to reduce the transmission of human immunodeficiency virus (HIV) in Australia, including providing appropriate care for all people living with HIV in Australia without access to Medicare
- \$6.6 million in 2023–24 for the continuation of activities through the national blood borne viruses and sexually transmissible infections strategies, including extending sexual health services provided by Aboriginal Community Controlled Health Organisations to First Nations peoples.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

This measure extends the 2022–23 October Budget measure titled *Renewing Australia's Efforts to End the HIV Pandemic*.

Ensuring Ongoing Radiation Protection and Nuclear Safety for All Australians

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Radiation Protection and Nuclear Safety Agency	-	3.7	3.3	1.0	1.0

The Government will provide \$9.0 million over 4 years from 2023–24 (including \$5.1 million in capital) to upgrade the Australian Radiation Protection and Nuclear Safety Agency's existing facilities and equipment and expand their workforce to support increased regulatory activity.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Establish the Australian Centre for Disease Control

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	42.1	47.7	-	-
Department of Home Affairs	-	0.3	0.5	-	-
Department of Finance	-	0.1	0.1	-	-
Total – Payments	-	42.5	48.4	-	-

The Government will provide \$91.1 million over two years from 2023–24 (including \$0.2 million in capital) to commence the establishment of the Australian Centre for Disease Control.

Funding Pay Increases for Aged Care Workers

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	0.8	8.3	1.3	0.8	0.8
Department of Health and Aged Care	-	246.3	105.4	73.3	76.7
Department of Veterans' Affairs	-	1.1	-	-	-
Total – Payments	0.8	255.7	106.7	74.1	77.6

The Government will provide \$515.0 million over 5 years from 2022–23 (and \$956.9 million over 10 years from 2022–23) to fund the outcome of the Fair Work Commission’s decision on the Aged Care Work Value Case. The decision was to increase award wages by 15 per cent from 30 June 2023 for many aged care workers including registered nurses, enrolled nurses, assistants in nursing, personal care workers, home care workers, recreational activity officers, and some head chefs and cooks. Funding includes:

- \$311.2 million for a new grant program for *Commonwealth Home Support Programme* providers to cover the cost of the increase in award wages
- \$98.7 million for a new grant program to fund historical leave provisions for Commonwealth-funded aged care providers
- \$58.9 million for a targeted indexation boost to funding for the *Indigenous Employment Initiative, Multi-Purpose Service Program, National Aboriginal and Torres Strait Islander Flexible Aged Care Program, and Trusted Indigenous Facilitators* program
- \$6.7 million for a transition grant to provide temporary viability support for residential aged care providers
- \$2.0 million for a transition grant to cover any potential shortfall for care recipients under the *Home Care Packages Program*

- \$37.4 million in implementation costs for the Department of Health and Aged Care and Services Australia.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Improving the Investment in Aged Care*.

The Budget also includes \$10.9 billion over 5 years from 2022–23 (and \$29.2 billion over 10 years from 2022–23) to meet the cost of the Aged Care Work Value case with funding to other aged care programs including residential aged care and the *Home Care Packages Program*, which will be delivered through increases that will flow through program indexation.

Good Friday Appeal – Royal Children’s Hospital Melbourne

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	2.0	2.0	2.0	-

The Government will donate \$6.0 million over 3 years from 2023–24 to The Royal Children’s Hospital’s Good Friday Appeal in 2023, 2024 and 2025. Funding will support world-class medical care for sick children and their families through treatment, research, leadership and training.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Implementing Aged Care Reform – home care

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	239.9	36.0	17.9	15.9
Services Australia	-	22.5	-	-	-
Australian Digital Health Agency	-	4.2	-	-	-
Aged Care Quality and Safety Commission	-	2.0	-	-	-
Department of Veterans’ Affairs	-	0.3	-	-	-
Department of Finance	-	0.1	-	-	-
Total – Payments	-	268.9	36.0	17.9	15.9

The Government will provide additional funding of \$338.7 million over 4 years from 2023–24 to improve the in-home aged care system. Funding includes:

- \$166.8 million in 2023–24 to release an additional 9,500 Home Care Packages
- \$73.1 million in 2023–24 for the design, build, implementation and sustainment of the ICT changes necessary to enable the new *Support at Home Program*
- \$71.5 million over 4 years from 2023–24 for the Independent Health and Aged Care Pricing Authority to undertake pricing and costing research activities to develop efficient unit prices annually for the *Support at Home Program*
- \$15.7 million over two years from 2023–24 to establish a single aged care assessment system, including the establishment of a First Nations assessment workforce
- \$10.9 million in 2024–25 to run a trial to test products and services for a new assistive technologies loan program, commencing in July 2024 within 2 states and territories
- \$0.7 million in 2023–24 to establish the Aged Care Sustainability Taskforce to provide advice to Government on the creation and maintenance of a high quality and sustainable aged care system
- \$0.1 million in 2023–24 for an Independent Implementation Readiness Assessment of the aged care reforms.

The Government will postpone the commencement of the *Support at Home Program* to 1 July 2025 in response to sector feedback that a longer lead time is needed, and extend grant arrangements for the *Commonwealth Home Support Programme* for a further 12 months to 30 June 2025.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Improving the Investment in Aged Care*.

This measure extends the 2022–23 October Budget measure titled *Implementing Aged Care Reform*.

Improving Aged Care Support

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	0.9	171.2	265.3	195.2	180.8
Services Australia	-	18.2	5.5	2.4	2.0
Department of Veterans' Affairs	-	-	..	0.1	0.1
Total – Payments	0.9	189.4	270.8	197.6	182.8
<i>Related receipts (\$m)</i>					
<i>Australian Taxation Office</i>	-	-	7.5	3.7	3.1

The Government will provide \$827.2 million over 5 years from 2022–23 to continue to improve the delivery of aged care services and respond to the *Final Report of the Royal Commission into Aged Care Quality and Safety*. Funding includes:

- \$487.0 million over 4 years from 2023–24 (and \$133.6 million ongoing) to extend, and make ongoing, the Disability Support for Older Australians Program
- \$112.0 million over 4 years from 2023–24 to introduce a new General Practice in Aged Care incentive payment to improve general practitioner attendance and continuity of care in residential aged care homes, and to reduce avoidable hospitalisations
- \$98.7 million over two years from 2023–24 for a new Market Adjustment Program and to provide business advisory services to improve the viability of the residential aged care sector
- \$81.9 million over 3 years from 2023–24 to develop and implement a new Aged Care Act to support aged care sector reform and undertake discovery and design of associated ICT system changes
- \$41.3 million over 4 years from 2023–24 (including \$11.9 million in capital funding from 2022–23) to build a new place assignment system, allowing older Australians to select their residential aged care provider
- \$6.3 million over 5 years from 2022–23 for the Independent Health and Aged Care Pricing Authority to deliver its functions in line with amendments to the *Aged Care Act 1997* and the *Health Reform Act 2011* which took effect on 12 August 2022.

The Government will introduce a new hoteling supplement of \$10.80 per resident per day by separating out the existing hoteling component of the Australian National Aged Care Classification (AN-ACC) price (the \$10 Basic Daily Fee Supplement) starting 1 July 2023. The Government will also adjust the care minute allocations within the AN-ACC funding model from 1 October 2023 to better align care minutes with resident needs.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Improving the Investment in Aged Care*.

This measure extends the 2022–23 October Budget measure titled *Implementing Aged Care Reform*.

Improving Health Outcomes for Aboriginal and Torres Strait Islander people

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	45.7	85.7	74.2	85.5
Cancer Australia	-	2.2	11.5	12.7	12.2
Total – Payments	-	47.9	97.2	86.9	97.7

The Government will provide \$363.1 million over 4 years from 2023–24 to support its commitment to close the gap in Aboriginal and Torres Strait Islander peoples' health and wellbeing outcomes, and improve outcomes in aged care. Funding includes:

- \$238.5 million over 4 years from 2023–24 to improve First Nations cancer outcomes through building capability and growing the healthcare workforce to improve screening and prevention activities, coordination, access support and research and data collection
- \$77.3 million over 4 years from 2023–24 to improve outcomes for Aboriginal and Torres Strait Islander people in aged care, including:
 - \$52.1 million over two years from 2023–24 to increase the funding available to aged care providers in very remote areas under the *National Aboriginal and Torres Strait Islander Flexible Aged Care Program* by calculating funding levels for residential care services using the Australian National Aged Care Classification price
 - \$8.1 million over 3 years from 2023–24 to support providers transition to new accountability measures and obligations under the proposed new Aged Care Act
 - \$7.6 million over two years from 2023–24 to fund capacity building of Aboriginal Community Controlled Organisations to potentially provide aged care services
 - \$4.1 million over 4 years from 2023–24 to develop mandatory cultural awareness training for aged care staff
 - \$3.8 million over 4 years from 2023–24 to support project and program assurance activities
 - \$1.7 million in 2023–24 to appoint an interim First Nations Aged Care Commissioner
- \$28.2 million over 3 years from 2023–24 for workforce accommodation to support the delivery of 30 dialysis units for First Nations peoples in regional and remote Australia with end-stage kidney disease
- \$16.7 million over 4 years from 2023–24 to:
 - develop a national campaign to promote increased uptake of First Nations Australians' health assessments, and improve administration and coordination of health assessments and linkages with allied health services

- update eligibility for outcome payments under the *Practice Incentives Program – Indigenous Health Incentive* to include all Medicare Benefits Schedule items for the preparation and review of a *Mental Health Treatment Plan*
- \$1.4 million over two years from 2023–24 to expand the delivery of the Strong Born campaign which provides information about fetal alcohol spectrum disorder to First Nations peoples
- \$0.9 million in 2023–24 to the Australian Indigenous Doctors' Association to continue to support Aboriginal and Torres Strait Islander doctors and medical students.

The Government will also transfer the management of the Puggy Hunter Memorial Health and Aged Care Scholarships Scheme from the Australian College of Nursing to a First Nations organisation from 2023–24.

Partial funding for this measure has already been provided for by the Government.

Partial funding for this measure will be held in the Contingency Reserve until final sites for dialysis units have been determined.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

This measure extends the 2022–23 October Budget measure titled *Strengthening First Nations Health*.

Improving the Investment in Aged Care

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Veterans' Affairs	-	-	-15.5	-18.1	-22.6
Department of Health and Aged Care	-	-	-583.5	-681.7	-851.8
Total – Payments	-	-	-599.0	-699.8	-874.4

The Government will temporarily reduce the residential aged care provision ratio from 78.0 places to 60.1 places per 1,000 people aged over 70 years. The reduction in the ratio reflects the increasing preference of older Australians to remain in their homes, and will save \$2.2 billion over 3 years from 2024–25.

The savings from this measure will be redirected to the Government's commitments in the health and aged care portfolio.

Investment in Sport

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Sports Commission	-	8.5	1.1	-	-
Department of Health and Aged Care	-	4.8	0.5	1.0	3.5
Total – Payments	-	13.4	1.6	1.0	3.5

The Government will provide \$39.8 million over 7 years from 2023–24 to support major sporting events, sports diplomacy, and sport and physical activity in Australia. Funding includes:

- \$16.3 million over 6 years from 2024–25 to support the Confederation of Australian Sport to host the World Masters Games 2029 in Perth, Western Australia, with funding subject to confirmation of a successful bid for Australia to host this event
- \$8.3 million in 2023–24 for the extension of the *Local Sporting Champions* program, which supports young Australians to participate in state, national and international sporting competitions
- \$3.8 million in 2023–24 to the Australian Sports Foundation to enhance the organisation’s information technology network to address emerging cyber security risks
- \$3.3 million in 2023–24 to continue Surf Life Saving Australia’s vocational education and training support for Australia’s surf lifesaving volunteers
- \$3.3 million over two years from 2023–24 to continue and expand The Big Issue’s Community Street Soccer Program
- \$2.1 million over two years from 2023–24 to the Department of Health and Aged Care and the Australian Sports Commission to support women and girls participation in talent and development programs to increase female representations in coaching, officiating and sports administration
- \$1.6 million over 3 years from 2023–24 to Reclink Australia to expand sport and recreation programs for disadvantaged Australians in the Northern Territory and the Australian Capital Territory
- \$0.8 million in 2023–24 to develop a new National Sport Plan and undertake a review of the *Australian Sports Commission Act 1989*
- \$0.2 million in 2023–24 to support development of the Government’s *Major Sporting Events Strategic Investment Model* to better quantify the broader social and economic impacts of major sporting events.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Long Term Dental Funding Reform Developmental Work and Interim Funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	107.8	107.8	-	-
Department of Health and Aged Care	-	1.9	0.9	0.2	..
Australian Institute of Health and Welfare	-	-	-	-	-
Total – Payments	-	109.7	108.7	0.2	..

The Government will provide \$219.4 million over 4 years from 2023-24 to progress work on longer-term adult public dental reform, extend the existing *Public Dental Services for Adults* funding agreement to 30 June 2025, and fund the 2023–2026 National Dental Care Survey.

The *Public Dental Services for Adults* funding agreement supports dental health services for adults who rely on the public dental system, through the states and territories.

Commonwealth payments to the states are managed by the Treasury.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Medicare Urgent Care Clinics – additional funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	14.5	-5.1	-16.9	2.5	-
Department of the Treasury	9.2	19.4	25.8	26.3	-
Services Australia	0.7	4.0	1.2	1.1	-
Department of Veterans' Affairs	..	0.6	0.4	0.5	0.5
Total – Payments	24.5	18.9	10.5	30.4	0.5

After consultation with the states and territories, the Government will provide additional funding of \$358.5 million over 5 years from 2022–23 to deliver Medicare Urgent Care Clinics by the end of 2023, including for 8 new Clinics. The Medicare Urgent Care Clinics will reduce pressure on hospital emergency departments and improve access for urgent, but not life-threatening, care. All Medicare Urgent Care Clinics will be open during

extended business hours with no appointments required and will ensure that patients do not have out-of-pocket costs.

Partial funding for this measure has already been provided for by the Government.

This measure builds on the 2022–23 October Budget measure titled *Urgent Care Clinics*.

Mental Health

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
National Mental Health Commission	-	-	-	-	-
Department of Health and Aged Care	-1.3	160.8	93.9	-79.7	-84.8
Total – Payments	-1.3	160.8	93.9	-79.7	-84.8

The Government will provide \$556.2 million over 5 years from 2022–23 (and \$36.0 million ongoing) to strengthen Australia’s mental health and suicide prevention system. Funding includes:

- \$260.2 million over two years from 2023–24 to extend Commonwealth psychosocial supports for people with severe mental illness who are not in the National Disability Insurance Scheme
- \$136.0 million over 4 years from 2023–24 (and \$36.0 million ongoing) to support the mental health of survivors of torture and trauma before moving to Australia on humanitarian grounds, through the *Program of Assistance for Survivors of Torture and Trauma*, and other culturally and linguistically diverse communities
- \$91.3 million over 5 years from 2022–23 for additional psychology placements, including 500 psychology post-graduate placements, 500 one-year internships, and 2,000 supervisor training sessions (1,000 of which will be refresher places), and a redesign of psychology higher education pathways
- \$17.8 million over 5 years from 2022–23 to upskill the mental health capabilities of the broader health workforce through training, resources and professional development materials. This will include reviewing and improving undergraduate curricula for nursing, midwifery and allied health to ensure students are receiving contemporary training in mental health
- \$14.4 million over two years from 2023–24 to support the continuation of postvention services nationally for people experiencing grief and distress as a result of suicide loss
- \$8.7 million in 2023–24 to continue the current service capacity of digital mental health services and to maintain the Head-to-Health website

- \$8.7 million over 3 years from 2023–24 to establish and operate 2 independent national mental health lived-experience peak bodies to advise on mental health policies and programs and to support lived-experience research
- \$6.9 million over two years from 2023–24 to continue child and youth mental health supports, including supporting digital work and study and student mentoring
- \$6.2 million in 2023–24 to support children to build and maintain a positive body image and reduce body dissatisfaction and appearance pressures
- \$2.8 million in 2023–24 to extend mental health supports for Australians living with eating disorders and their families
- \$2.1 million in 2023–24 to continue the National Workplace Initiative to provide a centralised repository of evidence-based interventions to support employers to support the mental health of employees in the workplace
- \$0.9 million over two years from 2022–23 to support the continued operation of Head to Health services in Shepparton, Seymour, and Mildura.

The Government will partially offset these costs by redirecting \$46.8 million over 4 years from 2023–24 (and \$10.2 million ongoing), achieved by reducing funding available under the 2018–19 Budget measure titled *Prioritising Mental Health – Aftercare following a suicide attempt*, and the 2021–22 Budget measure titled *Mental Health Universal aftercare*. Universal aftercare will continue to be provided under the 2021–22 Budget measure titled *Aftercare services for people discharged from hospital following a suicide attempt*.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

The cost of this measure will also be partially met from within the existing resourcing of the Department of Health and Aged Care and the National Mental Health Commission.

The Government has provisioned funding for future mental health priorities in response to the Better Access evaluation.

National Clinical Quality Registry Program

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	8.3	10.2	11.0	10.4

The Government will provide \$40.0 million over 4 years from 2023–24 to establish the National Clinical Quality Registry Program for tracking the safety and performance of treatments and devices, thereby improving performance reporting for clinicians and hospitals.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

National Immunisation Program

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	1.6	2.3	0.5	0.5	0.5
Department of Health and Aged Care	-	65.6	95.4	102.4	103.8
Department of the Treasury	-	-	2.9	-	-
Total – Payments	1.6	67.8	98.8	102.9	104.3

The Government will provide funding of \$449.4 million over 5 years from 2022–23 (and \$118.0 million ongoing) and deliver efficiencies of \$74.1 million over 4 years from 2023–24 (and \$18.1 million ongoing) for new and amended listings on the National Immunisation Program (NIP).

Funding of \$446.5 million over 5 years from 2022–23 (and \$117.7 million ongoing) will be provided for Shingrix® to replace Zostavax® on the NIP for the prevention of herpes zoster virus (shingles) in a wider range of eligible patients.

From 1 July 2023, Gardasil®9, for the prevention of Human Papillomavirus, will be available to eligible patients up to the age of 25. The recommended dose schedule for some patients will reduce from 2 to one, resulting in efficiencies of \$71.2 million over 5 years (and \$17.8 million ongoing).

National Medical Stockpile

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	0.7	0.7	-	-	-

The Government will provide additional funding of \$1.4 million over two years from 2022–23 to ensure the National Medical Stockpile can sustain its stock and procure additional chemical, biological, radioactive and nuclear countermeasures, store surplus consumables and develop long term strategies.

Pharmaceutical Benefits Scheme (PBS) New and Amended Listings

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	136.7	450.7	507.5	544.1	557.0
Department of Veterans' Affairs	1.9	4.6	5.0	5.7	4.7
Services Australia	0.8	-0.5	-0.7	-0.9	-1.0
Total – Payments	139.5	454.8	511.8	548.9	560.7
<i>Related receipts (\$m)</i>					
Department of Health and Aged Care	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government will provide \$2.2 billion over 5 years from 2022–23 for new and amended listings on the Pharmaceutical Benefits Scheme (PBS), the Repatriation Pharmaceutical Benefits Scheme, the Life Saving Drugs Program, the National Epidermolysis Bullosa Dressing Scheme and the Stoma Appliance Scheme.

Examples of new and amended PBS listings since the 2022–23 October Budget include:

- nirmatrelvir and ritonavir (Paxlovid®), for the treatment of adults with COVID-19
- evolocumab (Repatha®) from 1 December 2022, for the treatment of hypercholesterolaemia
- pegcetacoplan (EMPAVELI™) from 1 December 2022, for the treatment of adults with paroxysmal nocturnal haemoglobinuria
- vericiguat (Verquvo®) from 1 December 2022, for the treatment of chronic heart failure
- daratumumab (Darzalex®) from 1 January 2023, for the treatment of newly diagnosed systemic light chain amyloidosis
- faricimab (Vabysmo®) from 1 January 2023, for the treatment of neovascular age-related macular degeneration and diabetic macular oedema
- nivolumab + ipilimumab (OPDIVO®/YERVOY®) from 1 March 2023, for the treatment of Stage III or IV malignant melanoma
- elexacaftor + tezacaftor + ivacaftor (Trikafta®) from 1 May 2023, for the treatment of cystic fibrosis in patients aged 6 to 11 years
- vosoritide (Voxzogo®) from 1 May 2023, for the treatment of patients with achondroplasia whose epiphyses are not closed.

The cost of some medicines listed will be reduced by revenue from rebates negotiated as part of purchase agreements. Details of the receipts for this measure are not for publication (nfp) due to commercial sensitivities.

Preparatory Work for Implementation of New Legislation to Modernise the National Gene Technology Scheme – more effective delivery of regulation

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	3.2	-	-	-

The Government will provide \$3.2 million in 2023–24 (including \$1.1 million in capital funding in 2023–24) to support legislative amendments to the *National Gene Technology Scheme* to ensure regulation is fit for purpose and supports the growth of the biotechnology sector.

Preventive Health Reform

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	23.1	13.9	9.6	4.2

The Government will provide \$53.4 million over 5 years from 2022–23 (and \$0.4 million ongoing) for preventive and other health initiatives. Funding includes:

- \$26.4 million over 4 years from 2023–24 to extend support for research and data collection activities that support women and girls' health outcomes
- \$10.9 million over two years from 2023–24 to continue support for Men's Sheds and existing national men's health research and data collection initiatives, in line with the *National Men's Health Strategy 2020–2030*
- \$6.3 million over 3 years from 2023–24 to continue the Australian Burden of Disease Study and initiatives to monitor and improve the evidence base of health and wellbeing outcomes, in line with the *National Preventive Health Strategy 2021–2030*
- \$4.3 million over two years from 2023–24 to continue research that supports prevention and early intervention initiatives for chronic conditions
- \$3.2 million over 3 years from 2023–24 to fund the Australian Branded Food Database, Healthy Food Partnership and contribute to the ongoing implementation of the Health Star Rating system in collaboration with the states and territories
- \$2.2 million over 5 years from 2022–23 (and \$0.4 million ongoing) to continue, and implement changes to, the Creutzeldt-Jakob Disease scheme.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Reducing Harm Caused by Alcohol and Other Drugs in Australia

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	19.4	13.7	-	-

The Government will provide \$33.6 million over two years from 2023–24 to improve health outcomes through extending existing alcohol and drug programs in the community. Funding includes:

- \$17.3 million over two years from 2023–24 for the Drug and Alcohol Treatment Services Maintenance program, which provides financial support to the social and community services sector
- \$5.9 million in 2023–24 for the Alcohol and Drug Foundation to run the Good Sports program, which offers free support to community sports clubs to develop policies relating to alcohol and other drug use and mental health
- \$3.5 million over two years from 2023–24 to the Glen for Women, which provides culturally appropriate alcohol and other drug treatment services to First Nations women
- \$3.1 million over two years from 2023–24 to Hello Sunday Morning for its Daybreak program, which provides free online and mobile app services to support Australians experiencing problematic use of alcohol to reduce their intake and related harms
- \$2.7 million over two years from 2023–24 for the Path2Help program, which provides a national online directory linking people to locally available support and information services
- \$1.1 million over two years from 2023–24 for the SMART Recovery Australia program online platform, which provides free access to addiction support programs.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Reducing Patient Costs and Improving Services through Community Pharmacies

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	0.2	0.9	-2.3	-5.2	-5.5
Department of Health and Aged Care	0.1	202.0	-131.5	-48.6	-80.2
Australian Digital Health Agency	-	3.0	2.7	0.4	0.4
Department of Veterans' Affairs	-	-4.1	-11.2	-14.9	-16.4
Total – Payments	0.2	201.7	-142.3	-68.3	-101.7
<i>Related receipts (\$m)</i>					
Department of Health and Aged Care	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government will provide \$1.3 billion over 5 years from 2022–23 and deliver savings of \$1.3 billion over 4 years from 1 July 2023 to reduce patient costs and improve access to medicines and related services delivered by community pharmacies. Funding includes:

- \$654.9 million over 4 years from 2023–24 (and \$168.4 million ongoing) for community pharmacy programs under the Seventh Community Pharmacy Agreement (7CPA)
- \$377.3 million over 4 years from 2023–24 (and \$98.4 million ongoing) to make patient access more affordable under the Pharmaceutical Benefits Scheme (PBS) Opioid Dependence Treatment program
- \$111.8 million over 4 years from 2023–24 (and \$24.2 million ongoing) to provide electronic-prescription delivery infrastructure and services, including mandating the use of e-prescribing for high risk and high cost medicines subsidised under the PBS
- \$114.1 million over 5 years from 2022–23 (and \$31.0 million ongoing) to subsidise community pharmacies to administer eligible National Immunisation Program vaccines
- \$79.5 million over 4 years from 2023–24 (and \$19.9 million ongoing) to double the Regional Pharmacy Maintenance Allowance to ensure the ongoing viability of pharmacies due to reduced dispensing income
- \$10.1 million over 4 years from 2023–24 for the Therapeutic Goods Administration to assist medicine sponsors repurpose targeted medicines by expanding approval for their use in Australia.

The Government will also achieve efficiencies of \$1.3 billion over 4 years from 2023–24, including:

- \$1.2 billion over 5 years from 2022–23 (and \$438.7 million ongoing) by allowing 2 months' worth of certain PBS medicines to be dispensed by pharmacies from 1 September 2023. Per year, per medicine, concession card holders may save up to \$43.80 and general patients may save up to \$180.
- \$73.5 million over 4 years from 2023–24 (and \$3.6 million ongoing) by revising the estimated uptake and changing the medication management arrangements for residential aged care homes previously announced in the 2022–23 March Budget. Improved medication safety and quality use of medicines for residential aged care residents will be led by community pharmacy.

This measure will also be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

The savings from some medicines are impacted by revenue from rebates negotiated as part of purchase agreements. Details of the receipts for this measure are not for publication (nfp) due to commercial sensitivities.

Reinvesting in Health and Aged Care Programs

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	-414.6	-415.9	-417.0	-422.0

The Government has identified \$1.7 billion over 4 years from 2023–24 (and \$422.9 million ongoing) from health and aged care programs which will be reinvested in new or expanded health and aged care services.

The Government will provide \$4.3 million over 4 years (and \$0.9 million ongoing) to the Department of Health and Aged Care to expand program evaluation activities to better target investment in health and aged care programs.

Strengthening Medicare

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	0.5	78.5	40.2	22.2	22.1
Department of Health and Aged Care	0.2	988.9	1,265.4	1,162.2	1,182.7
Australian Digital Health Agency	-	320.0	341.1	124.9	125.2
Department of Veterans' Affairs	-	7.1	10.2	9.7	9.4
Commonwealth Scientific and Industrial Research Organisation	-	4.6	4.7	-	-
Office of the Australian Information Commissioner	-	2.4	2.4	-	-
National Disability Insurance Agency	-	1.1	1.1	1.1	1.1
Department of Social Services	-	0.3	0.3	0.3	0.3
Total – Payments	0.7	1,402.8	1,665.4	1,320.5	1,340.9
<i>Related receipts (\$m)</i>					
Australian Digital Health Agency	-	32.3	32.3	32.3	32.3

The Government will provide \$5.7 billion over 5 years from 2022–23 as an initial investment to provide better access and more affordable care for patients in response to the *Strengthening Medicare Taskforce Report*. This investment will improve the quality and accessibility of multidisciplinary primary care, modernise Australia's digital health infrastructure, improve the financial sustainability of general practices, grow and upskill Australia's health workforce, and ease the pressure on hospitals.

Funding to support greater access to primary care services includes:

- \$3.5 billion over 5 years from 2022–23 to address the decline in general practitioners' bulk billing of patients on low incomes, and children. This funding will triple the bulk billing incentive benefits for consultations for Commonwealth concession card holders and patients aged under 16 years of age. These increased incentives would apply to:
 - all face-to-face general practice consultations more than 6 minutes in length
 - all telehealth general practice services which are between 6 and 20 minutes in length (Level B consultations)
 - longer telehealth general practice consultations where a patient is registered with their GP through MyMedicare

- \$445.1 million over 5 years from 2022–23 to increase funding for the Workforce Incentive Program—Practice Stream, to both increase the maximum incentive payment to \$130,000 per practice, per annum and make more general practices eligible for the maximum payment. This funding will support practices to expand multidisciplinary teams and employ more nurses, allied health and other health professionals in practices
- \$143.9 million over two years from 2023–24 to improve access to primary care after hours programs, comprising:
 - \$77.9 million to extend the Primary Health Networks (PHN) After Hours Program to support general practices to fill access gaps
 - \$25.4 million to establish a Homelessness Support Program to support homeless people’s access to primary care services
 - \$15.3 million to establish a PHN Multicultural Access Program to support multicultural communities to access primary care services
 - \$14.8 million to support PHNs implement and support these after hours programs
 - \$7.0 million to support Healthdirect’s after hours GP helpline, and
 - \$3.5 million to the Department of Health and Aged Care to implement and monitor the measure
- \$98.9 million over 4 years from 2023–24 to connect frequent hospital users to a general practice to receive comprehensive, multidisciplinary care in the community which will reduce the likelihood of hospital re-admission
- \$79.4 million over 4 years from 2023–24 to support PHNs to commission allied health services to improve access to multidisciplinary care for people with chronic conditions in underserviced communities
- \$60.2 million in 2023–24 to extend Practice Incentive Program—Quality Improvement payments for an additional year to 30 June 2024, and to undertake an intensive review of all general practice incentive programs
- \$47.8 million over 5 years from 2022–23 (and \$12.3 million per year ongoing) to improve the treatment of chronic wounds by establishing a Chronic Wound Consumables Scheme for people with diabetes aged 65 years and First Nations people aged 50 years and over to provide eligible people with subsidised wound consumables. The measure will also provide health care professionals with education and training on chronic wound management
- \$29.1 million over two years from 2023–24 to support the Royal Flying Doctor Service to deliver essential services to people living in remote communities through additional primary care visits and increased aeromedical evacuations

- \$19.7 million over 4 years from 2023–24 (and \$3.2 million per year ongoing) to implement MyMedicare to formalise the relationship between patients and their primary care providers to improve patient care and health outcomes
- \$5.9 million over 5 years from 2022–23 to enable access to longer telehealth consultations through the MBS for patients and general practices under MyMedicare from 1 November 2023.

Funding to support the expansion of national digital infrastructure includes:

- \$429.0 million over two years from 2023–24 to modernise My Health Record (MHR) including by creating a new National Repository platform which supports easier, more secure data sharing across all healthcare settings, investment to improve the sharing of pathology and diagnostic imaging information, and targeted investment to increase allied health professionals' connection to MHR
- \$325.7 million over 4 years from 2023–24 (and approximately \$79.9 million per year ongoing), to establish the Australian Digital Health Agency (ADHA) as an ongoing entity to deliver on the Government's commitment to strengthen Medicare. This measure will also fund a review of the ADHA's enabling legislation to ensure the agency remains fit for purpose
- \$69.7 million over 4 years from 2023–24 (and \$4.2 million per year ongoing) to respond to recommendations made in the Strengthening Medicare Taskforce Report, and the Independent Review into Medicare Integrity and Compliance to digitise additional health services, and better connect health data to improve access to services for customers and health professionals.

The Government has provisioned funding for the Commonwealth's contribution to the Intergovernmental Agreement on National Digital Health with the states and territories.

Funding to grow and upskill the medical and health workforce and improve access to essential services by investing in training, workforce incentives and trials for innovative models of care, includes:

- \$50.2 million over 4 years from 2023–24 to establish the Primary Care and Midwifery Scholarships program to support registered nurses and midwives to undertake post-graduate study and improve their skills
- \$46.8 million over 4 years from 2023–24 to recognise the important role nurse practitioners and participating midwives play in the delivery of health care services, through:
 - increasing Medicare Benefits Schedule (MBS) schedule fees for standard nurse practitioner attendance items
 - expanding the eligibility for MBS case conferencing items to enable nurse practitioners to participate in allied health multidisciplinary case conferences

- removing the legislated requirement for collaborative arrangements between participating midwives, nurse practitioners and medical practitioners to prescribe Pharmaceutical Benefits Scheme medications
- \$34.6 million over two years from 2023–24 to enable non-vocationally recognised doctors to receive MBS rebates under the Other Medical Practitioner Program
- \$31.6 million over two years from 2023–24 to trial enhanced training arrangements to support international medical students working in rural and remote locations
- \$27.0 million over 4 years from 2023–24 to improve the provision of, and access to, primary care and support services in thin markets by trialling integrated services and joint commissioning across primary health, First Nations health services, disability, aged care, and veterans' care sectors in up to 10 locations
- \$17.5 million over two years from 2022–23 to extend the General Practice Incentive Fund until 30 June 2024 and to expand its eligibility to all PHNs to improve access to primary care in thin markets
- \$10.7 million over 4 years from 2023–24 to boost the primary care nursing workforce by creating 6,000 primary care clinical placements and providing incentives to clinics employing returning nurses. The measure will also fund a scope of practice review to examine current models of primary care
- \$4.5 million over 5 years from 2022–23 (\$5.4 million over 6 years) to increase rural generalist trainees by expanding the single employer model trials by a further 10 trial sites from 1 July 2023
- \$4.2 million over two years from 2022–23 to support James Cook University to deliver the Australian General Practice Training program.

Funding to support patient-centred policy development and the uptake and monitoring of investments in Strengthening Medicare includes:

- \$21.9 million over two years from 2023–24 to raise awareness of Medicare Urgent Care Clinics and MyMedicare.
- \$13.0 million over 4 years from 2023–24 to strengthen consumer and community representation in the design and delivery of primary care policy
- \$6.1 million over 4 years from 2023–24 to develop and implement a monitoring and evaluation framework and establish an Implementation Oversight Committee as an advisory body to the Department of Health and Aged Care.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care; from funding already provided for by the Government; and by reprioritising funding from the Budget measure titled *Reinvesting in Health and Aged Care Programs*.

This measure delivers on the Government's election commitment *Strengthening Medicare Fund* as published in the *Plan for a Better Future* and builds on the 2022–23 October Budget measures titled *Rural and Regional Health* and *Strengthening Medicare GP Grants*.

Strengthening Medicare – improving Medicare integrity

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	11.8	2.3	2.3	2.4
Services Australia	-	6.6	2.5	1.3	0.7
Total – Payments	-	18.4	4.8	3.6	3.0

The Government will provide \$29.8 million over 4 years from 2023–24 to strengthen the integrity of the Medicare system in response to key recommendations of the Independent Review into Medicare Integrity and Compliance (Philip Review).

A taskforce will be established in the Department of Health and Aged Care to identify and disrupt instances of fraud and serious non-compliance before they occur. The taskforce will also produce immediate policy and legislative amendments, including to:

- limit the duration of backdated patient-billed claims through practices, to prevent fraudulent claims being submitted through practices
- permit appropriate data sharing with Services Australia to allow entities and bank accounts associated with known fraud to be blocked from receiving claims payments
- enable the Department of Health and Aged Care to audit providers by removing the requirement for external consultation with peak bodies to occur before issuing a notice to produce.

The Government may consider additional measures to improve Medicare integrity in response to the Philip Review, pending consideration of broader policy aspects.

Support for Children and New and Expecting Parents

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	7.6	10.8	-	-

The Government will provide \$19.7 million over two years from 2023–24 to help parents support their children's health and early development. Funding includes:

- \$6.0 million over two years from 2023–24 to extend the Australian Red Cross Lifeblood's role to maintain and expand delivery of donor milk across Australia

- \$5.3 million over two years from 2023–24 to continue support for the Australian Breastfeeding Association’s National Breastfeeding Helpline
- \$5.0 million over two years from 2023–24 to extend funding for Foetal Alcohol Spectrum Disorder prevention, diagnosis and support activities
- \$3.4 million over two years from 2023–24 to continue activities that address declines in childhood immunisation rates for children at 5 years and under.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will be partially offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Supporting Affordable Health Care – Cost Recovery Arrangements

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	10.1	6.7	6.4	6.3
<i>Related receipts (\$m)</i>					
Department of Health and Aged Care	-	5.7	9.0	9.3	9.8

The Government will provide \$29.5 million over 4 years from 2023–24 to design, implement and maintain a range of cost recovery arrangements to support affordable health care and ensure services provided to commercial entities are consistent with the Australian Government Charging Framework. Funding includes:

- \$13.4 million over 4 years from 2023–24 (and \$3.4 million ongoing) to revise cost recovery arrangements relating to the Pharmaceutical Benefits Scheme, including implementing a new cost recovery scheme for stockholding assessments and funding for assessment of Pharmaceutical Benefits Advisory Committee applications
- \$11.4 million over 4 years from 2023–24 (and \$2.9 million ongoing) to fund enhanced services to the medical device industry under new arrangements relating to the Prostheses List. These costs will be partially offset from increased revenue of \$9.3 million over 4 years (\$3.3 million ongoing) recovered from existing and new charges for services to the industry
- \$3.0 million in 2023–24 to implement cost recovery arrangements for the Medicinal Cannabis Program, including \$2.3 million in capital funding to update the operating systems of the Office of Drug Control

- \$1.2 million over two years from 2023–24 to design and develop cost recovery arrangements for the Medical Services Advisory Committee to support an efficient Medicare Benefits Schedule
- \$0.6 million over two years from 2023–24 to design and develop cost recovery arrangements for the *Stoma Appliance Scheme* to support ostomates to access subsidised stoma products.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

Therapeutic Goods Administration – public good activities

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	15.0	15.2	15.3	15.5

The Government will provide \$61.0 million over 4 years from 2023–24 for the Therapeutic Goods Administration’s delivery of public good activities.

This measure will be offset by redirecting funding from the 2023–24 Budget measure titled *Reinvesting in Health and Aged Care Programs*.

Urgent Health Supports for Flood-affected Communities

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	-	-	-	-

The Government will provide \$9.8 million in 2022–23 to provide urgent mental health and mosquito-borne disease supports to communities impacted by flooding in Victoria, Tasmania and New South Wales, including First Nations communities.

The cost of this measure will be met from within the existing resourcing of the Department of Health and Aged Care.

Vaping Regulation Reform and Smoking Cessation Package

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	53.5	67.2	172.7	173.4
Cancer Australia	-	5.1	5.3	1.8	2.0
Department of the Treasury	-	1.5	4.5	4.5	4.5
Department of Veterans' Affairs	-	-	-	0.8	0.8
Services Australia	-	-	-	0.2	0.2
Total – Payments	-	60.1	77.0	180.0	180.9

The Government will provide \$511.1 million over 4 years from 2023–24 (and \$101.1 million ongoing) for a new national lung cancer screening program, nicotine vaping product regulation and reform, and cessation support activities for tobacco and vaping use.

Funding includes:

- \$263.8 million over 4 years from 2023–24 (and up to \$101.1 million per year ongoing) to establish and maintain a national lung cancer screening program, including program design, implementation and monitoring, National Cancer Screening Register expansion, communications, workforce training and updated clinical guidance
- \$141.2 million over 4 years from 2023–24 to expand the *Tackling Indigenous Smoking* program to prevent the uptake, and reduce the prevalence, of vaping by First Nations Australians
- \$63.4 million over 4 years from 2023–24 for national public health campaigns to prevent uptake and reduce smoking and vaping, including additional funding provisioned in the Contingency Reserve for a targeted youth campaign
- \$29.5 million over 4 years from 2023–24 to increase and enhance smoking and vaping cessation support
- \$13.3 million over 4 years from 2023–24 for legislative and regulatory reform, the testing of tobacco products for prohibited ingredients, to increase inspections of manufacturers, importers, wholesalers and retailers, and to communicate these changes to stakeholders.

Commonwealth payments to the States are managed by the Treasury.

The cost of this measure will be partially met from within the existing resourcing of the Department of Health and Aged Care.

This measure will complement the change to the tobacco excise. These changes are part of the Government's response to the National Tobacco Strategy and related initiatives on vaping and smoking prevention and cessation, and an enhanced regulatory approach to vaping.

Home Affairs

Adult Migrant English Program – improved delivery model

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	-	-	-	-

The Government will introduce an improved delivery model for the *Adult Migrant English Program* from 1 January 2025 within existing funding, to improve English language, employment, and settlement outcomes for migrants by providing flexible tuition options, introducing a national curriculum, supporting professional development for teachers, and enhancing client support and performance management.

This measure builds on the 2022–23 October Budget measure titled *Improving the Adult Migrant English Program*.

Continuation of Immigration Assessment Authority

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Administrative Appeals Tribunal	-	4.0	-	-	-

The Government will provide \$4.0 million in 2023–24 for the Immigration Assessment Authority to continue merits review of unsuccessful protection visa applications eligible for fast track review under the *Migration Act 1958* pending the establishment of a new federal administrative review body.

Cyber Security – additional funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	0.2	27.9	3.0	3.1	3.1
Department of the Treasury	-	6.7	8.5	8.2	-
Department of Defence	-	3.9	-	-	-
Services Australia	-	2.8	-	-	-
Australian Signals Directorate	-0.2	-2.9	-3.0	-3.1	-3.1
Australian Taxation Office	-8.6	-	-	-	-
Total – Payments	-8.6	38.3	8.5	8.2	-

The Government will provide \$101.6 million over 5 years from 2022–23 (and \$11.8 million per year ongoing) to support and uplift cyber security in Australia. Funding includes:

- \$46.5 million over 4 years from 2023–24 (and \$11.8 million per year ongoing) to establish the Coordinator for Cyber Security to ensure that the Commonwealth’s cyber security efforts are strategic, coordinated, timely and effective. The Coordinator will be supported by the National Office of Cyber Security and dedicated resources from within the Department of Home Affairs and other Commonwealth entities, with capacity to surge further in the event of a cyber incident
- \$23.4 million over 3 years from 2023–24 to the Department of the Treasury for a small business cyber wardens program delivered by the Council of Small Business Organisations Australia, to support small businesses to build in-house capability to protect against cyber threats
- \$19.5 million in 2023–24 to continue work to improve the security of critical infrastructure assets and assist owners and operators to respond to significant cyber-attacks
- \$12.2 million in 2023–24 to sustain cyber resilience of Commonwealth entities currently serviced by the Cyber Hubs pilot program and to continue assessment and certification of service providers used by the Commonwealth entities to host data.

The cost of this measure will be partially met from within the existing resources of the Department of Home Affairs and by redirecting funding provided to the Australian Taxation Office for Cyber Hub pilot activities.

Disaster Support

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	-	-	-	-
Department of Health and Aged Care	-	2.9	4.3	-	-
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	nfp	nfp	nfp	nfp
National Emergency Management Agency	-3.5	nfp	nfp	nfp	nfp
Total – Payments	-3.5	2.9	4.3	-	-

The Government will provide funding to improve Australia's resilience to natural disasters and support recovery of impacted communities including:

- \$125.7 million over 5 years from 2022–23 (and \$28.3 million per year ongoing) to uplift the capacity of the National Emergency Management Agency to support Australians during, and following, a disaster. Funding from 2024–25 will be held in the Contingency Reserve, pending a review of the agency's funding requirements
- \$10.1 million over two years from 2023–24 to scope the capability needs to modernise Australia's emergency service communications to provide Commonwealth, and state and territory agencies high-speed and high-capacity mobile broadband services, to improve the operational effectiveness and safety of public safety personnel
- \$8.6 million in 2023–24 to supplement and maintain a national emergency management stockpile of disaster response resources
- \$8.0 million over 4 years from 2023–24 to continue to provide financial assistance to eligible New Zealanders in Australia following a disaster
- \$7.4 million over 4 years from 2023–24 (and \$0.6 million per year ongoing) to establish and maintain a Disaster Recovery Management System
- \$7.2 million over two years from 2023–24 to extend mental health services supporting communities affected by disasters
- \$2.3 million in 2022–23 to extend the *Regional Small Business Support Program Pilot* until 30 June 2023 to continue existing support to regional small businesses, with costs met from within existing uncommitted resources of the National Emergency Management Agency
- Funding to finalise building a new national cell broadcast messaging system to improve emergency warning communications, with the financial implications of this element not for publication (nfp) due to commercial sensitivities.

The Government will also provide \$200 million in 2023–24 for disaster resilience initiatives through the *Disaster Ready Fund* to address a broad range of natural hazards, infrastructure needs, and for systemic risk reduction projects. Funding for this element has already been provided for by the Government.

The support outlined in this measure is in addition to previous assistance of \$1.4 billion committed by the Commonwealth Government in response to multiple disaster events under Category C and D of the Disaster Recovery Funding Arrangements. The cost of this assistance will be met from funding previously included in the Contingency Reserve.

This measure builds on the 2022–23 October Budget measure titled *Disaster Support*.

Enduring Funding Mechanism for AusCheck

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	34.6	43.4	45.6	41.2
<i>Related receipts (\$m)</i>					
Department of Home Affairs	-	28.7	44.7	51.7	39.8

The Government will provide \$164.8 million over 4 years from 2023–24 to establish enduring funding arrangements for AusCheck, providing funding stability for background checking and card issuing services, recovered through charging regulated sectors. AusCheck’s services will also be extended to the migration service industry through a strengthened ‘fit and proper person’ assessment for Registered Migration Agents, subject to the passage of legislation.

The Government will also finalise arrangements for the transition to a single Government issuing body for aviation and maritime security identification cards from 2025.

Under this measure, the Government will introduce charges for background checks and card issuance for major events and biological hazard checks. Combined with updated existing charges, this measure is estimated to increase receipts by \$164.9 million over 4 years from 2023–24.

Immigration Policy Settings for New Zealand Citizens

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	-	-	-	-
Services Australia	-	-	-	-	-
Department of Health and Aged Care	-	-	-	-	-
Department of Education	-	-	-	-	-
National Disability Insurance Agency	-	-	-	-	-
Department of Social Services	-	-	-	-	-
Department of Employment and Workplace Relations	-	-	-	-	-
Total – Payments	-	-	-	-	-
<i>Related receipts (\$m)</i>					
Department of Home Affairs	..	-	-	-	-
Department of Employment and Workplace Relations	-	-
Department of Education	-	-	-
Total – Receipts	..	-

The Government will provide a direct pathway to Australian citizenship for New Zealand citizens in Australia from 1 July 2023, by allowing those who hold a non-protected Special Category visa (subclass 444), and meet general residence and other eligibility requirements, to apply directly for citizenship without becoming permanent residents first.

This measure is estimated to increase payments for government services and benefits by \$1.3 billion over 5 years from 2022–23, and increase receipts by \$795.0 million over 5 years from 2022–23. Funding for this measure has already been provided for by the Government.

This measure builds on the 2022–23 October Budget measure titled *Migration Program – 2022–23 planning levels*.

Migrant and Refugee Settlement Services

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	9.1	-	-	-

The Government will provide \$9.1 million in 2023–24 to extend existing *Youth Transition Support* services for 12 months to 30 June 2024 to continue settlement services to young refugees and migrants to improve their employment outcomes.

The Government will remove the 5-year maximum duration of eligibility for services under the *Settlement Engagement and Transition Support Program*, the *National Community Hubs Program* and *Youth Transition Support* services to ensure continued support for refugees and migrants who have been in Australia for longer than 5 years and have unresolved settlement related needs.

Permanent Residency and Citizenship Implications of the Love and Thoms High Court Case

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	-	1.6	1.4	1.1	0.4
Department of Social Services	-	0.1	0.3	0.2	0.2
Services Australia	-
Total – Payments	-	1.8	1.7	1.4	0.6

The Government will provide \$5.5 million over 4 years from 2023–24 (and \$0.2 million per year ongoing) to support a pathway to permanent residency for individuals who are not Australian citizens or permanent residents, and who satisfy the tripartite test as set out in *Mabo v Queensland [No. 2] (1992) 175 CLR 1*, as a result of the High Court’s decision in *Love v Commonwealth; Thoms v Commonwealth (2020) 270 CLR 152*.

Eligible individuals will be invited to apply for the Resolution of Status visa (subclass 851) for permanent residence providing access to essential Government entitlements, services and programs.

Protecting the Australian Border

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Finance	-	-0.1	-0.1	-	-
Department of Home Affairs	-73.7	-20.3	-18.4	4.5	4.6
Total – Payments	-73.7	-20.4	-18.5	4.5	4.6

The Government will provide \$17.9 million over 4 years from 2023–24 to continue additional capacity within the Australian Border Force’s Airline Liaison Officer Program to disrupt illegitimate international travel to Australia.

The Government has ceased further work on the Digital Passenger Declaration as it is no longer a priority since the easing of COVID-19 border restrictions, resulting in expenditure savings of \$121.4 million over 3 years from 2022–23.

Visa and Migration System

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Home Affairs	73.4	165.8	27.9	12.3	15.3
Department of Social Services	3.5	95.6	178.7	166.9	145.4
Department of Employment and Workplace Relations	0.4	2.9	3.0	1.7	0.8
Department of Health and Aged Care	0.1	2.1	3.9	3.5	2.9
Services Australia	0.1	1.6	3.1	2.2	1.2
National Disability Insurance Agency	-	14.7	27.7	31.7	33.3
Department of Education	-	-	-	-	-
Department of the Treasury
Total – Payments	77.5	282.6	244.3	218.3	198.9
<i>Related receipts (\$m)</i>					
Department of Education	-	-
Australian Taxation Office
Department of Home Affairs
<i>Total – Receipts</i>

The Government will provide \$125.8 million over 4 years from 2023–24 to continue implementing outcomes from the Jobs and Skills Summit to strengthen the migration system in order to ease critical skills shortages across the economy and build a more productive workforce. Funding includes:

- \$75.8 million over two years from 2023–24 to extend the current surge in visa processing resources to ensure timeliness of visa processing and improve existing visa processing systems
- \$50.0 million over 4 years from 2023–24 (and \$15.3 million per year ongoing) for additional enforcement and compliance activities to maintain the integrity of the migration system. Funding from 2025–26 will be held in the Contingency Reserve, pending an evaluation of the effectiveness of the activities.

This component builds on the 2022–23 October Budget measure titled *Outcomes of the Jobs and Skills Summit*.

In addition, the Government will return funding of \$163.2 million over two years from 2022–23 to the Department of Home Affairs to continue its visa processing capabilities, recognising the cancellation of the *Global Digital Platform*, associated with the 2016–17 Budget savings measure titled *Reforming the Visa and Migration Framework*, by the former Government.

The Government will also provide a permanent visa pathway for a Temporary Protection (subclass 785) visa (TPV) and Safe Haven Enterprise (subclass 790) visa (SHEV) holders who held or applied for a TPV or SHEV before 14 February 2023.

The pathway to permanent residency is estimated to increase payments for government services and benefits by \$732.5 million over 5 years from 2022–23.

This measure is estimated to have a negligible impact on receipts over the 5 years from 2022–23.

Industry, Science and Resources

Enhanced Support for Small and Medium-sized Businesses and Startups

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-	8.8	31.4	45.9	-4.1

The Government will provide \$431.9 million over 4 years from 2023–24 (and \$79.2 million per year ongoing) to improve support for small to medium enterprises (SMEs) and startups. Funding includes:

- \$392.4 million over 4 years from 2023–24 (and \$68.2 million per year ongoing) to establish the Industry Growth Program to support Australian SMEs and startups to commercialise their ideas and grow their operations. Support will be targeted towards businesses operating in the priority areas of the National Reconstruction Fund
- \$39.6 million over 4 years from 2023–24 (and \$11.0 million per year ongoing) to continue the Single Business Service, supporting SMEs engagement with all levels of government.

This measure repurposes and expands funding that was previously supporting SMEs through the *Entrepreneurs' Programme*, and is additionally offset by redirecting funding from within the Industry, Science and Resources portfolio.

Growing Australia's Critical Technologies Industries

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-56.9	-20.6	13.4	31.6	17.9

The Government will provide \$116.0 million over 5 years from 2022–23 to support the development of critical technologies in Australia to drive economic growth, boost technology industries and support the creation of new jobs. Funding includes:

- \$101.2 million over 5 years from 2022–23 to support businesses to integrate quantum and artificial intelligence (AI) technologies into their operations, through:
 - a Critical Technologies Challenge Program, which will support projects that use critical technologies to solve significant national challenges, and will commence with a focus on projects that use quantum computing
 - extending the National AI Centre and its role in supporting responsible AI usage through developing governance and industry capabilities
 - establishing an Australian Centre for Quantum Growth to support ecosystem growth and commercialisation in Australia's quantum industry
 - supporting small and medium enterprises' adoption of AI technologies to improve business processes and increase trade competitiveness
- \$14.8 million over 4 years from 2023-24 to establish the Powering Australia Industry Growth Centre to develop advanced technology and skills as part of the Government's Australian Made Battery Plan.

This measure will be fully offset by redirecting funding from within the Industry, Science and Resources Portfolio.

National Reconstruction Fund Corporation – establishment

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
National Reconstruction Fund Corporation	-	53.2	-	-	-
National Reconstruction Fund Corporation	-	-	nfp	nfp	-
Department of Industry, Science and Resources	-7.3	-30.6	2.0	2.1	2.1
Total – Payments	-7.3	22.6	2.0	2.1	2.1
<i>Related receipts (\$m)</i>					
<i>National Reconstruction Fund Corporation</i>	-	5.2	21.7	50.3	111.5

The Government will provide \$61.4 million over 4 years from 2023–24 (and \$1.2 million per year ongoing) to establish the National Reconstruction Fund Corporation (NRFC). Funding includes:

- \$53.2 million in 2023–24 for the establishment and operational costs of the NRFC, with ongoing operations expected to be funded from revenues earned on investments made
- \$8.2 million over 4 years from 2023–24 (and \$1.2 million per year ongoing) for the Department of Industry, Science and Resources to assist and support the establishment and oversight of the NRFC.

The NRF will earn estimated receipts of \$188.7 million over the forward estimates from the \$15.0 billion of investments in loans, equity investments and guarantees, with the returns to be reinvested to ensure the NRFC’s sustainability.

Some elements of this measure are not for publication (nfp) due to commercial sensitivities.

The measure builds on and will be partially offset by redirecting funding from the 2022–23 October Budget measure titled *National Reconstruction Fund – establishment*.

Refocusing Support for the Australian Space Industry

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-34.4	-9.0	-8.0	6.9	1.0

The Government will refocus support for the Australian space industry by maintaining investment in successful space programs and providing appropriate regulation for the space industry. Funding includes:

- \$34.2 million over 3 years from 2023–24 for the Australian Space Agency to continue to lead the national policy and strategy coordination of Australia’s civil space sector activities
- improving regulatory settings for businesses and funding programs that support Australian space projects and remove cost recovery requirements under the *Space (Launches and Returns) Act 2018*.

The savings from this measure will be partially redirected to fund other Government policy priorities in the Industry portfolio.

Safely Managing Australia’s Radioactive Waste

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-	67.2	85.8	90.8	76.6

The Government will provide \$476.4 million over 7 years from 2023–24 (and \$38.7 million ongoing from 2030–31) for the safe and sustainable management and disposal of Australia’s radioactive waste. Funding includes:

- \$304.5 million over 7 years from 2023–24 (and \$38.7 million ongoing from 2030–31) for the Australian Radioactive Waste Agency in the Department of Industry, Science and Resources to continue to manage a comprehensive national inventory of radioactive waste, coordinate the safe disposal and storage of radioactive waste, and to establish safe and secure disposal pathways for radioactive waste
- \$162.2 million over 7 years from 2023–24 to continue preparatory work for the establishment of the National Radioactive Waste Management Facility, including technical, design, regulatory and governance activities, and community engagement consistent with the *National Radioactive Waste Management Act 2012*
- \$9.7 million over 5 years from 2023–24 to develop a pathway for the long-term disposal of Australia’s intermediate-level radioactive waste generated from non-defence activities.

Securing a Responsive Nuclear Medicine and Science Capability for Australia

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-	nfp	-	-	-
Australian Nuclear Science and Technology Organisation	-	nfp	nfp	nfp	nfp
Total – Payments	-	-	-	-	-

The Government will provide funding over 10 years from 2023–24 to support the Australian Nuclear Science and Technology Organisation (ANSTO) in its provision of nuclear medicines to Australians, including:

- \$44.5 million over 3 years from 2023–24 to support ANSTO to manage the planned upcoming maintenance shutdown of its nuclear reactor, including the importation of nuclear medicine that would ordinarily be produced by the reactor
- \$39.9 million over 3 years from 2023–24 to formally wind-up ANSTO Nuclear Medicine Pty Ltd by 1 July 2024 and transfer its operations, assets and liabilities to ANSTO
- Funding over 10 years from 2023–24 for ANSTO to construct a new nuclear medicine manufacturing building, as well as ongoing maintenance of the current ageing facility
- Funding over two years from 2023–24 for ANSTO to develop a business case for a new facility supporting Australia’s sovereign nuclear security science capability.

The financial implications are not for publication (nfp) due to commercial sensitivities.

Strengthening Australia's Science, Technology, Engineering and Mathematics Capabilities

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Industry, Science and Resources	-8.4	59.9	21.8	15.4	12.5

The Government will provide \$132.7 million over 4 years from 2023–24 (and \$17.3 million per year ongoing) to boost Australia's capability, capacity and outreach in science, technology, engineering and mathematics (STEM). Funding includes:

- \$59.7 million over 4 years from 2023–24 (and \$15.2 million per year ongoing) for infrastructure and ICT upgrades at Questacon, and to continue Questacon's national STEM education and engagement programs to increase science engagement
- \$51.2 million over two years from 2023–24 for critical ICT and equipment upgrades at the National Measurement Institute to strengthen its capacity to maintain national measurement standards and increase confidence in Australian goods and services
- \$12.7 million over 4 years from 2023–24 (and \$2.1 million in 2027–28, \$2.2 million in 2028–29 and \$1.8 million per year ongoing from 2029–30) for a new legislative framework to replace the *National Measurement Act 1960* to reduce regulatory burden on businesses and better align Australia's measurement standards with international best practice
- \$9.1 million over 4 years from 2023–24 to promote STEM and encourage strong engagement between STEM professionals and policy makers through the National Science and Technology Council, the Prime Minister's Prizes for Science and the Science Meets Parliament initiatives.

This measure will be offset by redirecting funding from within the Industry, Science and Resources portfolio.

This measure builds on the 2022–23 October Budget measure titled *Supporting Talent and Leadership in Australian Science and Technology*.

Supporting Australian Critical Minerals

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Trade and Investment Commission	-	1.4	1.8	1.8	1.8
Department of the Treasury	-	0.5	0.5	0.5	0.6
Department of Foreign Affairs and Trade	-	0.1	0.1	0.1	0.1
Department of Industry, Science and Resources	-1.1	16.2	18.4	16.5	16.5
Total – Payments	-1.1	18.2	20.9	19.0	19.0

The Government will provide \$80.5 million over 4 years from 2023–24 to support the Australian critical minerals sector to build diverse and competitive supply chains, attract international investment and transition to net zero. Funding includes:

- \$57.1 million over 4 years from 2023–24 to undertake international engagement to promote Australian critical minerals projects and build diverse and resilient supply chains with key international partners
- \$23.4 million over 4 years from 2023–24 for critical minerals policy development and project facilitation, including activities to showcase Australia’s environmental, social and governance credentials to international markets.

This measure will be offset by redirecting funding from within the Industry, Science and Resources portfolio.

This measure builds on the 2022–23 October Budget measure titled *Supporting Australia’s Resources*.

Working with the Australian Resources Industry on the Pathway to Net Zero

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Competition and Consumer Commission	0.4	-	-	-	-
Department of the Treasury	-	-6.9	1.9	5.0	-
Department of Industry, Science and Resources	-21.4	nfp	5.7	5.8	1.5
Total – Payments	-21.0	-6.9	7.6	10.8	1.5

The Government will provide funding over 5 years from 2022–23 to support the Australian resources industry to grow national prosperity and continue to drive the transition to net zero. Funding includes:

- \$14.3 million over 3 years from 2023–24 to establish a partnership with the Queensland Government to support technology projects that reduce emissions and enhance energy security. This will be offset by redirecting funding from the *Gas Well Trials* program
- \$12.0 million over 3 years from 2023–24 for a review of the environmental management regime for offshore petroleum and greenhouse gas storage activities to ensure it is fit-for-purpose for a decarbonising economy. This will include consultation requirements for offshore projects, including with First Nations peoples. The review will also examine opportunities to provide regulatory and administrative certainty for offshore carbon capture and storage projects to enable Australian industry to meet net zero targets whilst delivering domestic energy security and regional energy security
- \$6.7 million over 4 years from 2023–24 to deliver a Future Gas Strategy to support Australia’s energy system to become cleaner, cheaper and more reliable while maintaining our international reputation as a trusted energy supplier to the region. This will be offset by ceasing the *Strategic Basins Plans* and achieving savings from the 2020–21 MYEFO measure titled *JobMaker Plan – gas-fired recovery – delivering accelerated exploration in the Beetaloo sub-basin*
- \$4.5 million in 2023–24 to develop a roadmap to grow an offshore petroleum decommissioning industry in Australia. This will be offset by ceasing the Strategic Basins Plans and achieving savings from the 2020–21 MYEFO measure titled *JobMaker Plan – gas-fired recovery – delivering accelerated exploration in the Beetaloo sub-basin*
- \$0.4 million in 2022–23 to accelerate the reforms to the Australian Domestic Gas Security Mechanism
- Funding in 2023–24 to continue activities related to the decommissioning of the Northern Endeavour floating oil production storage and offtake facility which is moored between the Laminaria and Corallina oil fields in the Timor Sea. The financial implications are not for publication (nfp) due to commercial sensitivities, but will be fully recovered by the Laminaria and Corallina Decommissioning Cost Recovery Levy.

This measure builds on the 2022–23 October Budget measure titled *Supporting Australia’s Resources*.

Infrastructure, Transport, Regional Development, Communications and the Arts

2032 Brisbane Olympic and Paralympic Games – venue infrastructure

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	36.0	107.9	348.4	583.8
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	-	-	-	-
Total – Payments	-	36.0	107.9	348.4	583.8

The Government will provide up to \$3.4 billion over 10 years from 2023–24 to support venue infrastructure for the 2032 Brisbane Olympic and Paralympic Games. Funding includes:

- a capped investment of up to \$2.5 billion for the development of Brisbane Arena
- a capped investment of up to \$935.0 million investment towards 16 new or upgraded venues as part of the Minor Venues Program.

Better Funded National Broadcasters

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Special Broadcasting Service Corporation	-	-	10.9	12.2	12.4
Australian Broadcasting Corporation	-	-	-	17.9	18.5
Total – Payments	-	-	10.9	30.1	31.0

The Government will provide \$7.7 billion over 5 years from 2023–24 to support Australia’s national broadcasters, including \$6.0 billion for the Australian Broadcasting Corporation (ABC) and \$1.8 billion for the Special Broadcasting Service (SBS). Funding includes:

- \$7.6 billion over 5 years from 2023–24 for base operational funding for the ABC and SBS, determined on a 5 year rolling basis from 2023–24 for the operation of television, radio and digital media services
- \$52.4 million over 3 years from 2025–26 for the ABC to continue to support local news and current affairs services
- \$45.0 million over 4 years from 2024–25 for SBS to continue the availability of news and content for Chinese and Arabic speaking communities in Australia.

Partial funding for this measure for base operational funding for the ABC and SBS has already been provided for by the Government.

This measure builds on the 2022–23 October Budget measure titled *Better Funded National Broadcasters*.

Building a Better Future Through Considered Infrastructure Investment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	105.0	130.0	86.0	100.0
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	20.0	20.0	20.0	-
Department of Home Affairs	-	17.9	-	-	-
Department of Agriculture, Fisheries and Forestry	-	0.7	-	-	-
Total – Payments	-	143.5	150.0	106.0	100.0

The Government will provide \$1.8 billion over 10 years from 2023–24 for infrastructure priorities to support productivity and jobs. Funding includes:

- \$1.1 billion in 2032–33 to continue existing road maintenance and safety programs, with:
 - \$500.0 million for the *Roads to Recovery Program*
 - \$350.0 million for *national road network maintenance*
 - \$110.0 million for the *Black Spot Program*
 - \$85.0 million for the *Bridges Renewal Program*
 - \$65.0 million for the *Heavy Vehicle Safety and Productivity Program*
 - \$18.9 million for transport research organisations and innovation projects
- \$361.9 million over 8 years from 2023–24 for infrastructure projects in New South Wales, including safety upgrades on the Bells Line of Road and Nowra Bypass planning
- \$200.0 million over two years from 2023–24 for the *Major Projects Business Case Fund* to support the planning of land transport infrastructure projects
- \$60.0 million over 3 years from 2023–24 to continue supplementary local road funding in South Australia

- \$3.0 million in 2023–24 to undertake a feasibility study for an intermodal terminal in Parkes, New South Wales to support the Inland Rail program, with funding to be redirected from existing National Intermodal Corporation equity.

The Government will also provide:

- equity funding to WSA Co Limited for the construction of facilities to support border services and law enforcement operations at the Western Sydney International (Nancy-Bird Walton) Airport, with the financial implications not for publication (nfp) due to commercial sensitivities
- \$18.5 million in 2023–24 for border agencies to undertake design and planning work for operations.

The Government will undertake an independent strategic review of the Infrastructure Investment Program (IIP) to ensure the \$120.0 billion pipeline over 10 years is fit for purpose and the Government's investment is focused on projects which improve long-term productivity, supply chains and economic growth in our cities and regions.

Updated IIP project schedules will be finalised following the review, with Government working with states and territories to determine priorities.

This measure builds on the 2022–23 October Budget measures titled *Building a Better Future through considered Infrastructure Investment and Support for the Aviation Sector*.

Funding for Territories

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	4.6	4.1	21.7	1.4
<hr/>					
<i>Related receipts (\$m)</i>					
<i>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</i>	-	0.2	0.2	0.2	0.2

The Government will provide \$31.1 million over 4 years from 2023–24 (and \$1.0 million per year ongoing) to support the delivery of essential services and infrastructure to the Indian Ocean Territories and Norfolk Island. Funding includes:

- \$24.4 million over 3 years from 2023–24 to upgrade rockfall and landslide infrastructure and repair roads and footpaths on Christmas Island
- \$6.0 million over 4 years from 2023–24 (and \$1.0 million per year ongoing) to support the work health and safety of workers in the Indian Ocean Territories and Norfolk Island
- \$0.7 million in 2023–24 to support the delivery of state-type services on Norfolk Island.

The Department of Infrastructure, Transport, Regional Development, Communications and the Arts will also collect and retain non-taxation revenue for activities on Norfolk Island, including museum pass entry fees, rental income, and gift and merchandise sales to directly fund maintenance at the Kingston and Arthur's Vale Historic Area World Heritage site.

Heavy Vehicle Road User Charge – increase

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Department of Infrastructure, Transport, Regional Development, Communications and the Arts</i>	-	-	-	-	-
Australian Taxation Office	-	-101.8	-228.2	-369.3	-391.5
<i>Total – Payments</i>	-	-101.8	-228.2	-369.3	-391.5

The Government will increase the Heavy Vehicle Road User Charge rate from 27.2 cents per litre of diesel by 6 per cent per year over 3 years from 2023–24 to 32.4 cents per litre in 2025–26. This will decrease expenditure on the fuel tax credit by \$1.1 billion over 4 years from 2023–24.

The change to the Road User Charge was a decision of the Infrastructure and Transport Ministers in April 2023 to contribute to road maintenance and repair.

Minimising Online Gambling Harms

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Communications and Media Authority	-	nfp	nfp	nfp	nfp

The Government will provide funding to continue to support the National Self-exclusion Register (BetStop), with the financial implications not for publication (nfp) due to commercial sensitivities.

The Government will also implement a ban on the use of credit cards for online gambling in Australia, excluding for-profit and not-for-profit charitable and other lotteries, with the Australian Communications and Media Authority's powers to be increased to enforce the ban through an amendment to the *Interactive Gambling Act 2001*.

National Approach for Sustainable Urban Development

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	20.0	45.0	80.0	100.0
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-9.3	16.4	144.1	177.7	53.6
Total – Payments	-9.3	36.4	189.1	257.7	153.6

The Government will provide \$687.4 million over 6 years from 2022–23 for a national approach to sustainable urban development in Australia. Funding includes:

- \$305.0 million over 5 years from 2023–24 for the Macquarie Point Precinct and University of Tasmania Stadium, to deliver urban renewal projects in Hobart and Launceston
- \$211.7 million over 3 years from 2023–24 to establish the Thriving Suburbs Program to provide grants for community infrastructure in urban and suburban communities through a competitive grants program
- \$159.7 million over 4 years from 2023–24 to establish the Urban Precincts and Partnerships Program to support investment in place-based priorities of local urban communities through a collaborative partnerships approach with state, territory and local governments and communities
- \$11.0 million over 4 years from 2023–24 to establish the Cities and Suburbs Unit within the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to deliver the National Urban Policy and the regular *State of Cities* report.

National Cultural Policy – National Collecting Institutions – sustainability

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
National Library of Australia	-	38.9	54.9	28.2	29.9
National Gallery of Australia	-	36.8	41.1	19.9	21.3
National Museum of Australia	-	22.8	24.7	14.8	15.9
Old Parliament House	-	9.8	11.8	7.9	8.4
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	8.2	8.7	8.3	8.2
Australian National Maritime Museum	-	8.2	6.3	3.6	4.9
National Film and Sound Archive of Australia	-	6.9	9.5	8.5	9.1
National Portrait Gallery of Australia	-	6.4	6.6	6.8	7.2
National Archives of Australia	-	11.6	14.2	4.4	6.3
Total – Payments	-	149.6	177.8	102.5	111.2
<i>Related receipts (\$m)</i>					
National Library of Australia	-	2.8	1.5	0.8	0.8

The Government will provide \$535.3 million over 4 years from 2023–24 (and \$118.3 million per year ongoing) to support the operations and long-term financial sustainability of 9 National Collecting Institutions. Funding includes:

- \$146.1 million over 4 years from 2023–24 (and \$31.2 million per year ongoing) for the National Library of Australia, including for the continuation of the Trove digital database, extension of storage facilities, building maintenance and IT infrastructure
- \$119.1 million over 4 years from 2023–24 (and \$23.1 million per year ongoing) for the National Gallery of Australia, including for building upgrades and maintenance
- \$78.3 million over 4 years from 2023–24 (and \$16.6 million per year ongoing) for the National Museum of Australia, including for gallery refurbishments, fire safety works, IT upgrades and leasing of additional storage space
- \$37.8 million over 4 years from 2023–24 (and \$8.8 million per year ongoing) for the Museum of Australian Democracy at Old Parliament House, including for building refurbishments and upgrades and conservation works
- \$36.5 million over 4 years from 2023–24 (and \$8.2 million per year ongoing) for the National Archives of Australia, including to upgrade data centres and digitise at-risk and high priority records

- \$34.0 million over 4 years (and \$9.7 million per year ongoing) for the National Film and Sound Archive, including to replace building management, security and fire safety systems
- \$33.4 million over 4 years from 2023–24 (and \$8.1 million per year ongoing) in additional operating funding to enable the Bundanon Trust to make full use of its facilities
- \$27.0 million over 4 years from 2023–24 (and \$7.5 million per year ongoing) for the National Portrait Gallery of Australia, including for building upgrades, repairs and maintenance
- \$23.0 million over 4 years from 2023–24 (and \$5.1 million per year ongoing) for the Australian National Maritime Museum, including for building repairs, safety and compliance works.

Partial funding for the National Collecting Institutions will be held in the Contingency Reserve until final project details for capital works are settled.

Online Safety

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Communications and Media Authority	-	32.2	32.9	33.3	33.7
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	-	-	-	-
Total – Payments	-	32.2	32.9	33.3	33.7

The Government will provide an additional \$134.1 million over 4 years (and \$33.7 million per year ongoing, in addition to the existing base funding of \$10.3 million per year ongoing) for the Office of the eSafety Commissioner to continue to support Australians online, including through enhanced educational, outreach and investigatory activities.

The cost of this measure will be partially met from within the existing resourcing of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Reducing Transport Emissions

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	0.5	6.3	4.5	3.2	1.2
Department of Climate Change, Energy, the Environment and Water	-	3.6	1.2	0.2	0.2
Australian Renewable Energy Agency	-	-	-	-	-5.2
Total – Payments	0.5	9.9	5.7	3.4	-3.8

The Government will provide \$20.9 million over 5 years from 2022–23 for initiatives to decarbonise the transport and infrastructure sectors and support achieving our net zero by 2050 target. Funding includes:

- \$7.8 million over 4 years from 2022–23 to develop a Transport and Infrastructure Net Zero Roadmap and Action Plan to support the decarbonisation of the transport and infrastructure sectors
- \$7.4 million over 4 years from 2023–24 to develop Fuel Efficiency Standards to encourage light vehicle manufacturers to increase the supply of fuel efficient and electric vehicles in the Australian market

- \$5.2 million over 4 years from 2023–24 to support Australia’s transition to electric vehicles through the development of a national charging infrastructure mapping tool, safety guidance and training for emergency service workers. Funding will also support the evaluation of requirements for retrofitting existing multi-residential buildings with electric vehicle charging infrastructure, and a large format battery recycling, reuse and stewardship initiative in Australia
- \$0.6 million in 2023–24 to develop a Maritime Emissions Reduction National Plan to facilitate the energy transition for the domestic maritime sector.

The costs of this measure will be fully offset, including by redirecting funding from the 2022–23 October Budget measure titled *Powering Australia – Driving the Nation Fund – establishment*.

This measure builds on the 2022–23 October Budget measure *Powering Australia – Driving the Nation Fund – establishment*.

Regulatory Powers to Combat Misinformation and Disinformation

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Communications and Media Authority	-	2.3	1.9	1.9	1.9
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-2.3	-	-	-	-
Total – Payments	-2.3	2.3	1.9	1.9	1.9

The Government will provide \$7.9 million over 4 years from 2023–24 for the Australian Communications and Media Authority to combat online misinformation and disinformation on global digital platforms to reduce the spread of harmful content.

The costs of this measure will be partially offset by redirecting residual unallocated funding from the 2021–22 Budget measure titled *Supporting Regional Australia* and the 2020–21 Budget measure titled *National Bushfire Recovery Fund*, which is available due to lower utilisation of funds than was budgeted for through these programs.

Revive – National Cultural Policy and Location Incentive

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Institute of Aboriginal and Torres Strait Islander Studies	0.6	2.6	1.8	-	-
Australia Council	-	22.5	45.5	62.6	72.6
National Gallery of Australia	-	2.1	2.9	3.0	3.8
Screen Australia	-	0.9	0.9	0.9	0.9
Department of Health and Aged Care	-	-	-	1.5	1.7
Australian Taxation Office	-	-	-4.4	36.7	25.1
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-42.2	0.5	16.5	-20.2	-54.2
Total – Payments	-41.6	28.6	63.2	84.6	49.9
<i>Related receipts (\$m)</i>					
Australia Council	-	0.5	0.5	0.6	0.6

The Government will provide \$286.0 million over 5 years from 2022–23 (and \$81.2 million per year ongoing) to support Australia’s arts, entertainment and cultural sector under the *National Cultural Policy – Revive* (Revive). Funding includes:

- \$199.0 million over 4 years from 2023–24 (and \$72.3 million per year ongoing) for Creative Australia to support delivery of Revive and to establish 4 new bodies to provide greater strategic oversight and engagement across the sector including a First Nations-led body, Music Australia, Writers Australia and Creative Workplaces
- \$13.4 million over 5 years from 2022–23 to protect First Nations traditional knowledge and cultural expression and First Nations artists and related workers through the introduction of stand-alone legislation and artist mentorship and training programs
- \$12.9 million over 4 years from 2023–24 (and \$3.7 million per year ongoing) to expand the *Public Lending Right* and *Educational Lending Right Schemes* to include digital material
- \$12.0 million over 4 years from 2023–24 (and \$3.0 million per year ongoing) for Screen Australia to support Australian interactive games businesses to grow operations and capitalise on emerging opportunities
- \$11.8 million over 4 years from 2023–24 to pilot long-term loans of National Gallery of Australia works to regional and suburban cultural institutions across Australia
- \$11.0 million over 3 years from 2022–23 to establish a First Nations Languages Policy Partnership and conduct a National Indigenous Languages survey to improve outcomes for First Nations peoples

- \$8.5 million over 4 years from 2023–24 (and \$2.2 million per year ongoing) to increase funding for the *Regional Arts Fund* to support cultural development in regional and remote communities
- \$5.0 million in 2023–24 to develop and implement an Arts and Disability Associated Plan under Australia’s Disability Strategy 2021–2031
- \$4.2 million over 3 years from 2024–25 to support access to art and music therapy programs
- \$3.8 million over two years from 2023–24 for the Australian Institute of Aboriginal and Torres Strait Islander Studies to digitise and store at-risk audio-visual material
- \$2.6 million over 4 years from 2023–24 to support specialist arts education programs in schools
- \$1.8 million in 2023–24 for the Copyright Agency to enhance the *Resale Royalty Scheme*.

The Government will also provide:

- \$112.2 million over 4 years from 2024–25 to attract investment from large-budget screen productions and provide domestic employment and training opportunities by increasing the *Location Offset* rebate rate to 30 per cent, whilst increasing the minimum Qualifying Australian Production Expenditure thresholds to \$20.0 million for feature films and \$1.5 million per hour for television series
- \$6.9 million over 4 years from 2023–24 (and \$1.8 million per year ongoing) for Ausfilm to continue to market Australia as a destination for screen production
- \$0.5 million over 3 years from 2024–25 (and \$0.2 million per year ongoing) for the Australia-India Audio-Visual Co-Production Agreement to enable eligible producers to access the *Producer Offset*, a refundable tax offset for approved Australian expenditure.

This measure will be partially offset by redirecting funding from the 2022–23 October Budget measure titled *Supporting the Arts*, the 2020–21 Budget measure titled *COVID-19 Response Package – communications, cyber safety and the arts* and the *Location Incentive* program.

Partial funding for this measure will be held in the Contingency Reserve until policy and program details have been finalised.

Supporting Arts Training in Australia

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	8.8	-	-	-
Australian Film, Television and Radio School	-	0.5	-	-	-
Total – Payments	-	9.3	-	-	-

The Government will provide \$9.3 million in 2023–24 to support the national arts training organisations. Funding includes:

- \$8.8 million in 2023–24 to support the operations of the national performing arts training organisations and review their long-term sustainability
- \$0.5 million in 2023–24 to support course offerings and upgrade facilities at the Australian Film Television and Radio School.

Supporting Media Sustainability and Building Media Literacy

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	nfp	0.9	-	-

The Government will provide \$9.1 million over 3 years from 2022–23 to support local news media and promote media literacy. Funding includes:

- \$5.0 million over two years from 2022–23 to support the financial sustainability of the Australian Associated Press
- \$2.5 million over two years from 2023–24 to build media literacy in culturally and linguistically diverse communities
- \$1.6 million in 2023–24 to develop the *News Media Assistance Program* and support public interest journalism and media diversity.

The Government will provide additional funding in 2023–24 to support the continued provision of broadcasting services in remote and First Nations communities and to initiate work to assess the state of broadcasting transmission and reception equipment in these areas. The financial implications of this measure are not for publication (nfp) due to commercial sensitivities.

This measure will be partially offset by redirecting funding from the Infrastructure, Transport, Regional Development, Communications and the Arts portfolio.

Supporting Transport Priorities

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	9.9	49.1	32.2	42.3	12.1
National Transport Commission	-	-	-	-	-
Civil Aviation Safety Authority	-	34.8	-	-	-
Australian Maritime Safety Authority	-	15.3	-	-	-
Australian Transport Safety Bureau	-	4.6	-	-	-
Department of the Treasury	-	-47.0	-	-	-
Total – Payments	9.9	56.8	32.2	42.3	12.1

The Government will provide \$267.4 million over 7 years from 2022–23 to support land, maritime and aviation transport priorities, including to increase productivity and maintain safety across the sectors. Funding includes:

- \$64.2 million over 6 years from 2022–23 for the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to enable the delivery of transport and infrastructure priorities, including \$35.6 million for IT systems to support infrastructure investment and road vehicle safety regulation
- \$56.8 million in additional funding in 2023–24 to support and review the ongoing safety and regulatory functions of the Civil Aviation Safety Authority, the Australian Maritime Safety Authority and the Australian Transport Safety Bureau
- \$43.6 million over 4 years from 2022–23 to establish a new National Road Safety Action Grants Program to support community education and awareness, vulnerable road users, First Nations road safety, technology, innovation and research
- \$30.0 million over 3 years from 2025–26 to support the delivery of a common user facility at the Cairns Marine Precinct, to be met from funding previously included in the Contingency Reserve
- \$22.3 million over 6 years from 2023–24 for phase 3 of the Strategic Local Government Asset Assessment Project to continue assessments of local government road assets, which will support development of a national automated road access system for heavy vehicles
- \$18.9 million over 3 years from 2023–24 to procure road safety data, research and evaluate projects
- \$16.5 million over 5 years from 2023–24 for the car safety ratings program which includes testing protocols for light vehicles and safety evaluations of used vehicles

- \$13.5 million over 3 years from 2023–24 for an additional round of the *Remote Airstrip Upgrade Program* to support improved safety and access at remote airstrips and facilitate air connectivity and the delivery of goods and services to remote communities
- \$1.2 million in 2023–24 to continue development of the Maritime Single Window project and deliver a business case to streamline reporting for Australian sea ports
- \$0.4 million in 2022–23 to enable the National Transport Commission to progress the rail interoperability work plan, to be met from funding previously included in the Contingency Reserve.

This measure will be partially offset by the redirection of unspent funding under the *Road Safety Program*, and funding previously provided for the Road Safety Innovation Fund, the Road Safety Awareness and Enablers Fund, Amy Gillet Foundation and Supporting Young and Vulnerable Road Users programs which have been consolidated into the new National Road Safety Action Grants Program.

This measure builds on the 2022–23 October Budget measures titled *Support for the Aviation Sector and Responsible Investment to Grow Our Regions*.

Viewer Access Satellite Television

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	nfp	nfp	nfp	nfp	nfp

The Government will provide funding over 8 years from 2023–24 to extend the *Viewer Access Satellite Television* program to ensure that Australian viewers who are currently unable to receive terrestrial digital broadcasting services can continue to access free-to-air television services.

The financial implications for this measure are not for publication (nfp) due to commercial sensitivities.

White Paper on Developing Northern Australia – refresh

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	-	-	-	-

The Government will provide \$1.7 million in 2023–24 to update the *Our North, Our Future: White Paper on Developing Northern Australia* to identify opportunities to address new and emerging geographic and economic challenges in Northern Australia.

The cost of this measure will be met from within the existing resourcing of the Department of Infrastructure, Transport, Regional Development, Communications and the Arts.

Parliament

Parliamentary Departments – additional resourcing

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Parliamentary Services	-	5.5	3.7	3.9	3.5
Department of the Senate	-	2.2	2.2	2.3	2.3
Total – Payments	-	7.7	6.0	6.1	5.8

The Government will provide \$25.6 million over 4 years from 2023–24 (and \$5.8 million per year ongoing) to support the operations of the parliamentary departments. Funding includes:

- \$15.1 million over 4 years from 2023–24 (and \$3.5 million per year ongoing) for the Department of Parliamentary Services to alleviate accommodation pressures at Australian Parliament House, including to facilitate remedial capital works
- \$9.0 million over 4 years from 2023–24 (and \$2.3 million per year ongoing) for the Department of the Senate to support increased parliamentary committee activity
- \$1.6 million in 2023–24 in capital funding for the Department of Parliamentary Services to support the delivery of ICT services to other parliamentary departments.

Prime Minister and Cabinet

Additional Resourcing for the Australian National Audit Office

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian National Audit Office	-	3.4	3.1	4.1	3.9

The Government will provide \$14.4 million over 4 years from 2023–24 (and \$3.9 million per year ongoing) to the Australian National Audit Office (ANAO) to deliver its audit program, comply with updated auditing standards and upgrade systems to ensure it can safeguard data. The additional funding will ensure that the ANAO is able to deliver 45 performance audits in 2023–24 and 48 performance audits per year ongoing from 2024–25.

Additional Resourcing for the National Australia Day Council

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Prime Minister and Cabinet	-	11.5	-	-	-

The Government will provide \$11.5 million in 2023–24 to support the operations of the National Australia Day Council, including for the Council to provide further support for the Australian of the Year recipients and a \$10 million grants program to deliver community events for Australia Day 2024.

APS Capability Reinvestment Fund: 2023–24 projects funded under round one

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Prime Minister and Cabinet	-	-2.9	-4.5	-	-
Australian Public Service Commission	-	3.7	1.8	-	-
Department of Foreign Affairs and Trade	-	0.7	-	-	-
Department of Social Services	-	0.7	-	-	-
Australian Institute of Family Studies	-	0.5	-	-	-
Department of Agriculture, Fisheries and Forestry	-	0.4	-	-	-
Services Australia	-	0.4	-	-	-
Department of Employment and Workplace Relations	-	0.4	-	-	-
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	0.3	-	-	-
Department of Education	-	0.2	-	-	-
Department of the Treasury	-	0.2	-	-	-
Department of Home Affairs	-	0.1	-	-	-
Department of Finance	-	..	-	-	-
Total – Payments	-	4.7	-2.7	-	-
<i>Related receipts (\$m)</i>					
Department of the Prime Minister and Cabinet	-	-	2.1	-	-

The Government will allocate \$18.5 million over two years from 2023–24 from the \$25 million APS Capability Reinvestment Fund (the Fund). Funding includes:

- \$8.4 million in 2023–24 for projects to uplift capability across the Australian Public Service (APS), including cultural competency, gender impact analysis and futures analysis skills for APS staff and enhancing the quality of data to inform policy analysis
- \$14.3 million over two years from 2023–24 (including \$4.2 million from existing resources) allocated to other projects aligned with the purposes of the Fund, including:
 - \$10.9 million over two years from 2023–24 to provide start-up funding for an in-house consulting service within the Department of the Prime Minister and Cabinet that can deliver high-quality strategic consulting services to the APS
 - \$3.4 million over two years from 2023–24 to the Australian Public Service Commission to boost First Nations employment in the APS.

The cost of this measure will be met from funding previously included in the Contingency Reserve. The balance of the Fund (\$6.5 million) will be available for further projects in the 2024–25 Budget process.

This measure builds on the 2022–23 October Budget measures titled *An Ambitious and Enduring APS Reform Plan*, and *Savings from External Labour, and Savings from Advertising, Travel and Legal Expenses*.

Closing the Gap – further investment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	-	-	-	-
Services Australia	0.1	0.3	-0.1	-	-
Aboriginal Hostels Limited	-	10.0	10.0	-	-
Department of Education	-	0.3	-	-	-
Department of Climate Change, Energy, the Environment and Water	-	-	-	-	-
National Indigenous Australians Agency	-8.0	144.3	30.0	-14.0	-43.1
Department of Social Services	-14.6	-8.9	9.8	10.9	0.5
Total – Payments	-22.5	146.0	49.7	-3.2	-42.6

The Government will provide \$492.7 million over 5 years from 2022–23 for a range of measures to support critical investment in infrastructure, employment, justice, education and housing initiatives for First Nations peoples, including:

- \$150.0 million over 4 years from 2022–23 to improve water security for regional and remote First Nations communities by investing in First Nations water infrastructure projects through the *National Water Grid Fund*
- \$111.7 million in 2023–24 for a new one-year partnership with the Northern Territory Government to accelerate building of new remote housing to reduce overcrowding
- \$97.7 million over 3 years from 2022–23 to support the development of a New Jobs Program trial to replace the Community Development Program (CDP) and to meet increased demand for the CDP as a result of sustained higher levels of demand since the start of the COVID-19 pandemic
- \$38.4 million over 4 years from 2023–24 to improve access to better education and address learning gaps in First Nations primary and secondary education through culturally appropriate distance learning and expanding the on-country junior ranger program

- \$23.3 million over 4 years from 2023–24 (and \$45.1 million over 8 years to 2031–32) to rectify the disrepair of residential housing in the Wreck Bay Village, Jervis Bay
- \$21.6 million in 2023–24 to extend the *Indigenous Boarding Providers* grants program for rural and remote First Nations students for an additional year
- \$20.8 million over two years from 2023–24 to Aboriginal Hostels Limited to improve the service offering and undertake urgent repairs and capital works
- \$14.1 million over two years from 2022–23 for a 2-year partnership with the Northern Territory Government and the Aboriginal Medical Services Alliance Northern Territory to enhance and develop activities supporting community safety and social emotional wellbeing on alcohol and drug use
- \$11.8 million over two years from 2023–24 to address food security barriers by progressing improvements in accessing affordable food and other essential items in remote First Nations communities
- \$3.4 million in 2023–24 to extend existing Commonwealth funding by one year for Custody Notification Services to ensure continued services across Australia
- an extension of the *Closing the Gap Outcomes and Evidence Fund* by two years to 31 December 2026, which provides targeted grant funding to Aboriginal Community-Controlled Organisations to deliver improved and co-designed methods of service delivery for First Nations people.

The cost of this measure will be partially offset and met within the existing resourcing of the National Indigenous Australians Agency, the Department of Climate Change, Energy, the Environment and Water and the Department of Social Services.

This investment is in addition to other cross-government initiatives to Close the Gap, including the 2023–24 Budget measures titled *Better, Safer Future for Central Australia Plan*, *Women’s Safety – First Nations*, *First Nations – supporting education outcomes*, and *Improving Health Outcomes for Aboriginal and Torres Strait Islander People*.

National Net Zero Authority

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Prime Minister and Cabinet	-	23.2	20.0	20.0	20.0
Total – Payments	-	23.2	20.0	20.0	20.0

The Government will provide \$83.2 million over 4 years from 2023–24 to establish a national Net Zero Authority (the Authority) to promote orderly and positive economic transformation associated with decarbonisation and energy system change in regional areas, including support for impacted workers.

As an interim step, an agency will be established from 1 July 2023, initially within the Department of the Prime Minister and Cabinet, to lead the design and establishment of the Authority and to perform functions of the Authority, pending formal establishment of the Authority.

This measure builds on the 2022–23 October Budget measure titled *Prime Minister and Cabinet – additional resourcing*. The Government will consider future funding for the Authority after the design work has been finalised, with the Government having provisioned ongoing funding for the Authority in the Contingency Reserve.

Preserving Australia’s Global Economic Influence

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Prime Minister and Cabinet	-	nfp	nfp	nfp	nfp
Total – Payments	-	nfp	nfp	nfp	nfp

The Government will provide ongoing funding to the Department of the Prime Minister and Cabinet to strengthen international engagement and preserve Australia’s influence in key regional and economic fora, including the G7, G20 and ASEAN.

The financial implications for this measure are not for publication (nfp) due to international relations sensitivities.

Prime Minister and Cabinet – additional resourcing

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Prime Minister and Cabinet	-	11.3	2.5	2.5	2.4
Department of Social Services	-	0.5	-	-	-
Total – Payments	-	11.8	2.5	2.5	2.4

The Government will provide \$19.3 million over 4 years from 2023–24 (and \$2.4 million per year ongoing) in additional resourcing for the Department of Prime Minister and Cabinet to support the delivery of key priorities and reforms. This includes providing support for the next Independent Intelligence Review, the National Cabinet Reform Agenda and further development and implementation of the National Strategy for the Care and Support Economy.

Social Services

Administration of Emergency Response Payments

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	231.8	-	-	-

The Government will provide \$231.8 million in 2023–24 to enable Services Australia to respond to natural disaster events. Including the delivery of the *Australian Government Disaster Recovery Payment* and *Disaster Recovery Allowance*.

This measure extends the 2022–23 October Budget measure titled *Administration of COVID-19 and Emergency Payments*.

The Government will consider the nature of future funding for Services Australia to respond to natural disaster events when longer-term administration of the program is known.

Central Coordination of Disability Policy – measure progress against Australia’s Disability Strategy

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	2.8	2.8	2.3	2.3

The Government will provide \$10.2 million over 4 years from 2023–24 to establish a Central Coordination of Disability Policy function in the Department of Social Services, to drive whole-of-government action on disability policy and improve accountability against *Australia’s Disability Strategy 2021–2031*.

The cost of this measure will be met by reprioritising funding from the Department of Social Services Program 3.1 (Disability and Carers).

Child Support Scheme – response to family law inquiry

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	..	2.5	..	-	-
Department of Social Services	-	2.4	0.5	0.3	-0.5
Total – Payments	..	4.9	0.5	0.3	-0.5

The Government will provide \$5.1 million over 5 years from 2022–23 (with savings of \$0.5 million per year ongoing) to address the *Child Support Scheme* recommendations of the Joint Select Committee on Australia’s Family Law System. Funding will also be used to change child support rules to improve support for secondary students who turn 18 in the holiday period between 2 secondary school years.

Disability Workforce COVID-19 Leave Grant

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	..	14.0	-	-	-

The Government will provide \$14.1 million over two years from 2022–23 for targeted financial support for disability workers who deliver personal support to National Disability Insurance Scheme participants, contract COVID-19, and do not have access to leave entitlements. This will support vulnerable Australians by lowering the risk of COVID-19 transmission in high-risk disability settings. Disability support providers who pay leave entitlements to eligible staff who contract COVID-19 will be reimbursed at a rate of \$450 where a worker has lost at least 8 hours but less than 20 hours of work and \$750 where a worker has lost more than 20 hours of work.

This measure builds on the 2022–23 October Budget measure titled *Pandemic Support Payment Extensions*.

Ensuring Robust Policy, Financial, Legislative and Governance Oversight of the National Disability Insurance Scheme

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	13.0	-	-	-

The Government will provide \$13.0 million in 2023–24 to the Department of Social Services to ensure it has resources to continue to provide policy advice and oversight of the National Disability Insurance Scheme and the National Disability Insurance Agency.

Forced Adoption Support Services – 10 year anniversary funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	-	-	-	-

The Government will provide additional funding of \$1.0 million over two years from 2022–23 to help remember mothers, adopted people and wider families affected by forced adoption on the 10 year anniversary of the national apology for forced adoptions (the National Apology). The National Apology acknowledged the experiences of those affected by forced adoption, which created a lifelong legacy of pain and suffering.

The funding also allows for the delivery of trauma-informed support services for people affected by forced adoption.

The cost of this measure will be met from within the existing resourcing of the Department of Social Services.

Future National Redress Scheme Funding

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	61.8	25.9	26.7	27.5

The Government will provide additional funding of \$142.2 million over 5 years from 2023–24 for continued implementation of the *National Redress Scheme for Survivors of Institutional Child Sexual Abuse* (the Scheme). This will allow the processing of a greater-than-expected number of applications and provide continued funding to Redress Support Services. Funding includes:

- \$80.1 million over 4 years from 2023–24 to continue Redress Support Services funding, to provide support to survivors through the application processes and via counselling and other services
- \$62.1 million over 5 years from 2023–24 to support the administration of the Scheme in response to continued high demand and support the implementation of the Government’s response to the second year review of the Scheme.

The measure extends the 2022–23 October Budget measure titled *National Redress Scheme*.

Improving the Effectiveness and Sustainability of the National Disability Insurance Scheme

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
National Disability Insurance Agency	-	278.2	180.6	133.4	-490.6
Department of Social Services	-	3.1	2.7	1.8	0.8
Department of Finance	-	0.1	-	-	-
Total – Payments	-	281.4	183.2	135.2	-489.7

A sustainable growth trajectory for the National Disability Insurance Scheme (NDIS) is critical for its long-term viability, ensuring it can continue to provide life-changing outcomes for future generations of Australians with disability.

As a first step towards ensuring a sustainable NDIS, the Government will provide \$732.9 million over 4 years from 2023–24 to support participant outcomes and the effective and sustainable operation of the Scheme. Funding includes:

- \$429.5 million over 4 years from 2023–24 to invest in the National Disability Insurance Agency's (NDIA's) capability and systems, to improve processes and planning decisions
- \$73.4 million over 4 years from 2023–24 to better support participants to manage their plan within budget, including assistance from NDIA during the year and holding plan managers, support coordinators and providers to account
- \$63.8 million over two years from 2023–24 to take a lifetime approach to ensure plans are more transparent and flexible for life events
- \$56.4 million over 4 years from 2023–24 to strengthen supported independent living decisions, including by introducing a home and living panel with highly trained staff to improve consistency across decisions and updating guidelines for planners to improve participants' ability to live independently
- \$48.3 million over two years from 2023–24 to invest in the NDIA's ability to detect, respond to, and reduce fraud and non-compliant payments, and to develop a business case for new IT platforms and systems to detect and prevent fraud and non-compliant payments
- \$29.3 million over two years from 2023–24 to support the quality and effectiveness of services provided to participants, through improving oversight of services and increasing take up of evidence-based supports
- \$24.6 million over 4 years from 2023–24 to work with participants and providers to trial blended payment models, to increase incentives for providers to innovate service delivery and improve outcomes

- \$7.6 million over two years from 2023–24 to partner with communities to pilot alternative commissioning approaches to improve access to supports in remote and First Nations communities.

To provide participants with greater certainty around their plan funding, the NDIA will also move to allowing for longer plans for participants, where appropriate.

To make it easier for participants to access evidence-based assistive technology and other supports, the Department of Social Services will work with stakeholders to establish an expert advisory panel to identify evidence-based supports, and the NDIA will implement preferred provider arrangements to leverage the buying power of the NDIS.

The NDIS Scheme Actuary has projected that without action, Scheme expenses would increase by \$17.2 billion over 4 years from 2023–24. The funding in this measure supports the NDIA to improve the administration of the Scheme, which will reduce additional growth in Scheme expenses by \$15.3 billion, moderating additional growth to \$1.9 billion over 4 years from 2023–24.

As a second step, National Cabinet has committed to an NDIS Financial Sustainability Framework (the Framework). Whilst the NDIS remains demand driven, the Framework will provide an annual growth target in the total costs of the Scheme of no more than 8 per cent by 1 July 2026, with further moderation of growth as the Scheme matures. This will moderate growth in NDIS costs by \$622.8 million in 2026–27 and \$59.0 billion over 7 years from 2027–28 to 2033–34. At 8 per cent per annum growth, the NDIS will be the fastest growing Commonwealth payment program.

The Government will work with the disability community and states and territories to implement these initiatives and the Framework and ensure that every dollar goes to support those who need it most.

Increase to Working Age Payments

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	5.4	20.5	3.1	2.2	2.2
Department of Social Services	-	961.1	1,286.6	1,289.3	1,297.0
Department of Employment and Workplace Relations	-	0.4	1.0	1.3	1.5
Total – Payments	5.4	981.9	1,290.7	1,292.8	1,300.6
<i>Related receipts (\$m)</i>					
Australian Taxation Office	-	-	60.0	80.0	80.0

The Government will provide \$4.9 billion over 5 years from 2022–23 (with \$1.3 billion per year ongoing) to increase support for people receiving working age payments including the JobSeeker Payment. This measure will:

- increase the base rate of working age and student payments by \$40 per fortnight. This increase applies to the JobSeeker Payment, Youth Allowance, Parenting Payment (Partnered), Austudy, ABSTUDY, Disability Support Pension (Youth), and Special Benefit. It will commence on 20 September 2023
- extend eligibility for the existing higher single JobSeeker Payment rate for recipients aged 60 years and over to recipients aged 55 years and over who are on the payment for 9 or more continuous months.

The increased support for recipients aged 55 years and over, the majority of whom are women, acknowledges the additional challenges older Australians face in re-entering the workforce, such as age discrimination or poor health.

The measure is expected to increase personal income tax receipts by \$220.0 million over 3 years from 2024-25 (with \$80.0 million per year ongoing).

Increased Support for Commonwealth Rent Assistance Recipients

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	5.9	10.8	0.3	0.3	0.3
Department of Social Services	-	523.7	699.9	720.4	738.5
Department of Veterans' Affairs	-	3.0	3.6	3.5	3.4
Department of Health and Aged Care	-	0.2	0.3	0.3	0.3
Department of Employment and Workplace Relations	-	0.2	0.5	0.7	0.7
Total – Payments	5.9	537.9	704.6	725.3	743.3

The Government will provide \$2.7 billion over 5 years from 2022–23 (and \$0.7 billion per year ongoing) to increase the maximum rates of the *Commonwealth Rent Assistance* (CRA) allowances by 15 per cent to help address rental affordability challenges for CRA recipients.

Investing in Market Quality and Safeguards for People with Disability

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
NDIS Quality and Safeguards Commission	-	71.2	71.4	-	-

The Government will provide additional funding of \$142.6 million over two years from 2023–24 to support the National Disability Insurance Scheme (NDIS) Quality and Safeguards Commission (the Commission) in carrying out its role of safeguarding NDIS participants. The additional funding will support the Commission to assist participants, minimise the risk of violence, abuse, neglect and exploitation, improve market quality and participant experience, complete outstanding casework, and improve the Commission's internal ICT capability.

Jobs and Skills Summit – incentivise pensioners into the workforce – six months extension

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	2.8	-	-	-
Services Australia	-	0.7	-	-	-
Department of Veterans' Affairs	-	0.2	-	-	-
Australian Taxation Office	-	-	-	-	-
Total – Payments	-	3.7	-	-	-

The Government will provide \$3.7 million in 2023–24 to extend the measure to provide age and veterans pensioners a once-off credit of \$4,000 to their Work Bonus income bank and temporarily increase the maximum income bank until 31 December 2023.

Under this measure, pensioners can earn up to \$11,800 before their pension is reduced, supporting pensioners who want to work, or work more hours, to do so without losing their pension. There is expected to be a minor increase in personal income tax receipts in 2024–25 as a result of this measure.

This measure builds on the 2022–23 October Budget measure titled *Jobs and Skills Summit – incentivise pensioners into the workforce*.

National Housing and Homelessness Agreement Transitional Funding

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	67.5	-	-	-

The Government will provide additional funding of \$67.5 million in 2023–24 to boost homelessness funding to states and territories. The funding will be used to support the provision of homelessness services through the *National Housing and Homelessness Agreement* in 2023–24. The current *National Housing and Homelessness Agreement* provides over \$1.6 billion to states and territories, with Government committing to a one year extension for the *National Housing and Homelessness Agreement* to 30 June 2024 in the 2022–23 October Budget, while negotiations are underway with states and territories.

Commonwealth payments to the states and territories are managed by the Treasury.

Parenting Payment (Single) – improved support for single parents

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	2.4	-4.1	-30.1	-29.7	-29.3
Department of Social Services	-	355.9	486.5	494.8	503.2
Department of Employment and Workplace Relations	-	9.3	24.5	34.3	39.0
Department of Health and Aged Care	-	4.4	6.8	8.0	8.9
Total – Payments	2.4	365.4	487.6	507.4	521.8
<i>Related receipts (\$m)</i>					
Australian Taxation Office	-	-	-10.0	-10.0	-10.0

The Government will provide \$1.9 billion over 5 years from 2022-23 (and \$0.5 billion per year ongoing) to extend eligibility for *Parenting Payment (Single)* to support single principal carers with a youngest child under 14 years of age. The existing eligibility provides support to single principal carers with a child aged under 8 years of age.

Improved support for single parents will provide wellbeing benefits particularly for single mothers, who are overwhelmingly the recipients of this payment, and their children. This measure recognises that caring responsibilities can act as a barrier to employment while also recognising that connections with the labour force are likely to improve economic outcomes throughout a carer’s lifetime.

Progressing the National Disability Data Asset

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	12.9	11.7	3.4	2.8
Department of Finance	-	0.1	0.1	0.1	0.1
Total – Payments	-	13.0	11.8	3.6	3.0

The Government will provide additional funding of \$31.4 million over 4 years from 2023-24 to meet the remaining costs of establishing the National Disability Data Asset (NDDA) and its underlying infrastructure – the Australian National Data Integration Infrastructure.

When established, the NDDA will be an enduring national asset comprising a system of linked, de-identified Commonwealth, and state and territory data on Australians with disability. It will inform disability policy development and service delivery and support the Government’s election commitment to make Australia’s Disability Strategy accountable.

The cost of this measure will be met by reprioritising funding from the Department of Social Services Program 3.1 (Disability and Carers).

Social Services – grants and additional support

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	-	-	-	-

The Government will reprioritise unspent funding of \$34.3 million over two years from 2022–23 to continue a range of activities under the Financial Wellbeing and Capability sub-program. Funding includes:

- \$32.8 million over two years from 2022–23 to provide additional financial wellbeing and capability supports for vulnerable individuals, families and communities in financial crisis
- \$1.5 million in 2023–24 to undertake a review of the Financial Wellbeing and Capability sub-program.

The Government will also reprioritise unspent funding of \$0.4 million in 2023–24 for an Early Learning Childcare Facilities Improvement Grant opportunity as part of its election commitment to provide funding to identified early learning centres and other community organisations to improve facilities.

Support for First Nations Disability Advocates

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	1.0	-	-	-

The Government will provide additional funding of \$1.0 million in 2023–24 under the *National Disability Advocacy Program* to extend individual advocacy support for First Nations people with disability.

The cost of this measure will be met by reprioritising funding from the Department of Social Services Program 3.1 (Disability and Carers).

This measure builds on the 2022–23 October Budget measure titled *Better Support for People Living with Disability*.

Support for People with Autism

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	3.7	-	-	-
Department of Health and Aged Care	-	0.9	0.3	-	-
Total – Payments	-	4.6	0.3	-	-

The Government will provide funding of \$27.0 million over 4 years from 2023–24 to undertake additional pilots of early interventions for infants with signs of autism, and further progress the Government’s election commitment to deliver a National Autism Strategy. Funding includes:

- \$22.1 million over 4 years from 2023–24 to undertake 2 pilots of pre-emptive early interventions for infants showing signs of autism. The pilots will leverage the design of the ‘Inklings’ pilot already underway in Western Australia, with the approach adapted for conditions in different jurisdictions
- \$3.7 million in 2023–24 to undertake a co-designed national consultation and engagement process on the National Autism Strategy, and to support the Autism Cooperative Research Centre to continue to undertake research to inform the Strategy
- \$1.2 million over two years from 2023–24 to undertake consultation on a National Roadmap to improve the physical and mental health of autistic people.

The cost of this measure will be met by reprioritising funding from the Department of Social Services Program 3.1 (Disability and Carers), and by redirecting unallocated funding from the *Information, Linkages and Capacity Building* program.

This measure builds on the 2022–23 October Budget measure titled *National Autism Strategy*.

Supported Employment

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	16.1	23.2	14.7	3.1

The Government will provide \$57.0 million over 4 years from 2023–24 to support the evolution of the supported employment sector, following the recent Fair Work Commission decision on the Supported Employment Services Award 2020 and other changes impacting the sector. Funding includes:

- \$35.0 million over 3 years from 2023–24 to establish a structural adjustment fund to assist supported employment organisations to evolve their business models

- \$11.7 million over 4 years from 2023–24 to establish a targeted disability employment advocacy service and information program for supported employees
- \$6.0 million over 3 years from 2023–24 to evaluate existing supported employment initiatives and trials, pilot job expos for supported employees and their families, and help organisations transition to the revised award
- \$3.2 million over two years from 2023–24 to extend the Job Access Complaints Resolution and Referral Service and the National Disability Abuse and Neglect Hotline
- \$1.1 million in 2023–24 to undertake initial research, design and consultation work in preparation for the delivery of the Government’s election commitment to establish a Disability Employment Centre of Excellence.

The cost of this measure will be met by reprioritising funding from the Department of Social Services Program 3.1 (Disability and Carers).

Sustain myGov

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Services Australia	-	103.9	-	-	-
Department of Finance	-	0.1	-	-	-
Total – Payments	-	104.0	-	-	-

The Government will provide \$134.5 million in 2023–24 to sustain the myGov platform for an additional year, to continue to securely support over 25 million accounts and connect Australians to 15 government services.

It will include maintenance of streamlined and secure digital credentials, such as the Medicare Card now available in the myGov app.

This measure will partially offset by continuing Services Australia’s user charging arrangements with the Australian Taxation Office and Department of Employment and Workplace Relations, and be partially met from within existing resourcing of Services Australia.

The Government will consider future funding for myGov in the context of the Government’s response to the recommendations of the *Critical National Infrastructure – myGov User Audit*. The Government has provisioned ongoing funding in the Contingency Reserve.

Targeting Entrenched Community Disadvantage

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Social Services	-	11.6	12.3	10.3	6.6
Australian Bureau of Statistics	-	3.7	4.8	4.1	3.8
Department of the Treasury	-	2.0	12.1	20.0	30.0
Total – Payments	-	17.3	29.2	34.4	40.4

The Government will provide \$199.8 million over 6 years from 2023–24 to address entrenched community disadvantage, including through place-based approaches, engaging with philanthropy and promoting social impact investment. Funding includes:

- \$100.0 million over 5 years from 2024–25 to establish a social impact investment Outcomes Fund to make contractual payments to states, territories and service providers based on delivering agreed, measurable outcomes through specific projects, with funding to be provisioned in the Contingency Reserve pending the outcome of a co-design process with stakeholders, including states and territories
- \$64.0 million over 6 years from 2023–24 to extend the *Stronger Places, Stronger People* program to deliver place-based initiatives in partnership with 10 local communities and state and territory governments to improve outcomes for disadvantaged children and their families, and to enhance place-based initiatives in 6 of these communities
- \$16.4 million over 4 years from 2023–24 to the Australian Bureau of Statistics to implement the Life Course Data Initiative to capture data insights to inform long term policy responses aimed at interrupting cycles of intergenerational disadvantage
- \$11.6 million over 3 years from 2023–24 for a Social Enterprise Development Initiative to provide grants, online education and mentoring for eligible organisations to build capability to access capital, better participate in the social impact investing market and support improved social outcomes
- \$7.8 million over two years from 2023–24 to develop a whole-of-government Framework to Address Community Disadvantage that will identify strategic objectives and key principles to guide how the Commonwealth will work in partnership with communities to enable them to build their capability to address cycles of disadvantage.

The Government will also provide \$8.7 million over 4 years from 2023–24 (and \$2.2 million per year ongoing) to support the Economic Inclusion Advisory Committee on an ongoing basis with secretariat and research support.

The cost of this measure will be partially met from within the existing resourcing of the Department of Social Services.

Younger People in Residential Aged Care

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of Health and Aged Care	-	2.8	2.1	0.6	-
Department of Social Services	-	1.8	0.1	-	-
Total – Payments	-	4.5	2.2	0.6	-

The Government will provide \$7.3 million over 3 years from 2023–24 for a package of initiatives to further reduce the number of people under the age of 65 living in residential aged care. Funding includes:

- \$3.6 million over two years from 2023–24 to provide targeted education and training packages for General Practitioners, clinical staff, social workers, carers, advocates, families, and other organisations and people that support and influence the decision making of younger people in residential aged care
- \$2.4 million over 3 years from 2023–24 to establish a central function in the Department of Health and Aged Care to support nationally consistent decision making on the eligibility of younger people seeking to enter residential aged care
- \$1.3 million in 2023–24 to evaluate actions already taken by governments to reduce the number of younger people in residential aged care, to inform future initiatives.

Treasury

Big Data, Timely Insights Phase 2 – securing Australia’s critical economic data and supporting better informed macroeconomic policy

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Bureau of Statistics	-	40.7	47.4	39.2	29.2
Department of Finance	-	0.1	0.1	-	-
Total – Payments	-	40.8	47.5	39.2	29.2

The Government will provide \$156.7 million over 4 years from 2023–24 (\$197.0 million over 7 years from 2023–24 and \$9.4 million per year ongoing from 2030–31) to continue the Australian Bureau of Statistics’ (ABS) implementation of its 10-year plan to modernise and replace legacy ICT systems. This measure will support the transition of key data assets to a secure cloud environment, including the Consumer Price Index (CPI) and 4 key business surveys.

As part of this measure, the ABS will also move to a full monthly CPI, including obtaining more frequent data observations of prices in the economy.

Partial funding for this measure will be held in the Contingency Reserve pending the further development of ICT system requirements, as part of the Government’s commitment to ensuring that critical future investment is properly scoped and provides maximum value for the taxpayer.

Comprehensive Sustainable Finance Agenda

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Securities and Investments Commission	-	4.3	-	-	-
Australian Office of Financial Management	-	1.9	3.9	1.3	1.3
Department of the Treasury	-	1.6	nfp	-	-
Total – Payments	-	7.8	3.9	1.3	1.3
<i>Related receipts (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	-	-	4.3	-	-

The Government will provide \$14.2 million over 4 years from 2023–24 to support its sustainable finance agenda, including:

- \$8.3 million over 4 years from 2023–24 (and \$1.3 million per year ongoing) to establish a sovereign green bond program to raise capital for environmental and climate change related programs
- \$4.3 million in 2023–24 for the Australian Securities and Investments Commission (ASIC) to ensure the integrity of sustainable finance markets by investigating and undertaking enforcement action against market participants engaging in greenwashing and other sustainable finance misconduct
- \$1.6 million in 2023–24 to support the initial development of a sustainable finance taxonomy for classifying economic activities according to their impact on sustainability goals.

Funding for ASIC activities will be cost recovered through levies under ASIC's industry funding model.

Partial funding for this measure will be held in the Contingency Reserve.

The financial implications for some elements of this measure are not for publication (nfp) due to commercial sensitivities.

Driving Collaboration with Small Business to Reduce the Time Spent Complying with Tax Obligations

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Taxation Office	-	5.6	9.4	5.4	1.4

The Government will provide \$21.8 million over 4 years from 2023–24 (and \$1.4 million per year ongoing) to the Australian Taxation Office (ATO) to lower the tax-related administrative burden for small businesses. Funding includes:

- \$12.8 million over 3 years from 2023–24 to trial an expansion of the ATO independent review process to small businesses (with aggregated turnover between \$10 million and \$50 million) subject to an ATO audit. The trial will commence on 1 July 2024 and run for 18 months
- \$9.0 million over 4 years from 2023–24 (and \$1.4 million per year ongoing) for 5 new tax clinics from 1 January 2025 to improve access to tax advice and assistance for 2.3 million small businesses. Eligibility for funding will be extended to TAFE institutions to improve access to tax clinic services in regional areas.

The measure also delivers reforms to cut paperwork and reduce the time small businesses spend doing taxes:

- from 1 July 2024, small businesses will be permitted to authorise their tax agent to lodge multiple Single Touch Payroll forms on their behalf, reducing paperwork for small businesses
- from 1 July 2024, small businesses will benefit from faster, safer and cheaper income tax refunds by reducing the use of cheques
- from 1 July 2025, small businesses will be permitted up to 4 years to amend their income tax returns, reducing the burden of making revisions.

Fighting Scams

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Competition and Consumer Commission	-	18.5	23.6	15.9	-
Australian Securities and Investments Commission	-	4.8	4.2	4.2	4.4
Australian Communications and Media Authority	-	4.3	2.0	2.1	2.1
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-	0.2	0.1	0.1	0.1
Total – Payments	-	27.8	29.9	22.3	6.6
<i>Related receipts (\$m)</i>					
Australian Securities and Investments Commission	-	-	4.8	4.2	4.2

The Government will provide \$86.5 million over 4 years from 2023–24 to combat scams and online fraud. Funding includes:

- \$58.0 million over 3 years from 2023–24 to establish the National Anti-Scam Centre within the Australian Competition and Consumer Commission to improve scam data sharing across government and the private sector and to establish public-private sector Fusion Cells to target specific scam issues
- \$17.6 million over 4 years from 2023–24 (and \$4.4 million per year ongoing) for the Australian Securities and Investments Commission (ASIC) to identify and take down phishing websites and other websites which promote investment scams, to be cost recovered through levies under ASIC's industry funding model
- \$10.9 million over 4 years from 2023–24 (and \$2.2 million per year ongoing) to the Australian Communications and Media Authority and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts to establish and enforce an SMS sender ID registry to impede scammers seeking to spoof industry and government brand names in message headers.

Partial funding for this measure will be held in the Contingency Reserve pending further development of ICT system requirements for the National Anti-Scam Centre.

This measure builds on the 2022-23 October Budget measure titled *Fighting Online Scams*.

Increasing the Supply of Social and Affordable Housing and Making it Easier to Buy a Home

Payments (\$m)

	2022-23	2023-24	2024-25	2025-26	2026-27
Department of the Treasury	-	2.7	-	-	-
<i>Related receipts (\$m)</i>					
Department of the Treasury	-	2.8	-	-	-

The Government will introduce a number of housing measures to increase support for social and affordable housing across the country and improve access for home buyers, including:

- increasing the Government-guaranteed liability cap of the National Housing and Finance Investment Corporation (NHFIC) by \$2.0 billion to \$7.5 billion to enable NHFIC to increase its support for social and affordable housing through loans from the Affordable Housing Bond Aggregator
- amending NHFIC's Investment Mandate to require NHFIC to take reasonable steps to allocate a minimum of 1,200 homes to be delivered in each state and territory within 5 years of the Housing Australia Future Fund commencing operation
- expand the eligibility of the Home Guarantee Scheme to:
 - allow any 2 eligible people to be joint applicants for a guarantee beyond spouses and de facto partners
 - allow non-first home buyers who have not owned a property in Australia for at least 10 years to access the First Home Guarantee and Regional Home Guarantee
 - allow a single legal guardian of children to access the Family Home Guarantee
 - allow Australian permanent residents to access the Scheme
- redirecting interest earnings on unallocated NHFIC funds to support more social and affordable housing and delivery of housing priorities.

The Government will also provide \$2.7 million in 2023–24 to the Treasury to support delivery of priority housing measures. The Government is also enabling up to 3 additional members to be appointed to the National Housing Supply and Affordability Council to provide a greater breadth of policy expertise.

This measure expands on the 2022–23 October Budget measure titled *Safer and More Affordable Housing*.

See also the related payment measure titled *National Housing and Homelessness Agreement Transitional Funding*.

Treasury Portfolio – additional resourcing

Payments (\$m)	2022-23	2023-24	2024-25	2025-26	2026-27
Australian Competition and Consumer Commission	-	31.9	37.7	-	-
Office of the Australian Information Commissioner	-	1.6	1.7	-	-
Australian Taxation Office	-	0.8	0.7	0.8	0.6
Department of the Treasury	-0.4	39.9	23.4	6.5	10.5
Total – Payments	-0.4	74.2	63.5	7.2	11.1
<i>Related receipts (\$m)</i>					
<i>Australian Prudential Regulation Authority</i>	-	1.0	1.0	1.0	1.0

The Government will provide \$162.4 million over 4 years from 2023–24 (and \$8.3 million per year ongoing) to support the delivery of Government priorities in the Treasury portfolio. Funding includes:

- \$88.8 million over two years from 2023–24 to support the continued operation of the Consumer Data Right in the banking, energy and non-bank lending sectors, progress the design of action initiation and uplift cyber security
- \$32.7 million over 4 years from 2023–24 for the Treasury to support the continued delivery of key programs and statutory reviews and to upgrade ICT systems
- \$22.0 million over 4 years from 2023–24 (and \$5.6 million per year ongoing) to continue the Centre for Population and modelling of the fiscal benefits of migration
- \$10.0 million over 4 years from 2023–24 (and \$2.1 million per year ongoing) to establish a central evaluation function within Treasury to provide leadership and improve evaluation capability across Government, including support to agencies and leading a small number of flagship evaluations each year
- \$5.0 million over 5 years from 2023–24 to continue a superannuation consumer advocate to improve members' outcomes, offset by an increase in the Superannuation Supervisory Levy administered by the Australian Prudential Regulation Authority
- \$2.9 million over 4 years from 2023–24 (and \$0.6 million per year ongoing) to the Australian Taxation Office to enable increased disclosure of the Australian Charities and Not-for-profits Commission's regulatory activities to enhance transparency and accountability in the charity sector
- \$1.9 million over two years from 2023–24 to establish a public registry of beneficial ownership of companies and other legal vehicles, including trusts.

In addition, the Australian Competition and Consumer Commission will establish the first phase of a complaints mechanism for designated consumer and small business advocacy groups to raise systemic issues under consumer law ('super complaints') within existing resourcing.

This measure will be partially offset by reprioritisation of existing functions within the Treasury portfolio and by reducing the frequency of Financial Regulator Assessment Authority reviews from every two years to every 5 years.

Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation
 - real growth in expenses is calculated using the consumer price index (CPI) as the deflator
 - the Budget year refers to 2023–24, while the forward years refer to 2024–25, 2025–26, and 2026–27
 - one billion is equal to one thousand million.
- (b) Figures in tables and generally in the text have been rounded. Discrepancies in tables between totals and sums of components are due to rounding.
- estimates under \$100,000 are rounded to the nearest thousand
 - estimates \$100,000 and over are generally rounded to the nearest tenth of a million
 - estimates midway between rounding points are rounded up.
- (c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.
- (d) The following notations are used:
- | | |
|---------|---|
| - | nil |
| na | not applicable |
| .. | not zero, but rounded to zero |
| \$m | millions of dollars |
| \$b | billions of dollars |
| nfp | not for publication |
| AEDT | Australian Eastern Daylight Time |
| AEST | Australian Eastern Standard Time |
| NEC/nec | not elsewhere classified |
| * | The nature of this measure is such that a reliable estimate cannot be provided. |

- (e) The Australian Capital Territory and the Northern Territory are referred to as ‘the Territories’. References to the ‘States’ or ‘each State’ include the Territories. The following abbreviations are used for the names of the States, where appropriate:

NSW	New South Wales
VIC	Victoria
QLD	Queensland
WA	Western Australia
SA	South Australia
TAS	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

- (f) In this paper, the term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term ‘Australian Government’ is used when referring to the Government and the decisions and activities made by the Government on behalf of the Commonwealth of Australia.

Budget Paper No. 2, *Budget Measures 2023–24* is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper



Budget

2023–24

FEDERAL FINANCIAL RELATIONS

BUDGET PAPER NO. 3

Circulated by

The Honourable Jim Chalmers MP
Treasurer of the Commonwealth of Australia

and

Senator the Honourable Katy Gallagher
Minister for Finance, Minister for Women,
Minister for the Public Service of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2023–24

9 May 2023

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Foreword

This Budget Paper presents information on the Australian Government's financial relations with state, territory and local governments.

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Part 1: Australia's Federal Relations

Overview

In 2023–24, the Australian Government will provide state and territory governments (states) with \$179.9 billion in total payments, including payments of \$87.4 billion for specific purposes including for schools and hospitals, and general revenue assistance of \$92.5 billion.

Through its payments to the states, the Australian Government is:

- contributing \$125.5 billion from 2023–24 to 2026–27 for public health and hospital services
- investing \$119.4 billion in Quality Schools funding from 2023–24 to 2026–27
- committing \$61.0 billion from 2023–24 to 2026–27 to invest in nation-building infrastructure
- permanently boosting the size of the GST pool that is distributed among the states each year. From 2021–22, the Australian Government will inject \$600.0 million annually into the GST pool, followed by a further \$250.0 million annually from 2024–25, with this amount to grow each year in line with the underlying growth of the GST
- providing an estimated \$19.4 billion in horizontal fiscal equalisation (HFE) transition payments from 2023–24 to 2026–27 to support the transition to the new HFE system.

Box 1.1: A better future for the federation

All levels of government have vital roles in delivering the essential services that Australians rely on every day. The Australian Government is bringing the states together to drive the reforms needed to ensure the next generation of growth, jobs, prosperity, and security.

On 28 April 2023, National Cabinet agreed to progress a range of key national priorities which are supported by measures in this Budget. This includes a package of Strengthening Medicare measures, a commitment to an NDIS Financial Sustainability Framework and Better Planning for Stronger Growth reforms. Further detail is available in Budget Paper No. 1, *Budget Strategy and Outlook 2023–24*, Statement 1: *Budget Overview*.

All levels of government face shared fiscal challenges, particularly in the health and care sectors. These fiscal pressures require ongoing collaboration and a focus on shared objectives and interconnected solutions, given the joint roles and responsibilities, as well as a shared ambition to improve fiscal positions over the medium term.

The Australian Government makes payments to the states to deliver services they are responsible for under the Constitution, through GST and other untied assistance, and tied assistance via funding agreements covering key sectors such as health, education, community services and infrastructure. Total assistance to the states grows by \$24.1 billion from 2022–23 to 2026–27. This includes GST-related payments which grow by \$18.3 billion from 2022–23 to 2026–27.

Major commitments in this Budget include the Australian Government providing \$1.5 billion through the Energy Bill Relief Fund to the states to deliver energy bill assistance to eligible households and small businesses. Additionally, the Government is providing up to \$3.4 billion for infrastructure investment to support the delivery of the Brisbane 2032 Olympic and Paralympic Games.

The Australian Government provides funding to the states to support Closing the Gap Commitments and deliver services to Aboriginal and Torres Strait Islander Australians. This includes committing \$150.0 million of the National Water Grid Fund over 4 years to support First Nations communities' access to clean drinking water. In addition, the Australian Government is delivering \$111.7 million for a new one-year remote housing agreement with the Northern Territory Government and providing \$100.0 million over 2 years for urgent work on housing and essential infrastructure on Northern Territory homelands.

continued on next page

Box 1.1: A better future for the federation (continued)

The Australian Government's contribution to areas of shared responsibility is not limited to direct payments to the states. The Government also directly funds substantial programs in these areas, which it is responsible for administering. For example, in the health sector the Commonwealth separately funds the Medicare Benefits Schedule and the Pharmaceutical Benefits Scheme. The Australian Government also funds the majority of the National Disability Insurance Scheme, with its share growing over the forward estimates.

Australian Government funding to the states

The Australian Government provides substantial funding to the states in key sectors such as health, education and community services, and supports important productivity-enhancing projects and reforms, such as investments in infrastructure and skills. In addition, the Australian Government provides general revenue assistance that states can spend according to their own budget priorities.

The states are estimated to receive total Australian Government payments of \$179.9 billion in 2023–24.

Payments to the states in 2023–24 are estimated to be 26.3 per cent of total Australian Government expenditure and 7.0 per cent of GDP.

Payments for specific purposes

In 2023–24, the Australian Government will provide the states with \$87.4 billion in payments for specific purposes. This represents an increase of \$6.6 billion or 8.2 per cent compared with the 2022–23 estimate primarily due to an increase in infrastructure investment and the new Energy Bill Relief Fund. Payments for specific purposes are estimated to make up 12.8 per cent of total Australian Government expenditure in 2023–24 and be 3.4 per cent of GDP.

National Specific Purpose Payments (National SPPs), National Health Reform, the National Housing and Homelessness Agreement, Energy Bill Relief and Quality Schools funding are expected to total \$61.3 billion in 2023–24.

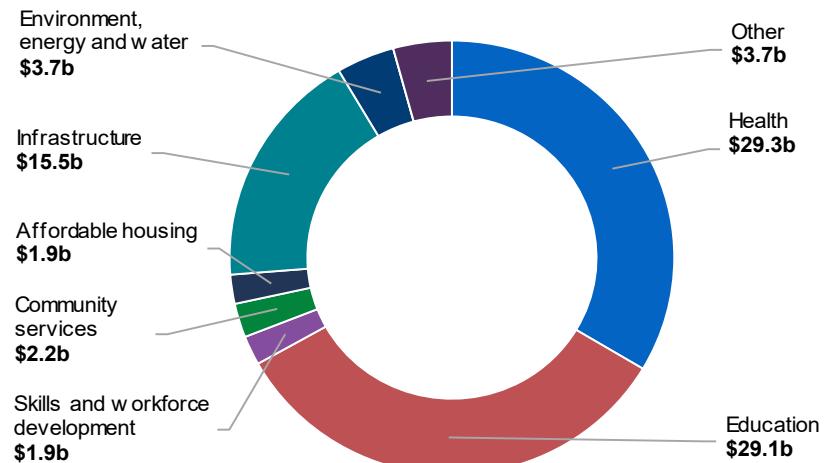
National Partnership payments are expected to be \$26.1 billion in 2023–24.

Chart 1.1 shows estimated specific purpose payments to the states in 2023–24 by sector.

Part 2 of this Budget Paper provides further information on payments to the states for specific purposes.

The conditions for payments to states for specific purposes are documented in agreements between the Commonwealth and the states. The Federation Funding Agreement (FFA) Framework sets out the governance arrangements for these agreements. Further information on the FFA Framework can be found on the Federal Financial Relations website at www.federalfinancialrelations.gov.au.

Chart 1.1: Payments for specific purposes 2023–24, by sector



General revenue assistance

General revenue assistance, which principally comprises the states' GST entitlement, provides untied funding to support the states' delivery of services.

In 2023–24, the states are expected to receive \$92.5 billion in general revenue assistance, including \$86.6 billion for the GST entitlement. General revenue assistance to the states is estimated to represent 13.5 per cent of total Australian Government expenditure in 2023–24 and be 3.6 per cent of GDP.

Part 3 of this Budget Paper contains further details of general revenue assistance to the states.

Payments to the states

Total Australian Government payments to the states are shown in Table 1.1 and as a proportion of GDP in Table 1.2.

Table 1.1: Australian Government payments to the states, 2022–23 to 2026–27

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022–23									
Payments for specific purposes(a)									
	22,990	19,927	16,914	8,817	5,686	2,051	1,239	1,897	80,803
GST-related payments(b)	25,986	19,238	18,397	6,183	7,702	3,426	1,662	3,865	86,458
Other general revenue assistance	-	-	-	1,520	-	-	42	-	1,562
Total payments to the states	48,975	39,166	35,311	16,520	13,388	5,478	2,943	5,761	168,824
2023–24									
Payments for specific purposes(a)									
	24,553	19,894	18,603	11,041	6,103	2,279	1,376	1,926	87,393
GST-related payments(b)	26,783	20,375	19,477	6,520	8,788	3,489	1,922	4,181	91,536
Other general revenue assistance	-	-	-	890	-	-	44	-	934
Total payments to the states	51,336	40,268	38,080	18,452	14,891	5,768	3,342	6,108	179,863
2024–25									
Payments for specific purposes(a)									
	25,105	20,589	18,960	9,679	5,917	2,109	1,319	1,596	86,485
GST-related payments(b)	27,760	21,254	20,232	7,267	9,085	3,612	2,005	4,342	95,557
Other general revenue assistance	-	-	-	743	-	-	45	-	788
Total payments to the states	52,864	41,844	39,192	17,689	15,001	5,722	3,370	5,938	182,830
2025–26									
Payments for specific purposes(a)									
	24,682	21,665	19,632	8,885	6,065	2,057	1,317	1,483	86,357
GST-related payments(b)	29,324	22,589	21,430	7,697	9,573	3,816	2,135	4,598	101,162
Other general revenue assistance	-	-	-	574	-	-	46	-	621
Total payments to the states	54,007	44,253	41,062	17,156	15,638	5,873	3,498	6,081	188,139
2026–27									
Payments for specific purposes(a)									
	25,153	21,851	20,184	8,602	6,251	1,936	1,336	1,442	87,673
GST-related payments(b)	29,807	23,014	21,941	9,117	9,856	3,964	2,208	4,862	104,769
Other general revenue assistance	-	-	-	445	-	-	47	-	493
Total payments to the states	54,961	44,865	42,125	18,164	16,107	5,900	3,592	6,304	192,934

- a) State allocations for a number of programs have not yet been determined. These payments are not reflected in state totals. As a result, total payments for specific purposes may not equal the sum of the state figures.
- b) Includes GST entitlement and HFE transition payments. State allocations are dependent upon the GST revenue sharing relativities for each financial year. They are calculated using the Commonwealth Grants Commission's 2023–24 GST relativities as the starting point. The estimates do not reflect any attempt to project future GST relativities or GST entitlements. See Part 3 for further information.

Table 1.2: Total Australian Government payments to the states as a proportion of GDP

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Payments for specific purposes</i>					
National SPPs	1,608	1,670	1,724	1,764	1,798
National Health Reform funding	28,933	28,535	30,456	32,215	34,296
Quality Schools funding	26,911	28,288	29,399	30,358	31,370
National Housing and Homelessness funding	1,646	1,707	1,692	1,731	1,764
Energy Bill Relief	-	1,110	385	-	-
National Partnership payments	21,704	26,083	22,828	20,288	18,445
Total payments for specific purposes	80,803	87,393	86,485	86,357	87,673
Per cent change from previous year	-6.4	8.2	-1.0	-0.1	1.5
Per cent of GDP	3.2	3.4	3.3	3.1	3.0
<i>General revenue assistance</i>					
GST-related payments(a)	86,458	91,536	95,557	101,162	104,769
Other general revenue assistance	1,562	934	788	621	493
Total general revenue assistance	88,021	92,470	96,345	101,782	105,261
Per cent change from previous year	13.5	5.1	4.2	5.6	3.4
Per cent of GDP	3.5	3.6	3.6	3.7	3.6
Total payments to the states	168,824	179,863	182,830	188,139	192,934
Per cent change from previous year	3.0	6.5	1.6	2.9	2.5
Per cent of GDP	6.6	7.0	6.9	6.8	6.6

a) Includes GST entitlement and HFE transition payments.

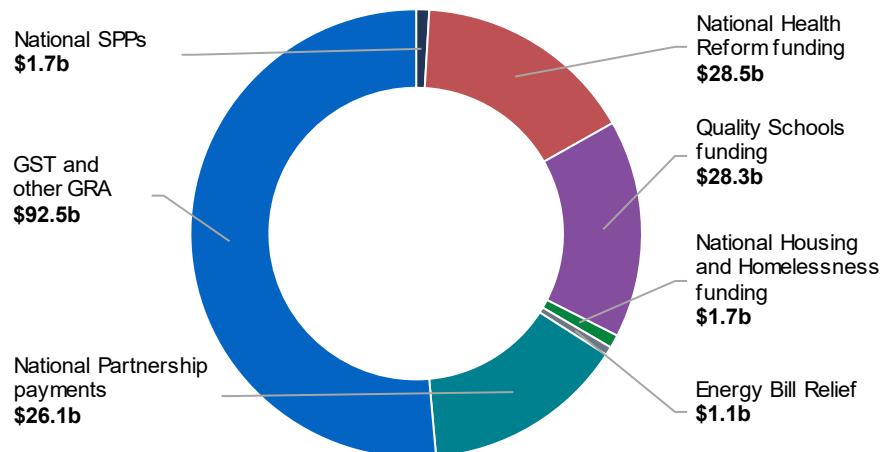
Chart 1.2: Total Australian Government payments to the states, 2023–24

Table 1.3 provides information on the Australian Government's financial contributions to state expenditure in key sectors in 2021–22 (the latest year for which there are data to enable this calculation). It shows that Australian Government financial assistance in 2021–22 effectively supported 46.1 per cent of states' expenditure.

Table 1.3: Australian Government's contribution to state expenditure

2021–22	Australian Government tied payments (\$million)	State spending supported by general revenue assistance (a) (\$million)	Total state spending (\$million)	State spending supported by Australian Government payments (per cent)
Health	30,492	21,687	105,848	49.3
Education	27,672	11,080	66,171	58.6
Housing and community amenities	3,779	1,770	9,930	55.9
Transport	7,403	7,214	32,471	45.0
Economic affairs (b)	7,358	7,264	32,600	44.9
Social protection	1,370	8,203	29,873	32.0
Other functions (c)	8,282	20,312	78,862	36.3
Payments for specific purpose	86,355			
General revenue assistance		77,531		
Total			355,755	46.1

Source: Australian Bureau of Statistics (ABS), Government Finance Statistics 2021–22; and Australian Government, Final Budget Outcome 2021–22.

Note: Australian Government payments to the states in 2021–22 is unavailable on an ABS Classification of the Functions of Government (COFOG-A) basis. These payments have been adjusted to align with COFOG-A.

- a) General Revenue Assistance (GRA) is provided to the states without conditions to spend according to their own budget priorities. For illustrative purposes, GRA is allocated to expense functions based on the ratio of discretionary spending in each function as a share of states' total discretionary spending.
- b) Economic affairs include COVID-19 Business Support Payments for 2021–22.
- c) Other functions include additional functions not elsewhere itemised.

Measures affecting payments to the states

Table 1.4 lists measures in the 2023–24 *Budget* that affect payments to the states. Details of the measures are available in Budget Paper No. 2, *Budget Measures 2023–24*, arranged by portfolio. Information on the payments affected is available in Parts 2 and 3 of this Budget Paper.

Table 1.4: Measures affecting payments to the states

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
National Health Reform funding	Part 2 – Health	COVID-19 Response	Payments – Health and Aged Care
Access to HIV treatment	Part 2 – Health	Enhancing National Strategies for Bloodborne Viruses and Sexually Transmissible Infections	Payments – Health and Aged Care
Medicare Urgent Care Clinic	Part 2 – Health	Medicare Urgent Care Clinics – additional funding	Payments – Health and Aged Care
Mosquito control in Tennant Creek	Part 2 – Health	Dengue and Other Disease Mitigation Through Mosquito Control in Tennant Creek	Payments – Health and Aged Care
Smoking and vaping cessation activities	Part 2 – Health	Vaping Regulation Reform and Smoking Cessation Package	Payments – Health and Aged Care
Essential vaccines	Part 2 – Health	National Immunisation Program	Payments – Health and Aged Care
Public dental services for adults	Part 2 – Health	Long Term Dental Funding Reform Developmental Work and Interim Funding	Payments – Health and Aged Care
On-Country Learning	Part 2 – Education	Better, Safer Future for Central Australia Plan	Payments – Cross Portfolio
Workload Reduction Fund	Part 2 – Education	Teacher Workforce Action Plan	Payments – Education
Alcohol and drug treatment services in the NT	Part 2 – Community Services	Closing the Gap – further investment	Payments – Prime Minister and Cabinet
Extra high visibility police and law enforcement operations	Part 2 – Community Services	Better, Safer Future for Central Australia Plan	Payments – Cross Portfolio
Family, domestic and sexual violence responses	Part 2 – Community Services	Women's Safety	Payments – Cross Portfolio
National Housing and Homelessness Agreement	Part 2 – Affordable Housing	National Housing and Homelessness Agreement Transitional Funding	Payments – Social Services
Infrastructure Investment Program	Part 2 – Infrastructure	Better, Safer Future for Central Australia Plan	Payments – Cross Portfolio

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
Infrastructure Investment Program	Part 2 – Infrastructure	Building a Better Future Through Considered Infrastructure Investment	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
Infrastructure Investment Program(a)	Part 2 – Infrastructure	Supporting Transport Priorities	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
Brisbane 2032 Olympic and Paralympic Games	Part 2 – Infrastructure	2032 Brisbane Olympic and Paralympic Games – venue infrastructure	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
Cairns Regional Development	Part 2 – Infrastructure	Supporting Transport Priorities	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
Hobart and Launceston – place based co-investments	Part 2 – Infrastructure	National Approach for Sustainable Urban Development	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
National Water Grid Fund(a)	Part 2 – Infrastructure	National Water Grid Fund – addressing legacy projects	Payments – Climate Change, Energy, the Environment and Water
National Water Grid Fund	Part 2 – Infrastructure	National Water Grid Fund – delivering commitments	Payments – Climate Change, Energy, the Environment and Water
Energy Bill Relief	Part 2 – Environment, energy and water	Energy Price Relief Plan	Payments – Cross Portfolio
ACT Sustainable Household Scheme	Part 2 – Environment, energy and water	ACT Sustainable Household Scheme	Payments – Climate Change, Energy, the Environment and Water
Borumba Pumped Hydro Project	Part 2 – Environment, energy and water	Energy Price Relief Plan	Payments – Cross Portfolio
Disaster Ready Fund – Round 1	Part 2 – Environment, energy and water	Disaster Support	Payments – Home Affairs
Enhance the National Soil Resources Information System	Part 2 – Environment, energy and water	Partnering to Implement the National Soil Action Plan	Payments – Agriculture, Fisheries and Forestry
Food Waste for Healthy Soils Fund(a)	Part 2 – Environment, energy and water	Climate Change, Energy, the Environment and Water – reprioritisation	Payments – Climate Change, Energy, the Environment and Water
Food Waste for Healthy Soils Fund(a)	Part 2 – Environment, energy and water	National Waste Education Campaign	Payments – Climate Change, Energy, the Environment and Water

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
Supporting Emissions Reduction in Queensland's Energy Resources Sector	Part 2 – Environment, energy and water	Working with the Australian Resources Industry on the Pathway to Net Zero	Payments – Industry, Science and Resources
Temporary cap on the price of coal	Part 2 – Environment, energy and water	Energy Price Relief Plan	Payments – Cross Portfolio
World Heritage Sites	Part 2 – Environment, energy and water	Natural Heritage Trust – project funding	Payments – Climate Change, Energy, the Environment and Water
Disaster Recovery Funding Arrangements	Part 2 – Contingent payments	Disaster Support	Payments – Home Affairs
Gas Well Trials(a)	Part 2 – Other	Working with the Australian Resources Industry on the Pathway to Net Zero	Payments – Industry, Science and Resources
National Legal Assistance Partnership 2020–25	Part 2 – Other	Women's Safety	Payments – Cross Portfolio
Commonwealth High Risk Terrorist Offender Regime	Part 2 – Other	Strengthening Australia's Arrangements for High Risk Terrorist Offenders	Payments – Attorney General's
Supplementary funding to South Australia for local roads	Part 2 – Other	Building a Better Future Through Considered Infrastructure Investment	Payments – Infrastructure, Transport, Regional Development, Communications and the Arts
GST entitlement	Part 3 – GST payments	Reform of the Product Stewardship for Oil Scheme	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Powering Australia – amendment to the Electric Car Discount	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program	Receipts – Treasury
GST entitlement	Part 3 – GST payments	GST compliance program — four-year extension	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Migration – raising the Temporary Skilled Migration Income Threshold (TSMIT)	Receipts – Home Affairs
GST entitlement	Part 3 – GST payments	Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Small Business Support – Helping small business manage their tax instalments and improving cashflow	Receipts – Treasury

Table 1.4: Measures affecting payments to the states (continued)

Payment	Section of Budget Paper 3	Measure title	Section of Budget Paper 2
GST entitlement	Part 3 – GST payments	Indirect Tax Concession Scheme – diplomatic and consular concessions	Receipts – Treasury
GST entitlement	Part 3 – GST payments	Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax	Receipts – Home Affairs
GST entitlement	Part 3 – GST payments	Migration Program – 2023–24 planning levels	Receipts – Home Affairs
GST entitlement	Part 3 – GST payments	Visa changes for Graduates and Students – increasing visa duration and work hours	Receipts – Home Affairs
GST entitlement	Part 3 – GST payments	Enhancing Pacific Engagement	Payments – Foreign Affairs and Trade
GST entitlement	Part 3 – GST payments	Visa and Migration System	Payments – Home Affairs

- a) Measure redirects funding allocated to states in the October Budget to fund other Australian Government policy priorities.

Part 2: Payments for specific purposes

Overview

The Australian Government provides payments to state and territory governments (states) for specific purposes in policy areas for which the states have primary responsibility. These payments cover most areas of state and local government activity, including health, education, skills and workforce development, community services, housing, Indigenous affairs, infrastructure and the environment.

Funding for public hospitals under the National Health Reform Agreement is the largest single specific purpose payment to the states, estimated to be \$28.5 billion in 2023–24.

Schools funding payments under the *Australian Education Act 2013* are estimated to be \$28.3 billion in 2023–24, comprising funding for government schools of \$10.8 billion and non-government schools of \$17.4 billion.

In 2023–24, the Australian Government is supporting the states in the Skills and Workforce Development sector by providing \$1.7 billion through a National Specific Purpose Payment (National SPP). The states are required to spend this funding in the sector.

In 2023–24, the Australian Government is providing an estimated \$1.7 billion under the National Housing and Homelessness Agreement. Funding will support access to affordable, safe and sustainable housing, which includes preventing and addressing homelessness.

The Australian Government is providing \$1.5 billion for Energy Bill Relief, with an estimated \$1.1 billion to be provided in 2023–24 and \$0.4 billion in 2024–25.

National Partnership payments to the states are the key vehicle to facilitate reforms or support the delivery of particular projects and services. Funding agreements are typically entered into for a fixed period of time, reflecting the nature of the project or reform involved.

To the fullest extent possible, National Partnership payments are aligned to the achievement of milestones and are made after the states have achieved the outcomes or outputs specified in the relevant agreement. National Partnership payments are estimated to be \$26.1 billion in 2023–24.

Funding agreements and other Commonwealth-State agreements are publicly available on the Federal Financial Relations website at: www.federalfinancialrelations.gov.au. Details of the appropriation mechanisms for all payments to the states and the terms and conditions applying to them are set out in Appendix E, available online.

Further information on each of these payments is contained in this Part. Total payments to the states for specific purposes, categorised by functions, are set out in Appendix B, which is available online.

Table 2.1: Total payments for specific purposes by category, 2022–23 to 2026–27

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
2022–23									
National SPP	504	410	330	173	112	35	28	15	1,608
National Health Reform funding(b)	8,663	7,695	6,257	2,887	1,882	616	525	408	28,933
Quality Schools funding	8,116	6,695	5,861	2,818	1,970	599	413	439	26,911
National Housing and Homelessness funding	498	419	343	182	116	37	29	21	1,646
Energy Bill Relief	-	-	-	-	-	-	-	-	-
National Partnership payments(c)	5,209	4,708	4,123	2,757	1,605	764	243	1,013	21,704
Total payments for specific purposes	22,990	19,927	16,914	8,817	5,686	2,051	1,239	1,897	80,803
2023–24									
National SPP	522	428	343	179	116	36	29	16	1,670
National Health Reform funding(b)	8,290	6,921	6,864	3,029	1,898	621	521	392	28,535
Quality Schools funding	8,535	7,065	6,135	2,974	2,070	627	428	454	28,288
National Housing and Homelessness funding	516	436	356	189	120	38	30	22	1,707
Energy Bill Relief	361	282	246	83	95	22	11	9	1,110
National Partnership payments(c)	6,330	4,761	4,660	4,588	1,803	934	356	1,033	26,083
Total payments for specific purposes	24,553	19,894	18,603	11,041	6,103	2,279	1,376	1,926	87,393
2024–25									
National SPP	538	444	354	185	119	37	30	17	1,724
National Health Reform funding	8,781	7,756	7,162	3,209	1,947	634	555	413	30,456
Quality Schools funding	8,862	7,370	6,371	3,085	2,162	648	440	461	29,399
National Housing and Homelessness funding	521	428	353	185	118	37	29	21	1,692
Energy Bill Relief	120	94	82	28	32	22	4	3	385
National Partnership payments(c)	6,283	4,498	4,638	2,987	1,538	730	261	682	22,828
Total payments for specific purposes	25,105	20,589	18,960	9,679	5,917	2,109	1,319	1,596	86,485
2025–26									
National SPP	549	456	362	190	121	38	31	17	1,764
National Health Reform funding	9,356	8,046	7,622	3,426	2,059	672	591	444	32,215
Quality Schools funding	9,152	7,635	6,579	3,175	2,242	665	447	463	30,358
National Housing and Homelessness funding	532	439	361	189	120	38	30	21	1,731
Energy Bill Relief	-	-	-	-	-	-	-	-	-
National Partnership payments(c)	5,094	5,089	4,708	1,906	1,522	644	217	538	20,288
Total payments for specific purposes	24,682	21,665	19,632	8,885	6,065	2,057	1,317	1,483	86,357

Table 2.1: Total payments for specific purposes by category, 2022–23 to 2026–27 (continued)

\$million 2026–27	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)
National SPP	558	466	369	193	123	39	32	17	1,798
National Health Reform funding	9,967	8,569	8,126	3,650	2,171	710	630	473	34,296
Quality Schools funding	9,457	7,925	6,792	3,272	2,320	682	456	466	31,370
National Housing and Homelessness funding	541	449	368	193	122	38	31	22	1,764
Energy Bill Relief	-	-	-	-	-	-	-	-	-
National Partnership payments(c)	4,630	4,442	4,529	1,294	1,515	466	188	465	18,445
Total payments for specific purposes	25,153	21,851	20,184	8,602	6,251	1,936	1,336	1,442	87,673

a) As state allocations for a number of programs have not yet been determined, these payments are not included in state totals. As a result, total payments may not equal the sum of state totals.
 b) Includes \$3.4 billion in total for the COVID-19 public health response in 2022–23 and 2023–24.
 c) Includes financial assistance grants for local government, payments direct to local government and payments funded through appropriations including but not limited to section 16 of the *Federal Financial Relations Act 2009*.

Table 2.2: Payments for specific purposes by sector and category, 2022–23 to 2026–27

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Health</i>					
National Health Reform funding(a)	28,933	28,535	30,456	32,215	34,296
National Partnership payments	748	790	793	367	279
Total health payments	29,681	29,325	31,249	32,582	34,575
<i>Education</i>					
Quality Schools funding	26,911	28,288	29,399	30,358	31,370
National Partnership payments(b)	796	829	563	603	680
Total education payments	27,708	29,118	29,962	30,961	32,049
<i>Skills and workforce development</i>					
National Skills and Workforce Development SPP	1,608	1,670	1,724	1,764	1,798
National Partnership payments	656	230	147	140	71
Total skills and workforce development payments	2,264	1,900	1,872	1,904	1,868
<i>Community services</i>					
National Partnership payments	1,228	2,211	132	60	65
<i>Affordable housing</i>					
National Housing and Homelessness funding	1,646	1,707	1,692	1,731	1,764
National Partnership payments	830	187	1	2	3
Total affordable housing payments	2,477	1,895	1,693	1,733	1,767
<i>Infrastructure</i>					
National Partnership payments(b)	11,932	15,525	16,339	15,498	13,625
<i>Environment, energy and water</i>					
Energy Bill Relief	-	1,110	385	-	-
National Partnership payments(b)	2,160	2,588	967	171	161
Total environment, energy and water payments	2,160	3,698	1,352	171	161
<i>Contingent payments</i>					
National Partnership payments	1,550
<i>Other</i>					
Business support	339	-	-	-	-
National Partnership payments(b)(c)	1,464	3,722	3,887	3,447	3,561
Total other payments	1,804	3,722	3,887	3,447	3,561
Total payments for specific purposes	80,803	87,393	86,485	86,357	87,673

- a) Includes \$3.4 billion in total for the COVID-19 public health response in 2022–23 and 2023–24.
- b) Includes financial assistance grants for local government, payments direct to local government and/or payments funded through appropriations including but not limited to section 16 of the *Federal Financial Relations Act 2009*.
- c) Excludes business support payments.

Health

In 2023–24, the Australian Government will provide funding of \$29.3 billion to support state health services, including \$28.5 billion in National Health Reform funding and \$789.7 million in National Partnership payments, as detailed in Table 2.3. National Partnership payments in this section include a small number of agreements for sport.

Table 2.3: Payments to support state health services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Health Reform funding(a)	28,933.4	28,535.1	30,456.4	32,215.2	34,296.2
National Partnership payments					
Health services	207.6	245.4	133.1	135.2	34.5
Health infrastructure	368.4	366.1	481.9	187.7	191.2
First Nations health	16.2	16.4	8.0	-	-
Other health payments	155.7	161.8	169.6	43.9	53.6
Total National Partnership payments	747.9	789.7	792.6	366.8	279.2
Total	29,681.3	29,324.9	31,249.0	32,582.0	34,575.4

a) Total for 2022–23 and 2023–24 includes \$3.4 billion for the COVID-19 public health response.

National Health Reform funding

In 2023–24, National Health Reform funding is estimated to be \$28.5 billion, including \$142.6 million for the COVID-19 public health response.

National Health Reform funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23									
Hospital services	7,755.2	5,705.5	5,936.3	2,699.3	1,639.5	562.1	473.1	377.2	25,148.2
Public health	155.3	124.0	103.0	55.4	35.8	11.5	9.2	5.1	499.5
COVID-19 public health response(a)	752.6	1,865.7	217.9	132.0	206.6	41.9	43.0	26.0	3,285.7
Total	8,663.1	7,695.2	6,257.3	2,886.8	1,881.9	615.6	525.3	408.3	28,933.4
2023-24									
Hospital services	8,082.6	6,751.8	6,728.0	2,957.4	1,851.2	606.8	509.1	385.8	27,872.7
Public health	162.2	132.8	106.6	56.0	36.4	11.5	9.2	5.1	519.7
COVID-19 public health response(a)	44.8	36.4	29.2	15.1	10.0	3.1	2.6	1.4	142.6
Total	8,289.6	6,920.9	6,863.8	3,028.5	1,897.6	621.4	520.9	392.4	28,535.1
2024-25									
Hospital services	8,610.3	7,615.4	7,049.3	3,150.2	1,908.7	621.8	545.1	407.8	29,908.5
Public health	170.5	140.5	112.4	59.0	38.3	12.1	9.7	5.4	547.8
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	8,780.7	7,755.9	7,161.7	3,209.3	1,947.0	633.9	554.8	413.2	30,456.4
2025-26									
Hospital services	9,176.8	7,897.3	7,503.7	3,363.4	2,018.5	659.0	581.0	438.2	31,637.9
Public health	179.2	148.5	118.5	62.3	40.2	12.7	10.3	5.7	577.3
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	9,356.0	8,045.9	7,622.2	3,425.7	2,058.7	671.7	591.3	443.8	32,215.2
2026-27									
Hospital services	9,778.9	8,412.3	8,000.8	3,584.1	2,128.7	696.9	619.1	467.2	33,688.0
Public health	188.3	157.0	124.9	65.6	42.2	13.4	10.9	5.9	608.2
COVID-19 public health response	-	-	-	-	-	-	-	-	-
Total	9,967.2	8,569.3	8,125.7	3,649.8	2,170.9	710.3	630.0	473.2	34,296.2

- a) Includes funding of \$3.1 billion for the National Partnership on COVID-19 Response in 2022–23, and \$142.6 million in 2022–23 and \$142.6 million in 2023–24 for the National Partnership for Priority Groups COVID-19 Testing and Vaccination. This funding to support the COVID-19 public health response complements funding under the 2020–25 Addendum to the National Health Reform Agreement.

National Health Reform funding is linked to growth in public hospital activity, the national efficient price and national efficient cost determined by the Independent Health and Aged Care Pricing Authority. The Australian Government funds 45 per cent of the efficient growth in the activity, price and cost of public hospital services, with growth in total Australian Government funding capped at 6.5 per cent a year.

National Health Reform funding is also influenced by the level of payments made through the National Partnership on COVID-19 Response, with some hospital activity which would normally be paid through the National Health Reform Agreement in 2022–23 instead funded through the National Partnership on COVID-19 Response. States have received \$14.7 billion to date under the National Partnership on COVID-19 Response, which commenced in March 2020 and expired on 31 December 2022.

Under the new National Partnership for Priority Groups COVID-19 Testing and Vaccination, the Australian Government will continue to provide funding in 2023 to help states deliver polymerase chain reaction (PCR) testing and administer vaccine doses to priority cohorts at greater risk of severe disease from COVID-19.

States' National Health Reform funding entitlements for 2022–23 will be determined by the Treasurer following a reconciliation of 2022–23 activity data by the Administrator of the National Health Funding Pool.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Final entitlements to National Health Reform funding, 2021–22

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
National Health Reform(a)	9,179.8	7,932.2	6,316.5	3,188.5	1,905.4	671.4	548.2	433.7	30,175.6

a) Final entitlements for National Health Reform include entitlements for the COVID-19 public health response.

In December 2022, the Treasurer determined final entitlements for 2021–22 National Health Reform funding in accordance with advice from the Administrator of the National Health Funding Pool. Reconciliation adjustments have been made to state 2022–23 payment estimates based on the final 2021–22 entitlements.

National Partnership payments for health

A total of \$789.7 million will be provided to the states in 2023–24 under the following categories:

- health services
- health infrastructure
- First Nations health
- other health payments.

Health services

In 2023–24, the Australian Government is estimated to provide \$245.4 million to support the delivery of health services in the states.

Table 2.3.1 Health services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Access to HIV treatment	2.7	15.0	15.0	15.0	15.0
Achieving better health outcomes	0.5	-	-	-	-
Additional assistance for public hospitals	0.4	13.4	2.1	15.0	15.0
Adult mental health centres	4.0	4.0	-	-	-
Comprehensive palliative care in aged care	12.7	10.3	-	-	-
Expansion of colonoscopy triage services	1.8	4.2	4.2	-	-
Hummingbird House	0.8	-	-	-	-
Management of Torres Strait / Papua New Guinea cross-border health issues	5.3	5.4	-	-	-
Medicare Urgent Care Clinics	9.2	19.4	25.8	26.3	-
Mosquito control in Tennant Creek	0.6	0.4	-	-	-
Mosquito control in the Torres Strait Protected Zone	0.9	0.9	-	-	-
Multidisciplinary outreach care	10.3	10.3	-	-	-
National bowel cancer screening program – participant follow-up function	8.1	8.5	-	-	-
National Mental Health and Suicide Prevention Agreement – bilateral schedules	58.5	50.1	67.2	66.7	-
OzFoodNet	1.9	1.9	-	-	-
Palliative Care Services Navigation Pilot	1.0	3.1	3.2	-	-
Primary Care Pilots	50.0	50.0	-	-	-
Reducing stillbirths	4.4	4.5	4.6	-	-
Royal Darwin Hospital – equipped, prepared and ready	17.3	17.7	-	-	-
Smoking and vaping cessation activities	-	1.5	4.5	4.5	4.5
Specialist dementia care	9.4	9.6	-	-	-
Surge capacity for BreastScreen Australia	2.0	7.8	-	-	-
Vaccine-preventable diseases surveillance	1.1	1.1	-	-	-
World-class newborn bloodspot screening program	4.9	6.3	6.4	7.7	-
Total	207.6	245.4	133.1	135.2	34.5

Access to HIV treatment^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	2.7
2023-24	6.3	3.3	1.6	0.3	0.3	0.1	2.8	0.2	15.0
2024-25	6.3	3.3	1.6	0.3	0.3	0.1	2.8	0.2	15.0
2025-26	6.3	3.3	1.6	0.3	0.3	0.1	2.8	0.2	15.0
2026-27	6.3	3.3	1.6	0.3	0.3	0.1	2.8	0.2	15.0
Total	25.3	13.1	6.5	1.4	1.4	0.6	11.1	0.7	62.7

a) Totals include unallocated funding.

The Australian Government is providing funding to support the delivery of human immunodeficiency virus (HIV) care to all people living with HIV in Australia who are not eligible for Medicare.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Achieving better health outcomes

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.5	-	-	-	-	-	-	-	0.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.5	-	-	-	-	-	-	-	0.5

The Australian Government is providing funding to improve emergency department facilities for vulnerable patients and those with mental health issues, and to help children with high medical needs and their families spend less time in hospital.

Additional assistance for public hospitals^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	0.4	-	0.4
2023-24	-	-	-	-	-	-	13.4	-	13.4
2024-25	-	-	-	-	-	2.1	-	-	2.1
2025-26	-	-	-	-	-	-	-	15.0	15.0
2026-27	-	-	-	-	-	-	-	15.0	15.0
Total	-	-	-	-	-	2.1	13.8	30.0	45.9

a) Funding is indicative only and will depend on final entitlements to National Health Reform funding from 2022-23 to 2026-27.

The Australian Government will provide funding to Tasmania and the Australian Capital Territory if growth in National Health Reform funding is lower than growth in CPI and population in a given year. The Australian Government will provide funding to the Northern Territory should the national funding cap result in a funding shortfall for the Northern Territory.

Adult mental health centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	4.0	-	-	-	4.0
2023-24	-	-	-	-	4.0	-	-	-	4.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	8.0	-	-	-	8.0

The Australian Government is providing funding to establish an adult mental health centre in South Australia to be located in Adelaide. The centre will provide a range of mental health support services.

Comprehensive palliative care in aged care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.0	5.8	2.3	1.2	0.8	0.2	0.2	0.1	12.7
2023-24	2.1	3.1	2.4	1.3	0.8	0.3	0.2	0.1	10.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	4.1	8.9	4.7	2.5	1.6	0.5	0.4	0.2	23.0

The Australian Government is providing funding to improve access to palliative care for older Australians living in residential aged care facilities, supporting new approaches, such as ‘in reach’ services, that will improve palliative and end-of-life care.

Expansion of colonoscopy triage services^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	1.8
2023-24	~	~	~	~	~	~	~	~	4.2
2024-25	~	~	~	~	~	~	~	~	4.2
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	10.2							

a) State allocations have not yet been determined.

The Australian government is providing funding to support and expand existing direct access colonoscopy triage models for participants of the National Bowel Cancer Screening Program who return a positive bowel cancer screening result.

This program has been reclassified as a payment to the states since the October Budget.

Hummingbird House

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.8	-	-	-	-	-	0.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	-	-	-	-	-	0.8

The Australian Government is providing funding for the operation of a dedicated respite and hospice care facility for children with life-limiting conditions and their families and carers.

Management of Torres Strait / Papua New Guinea cross-border health issues

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	5.3	-	-	-	-	-	5.3
2023-24	-	-	5.4	-	-	-	-	-	5.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	10.7	-	-	-	-	-	10.7

The Australian Government is contributing to the costs of treating Papua New Guinean nationals who travel through the Torres Strait treaty zone and access healthcare facilities in the Queensland health and hospitals network.

Medicare Urgent Care Clinic

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	5.2	-	-	-	2.6	0.4	1.0	9.2
2023-24	-	10.1	-	-	-	4.3	2.2	2.9	19.4
2024-25	-	16.3	-	-	-	4.4	2.2	2.9	25.8
2025-26	-	16.5	-	-	-	4.4	2.3	3.0	26.3
2026-27	-	-	-	-	-	-	-	-	-
Total	-	48.1	-	-	-	15.7	7.1	9.8	80.7

The Australian Government is providing funding to ease the pressure on hospitals and give Australian families more options to see a healthcare professional when they have an urgent but not life-threatening need for care.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Mosquito control in Tennant Creek

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	0.6	0.6
2023-24	-	-	-	-	-	-	-	0.4	0.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	1.1	1.1

The Australian Government is providing funding to support the surveillance, control and, where possible, elimination of *Aedes aegypti* mosquitos (known for transmitting dengue) in Tennant Creek and the wider Barkly region of the Northern Territory. The funding also supports efforts to increase awareness in communities regarding mosquito control practices.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Mosquito control in the Torres Strait Protected Zone

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.9	-	-	-	-	-	0.9
2023-24	-	-	0.9	-	-	-	-	-	0.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	1.8	-	-	-	-	-	1.8

The Australian Government is providing funding to assist with surveillance and control of, and efforts to eliminate, the *Aedes albopictus* mosquito in the Torres Strait. Funding also supports increasing awareness regarding dengue fever, zika virus and other mosquito borne diseases through increased community activity in controlling container-breeding mosquitos.

Multidisciplinary outreach care

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	10.3
2023-24	1.3	1.3	1.3	1.3	1.3	1.3	1.3	1.3	10.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	2.6	20.6							

The Australian Government is providing funding to trial models of multidisciplinary outreach care for residents of aged care facilities.

National bowel cancer screening program – participant follow-up function

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.5	1.9	1.6	0.9	0.6	0.3	0.2	0.1	8.1
2023-24	2.6	2.1	1.7	0.9	0.6	0.3	0.2	0.1	8.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	5.1	4.0	3.3	1.8	1.2	0.5	0.4	0.3	16.6

This initiative funds resourcing to follow-up participants who return a positive bowel cancer screening test result and are not recorded as having attended a consultation with a health professional.

National Mental Health and Suicide Prevention Agreement – bilateral schedules

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	7.6	36.9	7.4	-	0.4	2.4	1.8	1.9	58.5
2023-24	5.7	29.7	6.0	2.7	-	3.1	2.4	0.4	50.1
2024-25	6.7	39.4	7.0	2.8	4.1	3.2	3.7	0.4	67.2
2025-26	6.4	41.4	6.5	3.0	4.2	1.8	3.5	-	66.7
2026-27	-	-	-	-	-	-	-	-	-
Total	26.4	147.4	26.9	8.6	8.7	10.6	11.4	2.6	242.5

The National Mental Health and Suicide Prevention Agreement aims to improve the mental health of all Australians, and to ensure the Australian mental health and suicide prevention system is sustainable and enhanced.

The Australian Government's funding contributions are outlined in the bilateral schedules to this Agreement. These are made up of payments to the states, which are outlined in the table above, and payments made to the Department of Health and Primary Health Networks to commission services and activities under the bilateral schedules. For further information on funding under the Department of Health, please refer to the 2023–24 *Health Portfolio Budget Statements – Program 1.2*.

OzFoodNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2023-24	0.4	0.3	0.3	0.2	0.2	0.2	0.2	0.2	1.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.8	0.6	0.6	0.4	0.4	0.4	0.3	0.3	3.9

The Australian Government is continuing to provide funding for a collaborative initiative with state health authorities to undertake enhanced surveillance of foodborne disease. OzFoodNet coordinates investigations into foodborne disease outbreaks, particularly those that cross state and country borders.

Palliative Care Services Navigation Pilot

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	1.0	-	-	-	1.0
2023-24	-	-	-	-	3.1	-	-	-	3.1
2024-25	-	-	-	-	3.2	-	-	-	3.2
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	7.3	-	-	-	7.3

The Australian Government is providing funding to support the delivery of a pilot to test a palliative care services navigation model. The pilot will develop a better supported and more comprehensive approach to end-of-life care pathways, for the benefit of the patient, carers and the health system, through increasing access to and update of palliative care via a multi-channel approach.

This program has been reclassified as a payment to the states since the October Budget.

Primary Care Pilots

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	10.4	9.1	8.0	5.9	5.0	4.0	3.9	3.7	50.0
2023-24	10.4	9.1	8.0	5.9	5.0	4.0	3.9	3.7	50.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	20.8	18.2	16.0	11.7	10.1	8.0	7.7	7.4	100.0

The Australian Government is providing funding to co-develop and pilot innovative models that reduce pressure on emergency departments.

Reducing stillbirths^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	4.4
2023-24	~	~	~	~	~	~	~	~	4.5
2024-25	~	~	~	~	~	~	~	~	4.6
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	13.6							

a) State allocations have not yet been determined.

The Australian Government is providing funding to increase the rate of stillbirth autopsies and investigations.

Royal Darwin Hospital – equipped, prepared and ready

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	17.3	17.3
2023-24	-	-	-	-	-	-	-	17.7	17.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	35.1	35.1

The Australian Government is providing funding to maintain the National Critical Care and Trauma Response Centre at the Royal Darwin Hospital in a state of readiness to respond to major health incidents in Australia and the region.

Smoking and vaping cessation activities^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	1.5
2024-25	~	~	~	~	~	~	~	~	4.5
2025-26	~	~	~	~	~	~	~	~	4.5
2026-27	~	~	~	~	~	~	~	~	4.5
Total	~	~	~	~	~	~	~	~	15.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to scale-up State and Territory Quitline capacity and Quit services to support increased demand through additional workforce, training for Quitline counsellors, and enhanced use of technology. This will drive efficiencies and complement phone services, and improve equitable access to services and extended hours of operation to remedy disparities in areas of greater need.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Specialist dementia care^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.8	0.9	0.9	0.4	0.4	0.1	0.4	~	9.4
2023-24	1.9	1.7	1.5	0.9	0.5	0.3	0.5	~	9.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	3.7	2.6	2.4	1.3	0.9	0.4	1.0	~	19.0

a) Totals includes unallocated funding.

The Australian Government is providing funding to deliver a program which provides intensive, specialised care for people with very severe behavioural and psychological symptoms of dementia.

Surge capacity for BreastScreen Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.6	0.5	0.4	0.2	0.2	2.0
2023-24	2.4	1.9	1.6	0.8	0.6	0.2	0.1	0.1	7.8
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	3.1	2.4	2.0	1.0	0.7	0.2	0.1	0.1	9.7

The Australian Government is providing funding as a one-off to boost the capacity of the BreastScreen Australia program. This will enable services to re-engage women and catch up on delayed appointments due to the impact of the pandemic.

Vaccine-preventable diseases surveillance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.3	0.2	0.2	0.1	0.1	0.1	1.1
2023-24	0.3	0.2	0.2	0.1	0.1	0.1	1.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.5	0.5	0.4	0.2	0.2	0.1	0.1	0.1	2.1

The Australian Government is providing funding to improve surveillance reporting of nationally notifiable vaccine-preventable diseases. This program facilitates national monitoring, analysis and timely reporting of data to provide an evidence base for policy formulation.

World-class newborn bloodspot screening program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.6	1.3	1.0	0.5	0.3	0.1	0.1	0.1	4.9
2023-24	2.1	1.7	1.3	0.6	0.4	0.1	0.1	0.1	6.3
2024-25	2.1	1.7	1.3	0.6	0.4	0.1	0.1	0.1	6.4
2025-26	2.5	2.1	1.6	0.8	0.4	0.1	0.1	0.1	7.7
2026-27	-	-	-	-	-	-	-	-	-
Total	8.2	6.8	5.1	2.6	1.5	0.4	0.4	0.3	25.3

The Australian Government is providing funding to increase the number and consistency of conditions screened through the newborn bloodspot screening program.

Health infrastructure

In 2023–24, the Australian Government is estimated to provide \$366.1 million to support the development of health-related infrastructure.

Table 2.3.2 Health infrastructure

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Bentley Hospital Surgicentre	-	0.6	15.0	17.5	17.5
Child Development Unit at Campbelltown Hospital	4.0	-	-	-	-
Community Health, Hospitals and Infrastructure projects	232.6	200.5	145.0	-	-
Comprehensive Cancer Centres	80.3	133.9	294.5	114.8	113.5
Expansion of the Flinders Medical Centre	3.0	7.5	20.0	50.0	59.8
Health and Medical Research Centre for Launceston	-	2.4	0.4	0.4	0.4
Health infrastructure projects	1.7	8.2	2.1	-	-
Home for the Matildas	7.5	-	-	-	-
Proton beam therapy facility	27.3	-	-	-	-
South Australia Genomics Lab	7.0	8.0	-	-	-
Supporting Palliative Care in Launceston	5.0	5.0	5.0	5.0	-
Total	368.4	366.1	481.9	187.7	191.2

Bentley Hospital Surgicentre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	0.6	-	-	-	-	0.6
2024-25	-	-	-	15.0	-	-	-	-	15.0
2025-26	-	-	-	17.5	-	-	-	-	17.5
2026-27	-	-	-	17.5	-	-	-	-	17.5
Total	-	-	-	50.6	-	-	-	-	50.6

The Australian Government is providing funding to deliver a new Bentley Hospital Surgicentre. The new Surgicentre will separate non-complex elective surgery from emergency surgery. This means fewer interruptions and fewer delays for elective surgery, and a safer and more efficient service.

Child Development Unit at Campbelltown Hospital

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.0	-	-	-	-	-	-	-	4.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	4.0	-	4.0						

The Australian Government is providing funding to establish a child development unit at Campbelltown Hospital.

Community Health, Hospitals and Infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	26.5	91.5	34.6	41.8	17.4	12.0	8.8	-	232.6
2023-24	80.5	52.2	11.4	33.4	7.0	12.0	4.0	-	200.5
2024-25	130.0	3.0	4.7	7.3	-	-	-	-	145.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	237.0	146.7	50.6	82.5	24.4	24.0	12.8	-	578.0

The Australian Government is providing funding to states for vital health infrastructure and services to ensure Australians can access the care they need, where they need it.

Comprehensive Cancer Centres

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.0	58.3	20.0	-	-	-	80.3
2023-24	-	-	13.0	105.9	15.0	-	-	-	133.9
2024-25	-	-	80.0	199.5	15.0	-	-	-	294.5
2025-26	-	-	90.0	11.3	13.5	-	-	-	114.8
2026-27	-	-	100.0	-	13.5	-	-	-	113.5
Total	-	-	285.0	375.0	77.0	-	-	-	737.0

The Australian Government is providing funding to support the establishment of Comprehensive Cancer Centres in Brisbane, Perth and Adelaide.

Expansion of the Flinders Medical Centre

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	3.0	-	-	-	3.0
2023-24	-	-	-	-	7.5	-	-	-	7.5
2024-25	-	-	-	-	20.0	-	-	-	20.0
2025-26	-	-	-	-	50.0	-	-	-	50.0
2026-27	-	-	-	-	59.8	-	-	-	59.8
Total	-	-	-	-	140.3	-	-	-	140.3

The Australian Government is providing funding to deliver an expansion of the Flinders Medical Centre, delivering 160 extra beds for the south of Adelaide, including 136 extra beds at Flinders Medical Centre and 24 additional beds at the Repat Health precinct.

Health and Medical Research Centre for Launceston

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	2.4	-	-	2.4
2024-25	-	-	-	-	-	0.4	-	-	0.4
2025-26	-	-	-	-	-	0.4	-	-	0.4
2026-27	-	-	-	-	-	0.4	-	-	0.4
Total	-	-	-	-	-	3.6	-	-	3.6

The Australian Government is providing funding to develop a medical research centre within the Launceston General Hospital in Tasmania.

Health infrastructure projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	1.7	-	-	-	-	-	-	1.7
2023-24	4.6	1.1	-	-	2.5	-	-	-	8.2
2024-25	-	0.3	-	-	1.8	-	-	-	2.1
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	4.6	3.1	-	-	4.3	-	-	-	12.0

The Australian Government is providing funding to support the implementation of the Regional Cancer Treatment Centres for Radiation Therapy program in New South Wales, Victoria and South Australia.

This program includes funding that has been reclassified as a payment to the states since the October Budget.

Home for the Matildas

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	7.5	-	-	-	-	-	-	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
Total	-	7.5	-	-	-	-	-	-	7.5

The Australian Government is providing funding to support the construction of the 'Home for the Matildas', with a purpose built State Football Centre at La Trobe University, Bundoora.

Proton beam therapy facility

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	27.3	-	-	-	27.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	27.3	-	-	-	27.3

The Australian Government is funding the establishment of a proton beam therapy facility in Adelaide. This technology will be used as an alternative to conventional radiotherapy to treat people with certain types of cancer and for research.

South Australia Genomics Lab

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	7.0	-	-	-	7.0
2023-24	-	-	-	-	8.0	-	-	-	8.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	15.0	-	-	-	15.0

The Australian Government is providing funding to help establish an innovative cancer genomics laboratory in South Australia, which aims to improve treatment options for Australians with cancer.

Supporting palliative care in Launceston

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	5.0	-	-	5.0
2023-24	-	-	-	-	-	5.0	-	-	5.0
2024-25	-	-	-	-	-	5.0	-	-	5.0
2025-26	-	-	-	-	-	5.0	-	-	5.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	20.0	-	-	20.0

The Australian Government is providing funding to support the construction of a new hospice, located within the Launceston General Hospital Precinct, to improve palliative care in northern Tasmania.

First Nations health

In 2023–24, the Australian Government is estimated to provide \$16.4 million to the states for programs to improve the health of First Nations people.

Table 2.3.3 First Nations health

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait	1.1	1.1	-	-	-
Improving trachoma control services for First Nations Australians	4.7	4.9	4.9	-	-
Northern Territory Remote Aboriginal Investment					
Health component	7.4	7.4	-	-	-
Rheumatic fever strategy	3.0	3.1	3.1	-	-
Total	16.2	16.4	8.0	-	-

Addressing blood-borne viruses and sexually transmissible infections in the Torres Strait

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	1.1	-	-	-	-	-	1.1
2023-24	-	-	1.1	-	-	-	-	-	1.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	2.2	-	-	-	-	-	2.2

The Australian Government is providing funding for disease prevention activities, testing and treatment, and sexual health checks, and to deliver a culturally appropriate sexual health education campaign.

Improving trachoma control services for First Nations Australians^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.3	1.5	1.2	-	-	1.7	4.7
2023-24	-	-	0.3	1.6	1.3	-	-	1.7	4.9
2024-25	-	-	0.3	1.6	1.3	-	-	1.8	4.9
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	4.7	3.8	-	-	5.2	14.5

a) State allocations for 2023-24 have not yet been determined.

The Australian Government is providing funding for trachoma control activities in jurisdictions where trachoma, an infectious disease which can lead to blindness, is endemic.

Northern Territory Remote Aboriginal Investment – Health component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	7.4	7.4
2023-24	-	-	-	-	-	-	-	7.4	7.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	14.7	14.7

The Australian Government is providing funding to support provision of integrated oral and hearing health services to children in remote communities in the Northern Territory.

Rheumatic fever strategy^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.8	0.8	0.4	-	-	0.9	3.0
2023-24	-	-	0.9	0.9	0.4	-	-	1.0	3.1
2024-25	-	-	~	~	~	-	-	~	3.1
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	1.7	1.7	0.7	-	-	1.9	9.2

a) State allocations for 2024–25 have not yet been determined.

The Australian Government is providing funding to programs that register and control acute rheumatic fever and rheumatic heart disease in First Nations people.

Other health payments

In 2023–24, the Australian Government is estimated to provide \$161.8 million to the states in other health-related National Partnership payments.

Table 2.3.4 Other health National Partnership payments

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Centre for National Resilience	9.8	-	-	-	-
Encouraging more clinical trials in Australia	1.7	1.5	1.5	-	-
Essential vaccines	18.1	19.8	23.0	-	-
Expansion of the John Flynn Prevocational Doctor Program	12.7	28.9	35.5	43.9	53.6
Increasing specialist services for children with harmful sexual behaviours in the NT	1.4	1.4	1.4	-	-
Japanese Encephalitis Virus IDI Vaccine Trial	0.1	-	-	-	-
Lymphoedema garments and allied health therapy program	2.0	2.0	-	-	-
National Coronial Information System	0.4	0.4	0.4	-	-
Public dental services for adults	108.1	107.8	107.8	-	-
Registration Scheme for Personal Care Workers	1.4	-	-	-	-
Total	155.7	161.8	169.6	43.9	53.6

Centre for National Resilience

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	9.8	9.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	9.8	9.8						

The Australian Government is providing funding for increased quarantine capacity at the Centre for National Resilience, including the capital expenditure, health services and facility operations costs to support the repatriation of Australians and humanitarian entrants when international borders were closed or restricted. The Australian Government is providing the Northern Territory Government with maintenance funding in exchange for priority access to the facility for resilience purposes until 30 June 2023.

Encouraging more clinical trials in Australia^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	1.7
2023-24	~	~	~	~	~	~	~	~	1.5
2024-25	~	~	~	~	~	~	~	~	1.5
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	4.7

a) State allocations have not yet been determined

The Australian Government is providing funding to increase the number and value of clinical trials to deliver health benefits, provide jobs and improve the nation's innovative capacity.

Essential vaccines^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.5	4.2	3.1	1.9	1.5	0.7	0.7	0.5	18.1
2023-24	5.7	4.6	3.8	2.1	1.5	0.8	0.7	0.6	19.8
2024-25	5.5	4.5	3.7	2.1	1.5	0.8	0.7	0.6	23.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	16.7	13.3	10.6	6.1	4.4	2.2	2.0	1.8	60.9

a) Total for 2024–25 includes unallocated funding.

The Australian Government is providing funding to improve the health of Australians through the cost-effective delivery of the National Immunisation Program.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Expansion of the John Flynn Prevocational Doctor Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	12.7
2023-24	~	~	~	~	~	~	~	~	28.9
2024-25	~	~	~	~	~	~	~	~	35.5
2025-26	~	~	~	~	~	~	~	~	43.9
2026-27	~	~	~	~	~	~	~	~	53.6
Total	~	~	~	~	~	~	~	~	174.6

a) State allocations have not yet been determined.

The Australian Government is providing funding for additional rural primary care training rotations for junior doctors through the *John Flynn Prevocational Doctor Program*.

Increasing specialist services for children with harmful sexual behaviours in the NT

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	1.4	1.4
2023-24	-	-	-	-	-	-	-	1.4	1.4
2024-25	-	-	-	-	-	-	-	1.4	1.4
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	4.1	4.1

The Australian Government is providing funding for increased specialist therapeutic services for children with harmful sexual behaviours in the Northern Territory.

Japanese Encephalitis Virus IDI Vaccine Trial

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.1	-	-	-	-	-	-	-	0.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.1	-	-	-	-	-	-	-	0.1

The Australian Government is providing funding to enhance health emergency preparedness through the collection of evidence for intradermal administration of the Japanese encephalitis virus vaccine Imojev, through support to the NSW study Japanese encephalitis vaccine via intradermal route in children and adults (JEVID-2).

This program has been reclassified as a payment to the states since the October Budget.

Lymphoedema garments and allied health therapy program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.6	0.5	0.4	0.2	0.1	2.0
2023-24	0.6	0.5	0.4	0.2	0.1	2.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	1.3	1.0	0.8	0.4	0.3	0.1	0.1	..	4.0

The Australian Government is providing funding to contribute to improved access to specialised compression garments by eligible patients.

National Coronial Information System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.4	-	-	-	-	-	-	0.4
2023-24	-	0.4	-	-	-	-	-	-	0.4
2024-25	-	0.4	-	-	-	-	-	-	0.4
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	1.3	-	-	-	-	-	-	1.3

The Australian Government is providing funding for the administration, maintenance, and improvement of Australia's national coronial data base.

Public dental services for adults

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	34.4	26.9	21.7	9.7	9.4	3.4	1.3	1.4	108.1
2023-24	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.8
2024-25	34.4	26.9	21.7	9.7	9.4	3.4	1.0	1.4	107.8
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	103.1	80.7	65.0	29.1	28.2	10.2	3.3	4.3	323.7

The Australian Government is providing funding to support the improved oral health of patients who rely on the public dental system.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Registration Scheme for Personal Care Workers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.2	0.2	0.2	0.2	0.2	0.2	0.2	0.2	1.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.2	1.4							

The Australian Government is providing funding to establish a national registration scheme and code of conduct for personal care workers in the aged care sector.

Education

In 2023–24, the Australian Government will provide funding of \$29.1 billion to support state education services, including \$28.3 billion in Quality Schools funding and \$829.4 million through National Partnership payments, as detailed in Table 2.4.

Table 2.4: Payments to support state education services^(a)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
Quality Schools funding(b)	26,911.5	28,288.2	29,399.1	30,358.5	31,369.7
National Partnership payments					
Consent and respectful relationships education	-	20.4	20.4	20.4	8.3
National Student Wellbeing Program	61.4	61.4	61.4	61.4	61.4
Northern Territory Remote Aboriginal Investment(b)					
Children and schooling implementation plan	29.3	29.3	-	-	-
On-Country Learning	-	30.0	10.0	-	-
Preschool Reform Agreement	459.4	460.3	462.4	326.6	-
Schools Pathways Program	-	1.7	1.7	1.7	-
Schools Upgrade Fund					
Round 1	50.0	-	-	-	-
Round 2	-	215.8	-	-	-
Student Wellbeing Boost	192.0	-	-	-	-
Workload Reduction Fund	4.0	7.0	7.0	7.0	-
Total National Partnership payments	796.1	829.4	562.9	603.0	679.8
Total	27,707.6	29,117.5	29,961.9	30,961.4	32,049.5
<i>Memorandum item – payments for non-government schools included in payments above</i>					
Quality Schools funding(b)	16,645.6	17,441.1	18,130.7	18,680.5	19,260.0
Consent and respectful relationships education	-	10.2	10.2	10.2	4.1
Schools Upgrade Fund					
Round 1	9.5	-	-	-	-
Total	16,655.1	17,451.2	18,140.9	18,690.7	19,264.1

a) Total figures include items not for publication.

b) Includes funding for non-government representative bodies.

Quality Schools funding

The Australian Government's Quality Schools policy aims to improve the educational outcomes of Australian students and their schools.

In 2023–24, the Australian Government will provide \$28.3 billion in Quality Schools funding to government and non-government schools in all states. This includes recurrent funding, capital funding, non-government school reform support funding, Choice and Affordability Fund funding and other prescribed purpose funding.

Quality Schools funding

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022–23									
Government schools(a)	3,082.1	2,470.8	2,285.6	1,116.3	700.1	235.1	155.0	220.9	10,265.9
Non-government schools(b)(c)(d)	5,033.8	4,224.1	3,575.5	1,702.1	1,270.3	364.2	257.6	218.0	16,645.6
Total	8,116.0	6,694.9	5,861.1	2,818.3	1,970.4	599.4	412.5	438.9	26,911.5
2023–24									
Government schools(a)	3,248.0	2,635.9	2,394.3	1,194.6	737.5	244.5	165.4	227.0	10,847.1
Non-government schools(b)(c)(d)	5,286.9	4,429.4	3,740.2	1,779.3	1,332.9	382.1	262.9	227.4	17,441.1
Total	8,534.8	7,065.3	6,134.5	2,973.9	2,070.4	626.5	428.3	454.4	28,288.2
2024–25									
Government schools(a)	3,366.9	2,761.0	2,482.6	1,244.2	760.9	252.3	171.9	228.5	11,268.4
Non-government schools(b)(c)(d)	5,495.0	4,608.6	3,888.2	1,841.2	1,401.5	396.1	267.7	232.4	18,130.7
Total	8,861.9	7,369.6	6,370.8	3,085.4	2,162.4	648.4	439.7	460.8	29,399.1
2025–26									
Government schools(a)	3,487.8	2,879.4	2,571.6	1,291.6	782.6	258.6	177.7	228.7	11,677.9
Non-government schools(b)(c)(d)	5,664.0	4,756.0	4,007.0	1,883.6	1,459.6	406.7	269.4	234.2	18,680.5
Total	9,151.8	7,635.4	6,578.7	3,175.1	2,242.2	665.3	447.1	462.9	30,358.5
2026–27									
Government schools(a)	3,618.2	3,007.5	2,662.1	1,340.9	803.3	264.9	184.0	228.8	12,109.7
Non-government schools(b)(c)(d)	5,838.8	4,917.1	4,129.9	1,931.1	1,516.9	417.6	271.9	236.7	19,260.0
Total	9,457.0	7,924.6	6,791.9	3,272.1	2,320.2	682.5	455.9	465.5	31,369.7

- a) Includes Literacy Support for Tasmanian Students and funding for the Northern Territory to accelerate evidence-based reforms to improve outcomes for vulnerable students.
- b) Includes capital funding.
- c) Includes prescribed circumstances funding.
- d) Includes funding for non-government school reform support and the Choice and Affordability Fund.

The Australian Government uses a needs-based model for school funding, which delivers a consistent national approach for all schools in all states.

National Partnership payments for education

In addition to Quality Schools funding, the Australian Government is providing funding for state education services through National Partnership payments.

Consent and respectful relationships education^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	20.4
2024-25	~	~	~	~	~	~	~	~	20.4
2025-26	~	~	~	~	~	~	~	~	20.4
2026-27	~	~	~	~	~	~	~	~	8.3
Total	~	69.4							

a) State allocations have not yet been determined.

The Australian Government will provide funding to government and non-government schools to support consent or respectful relationships education programs or training in their schools.

National Student Wellbeing Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2023-24	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2024-25	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2025-26	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
2026-27	11.3	12.8	18.4	7.7	7.6	2.2	1.0	0.5	61.4
Total	56.3	64.0	91.8	38.6	38.0	11.1	4.9	2.6	307.2

This program supports the wellbeing of students through the provision of pastoral care services in participating schools.

Northern Territory Remote Aboriginal Investment – Children and schooling implementation plan^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	29.3	29.3
2023-24	-	-	-	-	-	-	-	29.3	29.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	58.6	58.6

a) Includes funding for non-government representative bodies.

The Australian Government is providing funding to improve school readiness; pathways for secondary students to access opportunities for employment, training and further education; student attendance; educational attainment; Aboriginal workforce development, including increasing the number of local Aboriginal employees; and teacher housing in remote and very remote schools.

The Northern Territory Remote Aboriginal Investment agreement supports the Northern Territory to improve schooling for First Nations children, make communities safer and healthier, and increase access to interpreter services and job opportunities for First Nations Australians. Other components of this funding agreement are discussed in the Health and Community Services sections of this Part.

On-Country Learning

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	30.0	30.0
2024-25	-	-	-	-	-	-	-	10.0	10.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	40.0	40.0

The Australian Government is providing additional funding to 46 schools in Central Australia to identify and implement local solutions in consultation with local communities to increase school enrolment and engagement to improve learning outcomes.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Preschool Reform Agreement^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	140.8	128.5	85.9	46.8	29.0	9.8	9.7	4.7	459.4
2023-24	140.8	128.5	89.2	47.5	30.0	9.8	9.7	4.7	460.3
2024-25	141.5	128.5	92.2	47.4	28.2	9.8	9.7	4.9	462.4
2025-26	100.2	90.0	65.7	33.8	19.8	6.9	6.8	3.5	326.6
2026-27	-	-	-	-	-	-	-	-	-
Total	523.3	475.6	333.1	175.6	107.0	36.4	35.7	17.8	1,708.6

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding to support continued universal access to 600 hours per year of preschool for children in the year before they start school. The Preschool Reform Agreement (2022–2025) aims to improve preschool participation and outcomes, including improved enrolment and attendance. Preschool funding is an ongoing commitment, with funding amounts from 2026 to be published once future funding arrangements are agreed.

Schools Pathways Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	0.8	0.8	-	-	-	1.7
2024-25	-	-	-	0.9	0.9	-	-	-	1.7
2025-26	-	-	-	0.9	0.9	-	-	-	1.7
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	2.6	2.6	-	-	-	5.1

This program assists in promoting defence industry as a potential career path for young people. It focuses on increasing the number of students undertaking Science, Technology, Engineering and Mathematics subjects relevant to defence industry in participating schools.

This program has been reclassified as a payment to the states since the October Budget.

Schools Upgrade Fund

The Australian Government is providing the states with \$265.8 million as part of the Schools Upgrade Fund, supporting capital projects to keep students and school staff safe after disruptions due to COVID-19. Payments will be made over 2 rounds.

Round 1^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	14.4	11.7	9.4	5.4	3.5	1.8	0.5	2.4	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	14.4	11.7	9.4	5.4	3.5	1.8	0.5	2.4	50.0

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing grants to Australian schools to help improve ventilation and air quality and make small scale improvements such as upgrading computing equipment and school facilities, as well as targeted grants for schools identified with priority needs.

Round 2

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	68.0	48.2	40.4	25.0	17.1	6.5	2.5	8.1	215.8
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	68.0	48.2	40.4	25.0	17.1	6.5	2.5	8.1	215.8

The Australian Government will provide funding to government schools to enable capital investments in new classrooms, buildings, or other major refurbishments and upgrades.

Student Wellbeing Boost

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	62.2	45.6	35.8	22.3	14.2	5.2	2.7	4.0	192.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	62.2	45.6	35.8	22.3	14.2	5.2	2.7	4.0	192.0

The Australian Government is providing funding to schools for the purposes of supporting students' mental health and wellbeing through the impacts of COVID-19.

Workload Reduction Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	4.0
2023-24	~	~	~	~	~	~	~	~	7.0
2024-25	~	~	~	~	~	~	~	~	7.0
2025-26	~	~	~	~	~	~	~	~	7.0
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	25.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to states and territories to enable them to pilot new approaches to reduce teacher workloads and maximise the value of teachers' time.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Skills and workforce development

In 2023–24, the Australian Government will provide funding of \$1.9 billion to support state skills and workforce development services, including \$1.7 billion through the National Skills and Workforce Development Specific Purpose Payment (SPP), and \$230.2 million through National Partnership payments, as detailed in Table 2.5.

Further allocation of funds to the states for vocational education and training will be subject to the successful conclusion of negotiations for a new 5-year National Skills Agreement, which would commence on 1 January 2024.

Table 2.5: Payments to support state skills and workforce development services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Skills and Workforce Development SPP	1,607.8	1,669.8	1,724.1	1,763.9	1,797.8
National Partnership payments					
Energising Tasmania	4.7	-	-	-	-
Fee-free TAFE					
12-Month Skills Agreement					
(including TAFE Technology Fund)	376.0	163.3	10.8	-	-
Fee-free TAFE from 2024	-	66.9	136.7	139.8	70.7
JobTrainer Fund	268.7	-	-	-	-
Resources Centre of Excellence	2.0	-	-	-	-
Revitalising TAFE campuses across Australia	4.5	-	-	-	-
Total National Partnership payments	655.9	230.2	147.4	139.8	70.7
Total	2,263.7	1,900.1	1,871.6	1,903.7	1,868.4

National Agreement for Skills and Workforce Development

The National Agreement for Skills and Workforce Development (NASWD) identifies the long-term objectives of the Australian Government and the states in the areas of skills and workforce development.

National Skills and Workforce Development SPP

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	503.9	410.3	329.7	172.6	112.4	35.2	28.3	15.5	1,607.8
2023-24	522.1	428.0	342.6	179.3	116.1	36.3	29.4	16.0	1,669.8
2024-25	537.8	443.7	353.7	185.2	119.3	37.4	30.5	16.5	1,724.1
2025-26	548.9	455.6	361.9	189.6	121.5	38.1	31.4	16.9	1,763.9
2026-27	558.1	466.0	369.0	193.3	123.2	38.8	32.1	17.2	1,797.8
Total	2,670.8	2,203.7	1,756.9	919.9	592.6	185.7	151.7	82.1	8,563.4

The National Skills and Workforce Development SPP is the funding associated with the NASWD. The total amount of the payment is indexed each year by a composite of Wage Cost Index 1 (85 per cent) and Wage Cost Index 6 (15 per cent) – see Appendix A. The growth factor is estimated to be 3.86 per cent in 2023–24.

National Partnership payments for skills and workforce development

In addition to the National Skills and Workforce Development SPP, the Australian Government is providing funding through National Partnership payments as detailed below.

Energising Tasmania

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	4.7	-	-	4.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	4.7	-	-	4.7

The Australian Government is providing fee-free training to encourage Tasmanians to train in areas of priority skills needed for the energy sector.

Fee-free TAFE

12-Month Skills Agreement (including TAFE Technology Fund)^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	116.9	94.8	76.9	43.3	24.8	9.5	6.2	3.7	376.0
2023-24	46.0	37.5	30.2	16.4	10.1	3.6	2.6	1.6	163.3
2024-25	1.1	0.6	0.9	1.2	~	0.4	~	~	10.8
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	164.0	133.0	107.9	60.9	34.9	13.5	8.8	5.3	550.1

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing \$550.1 million for the 12-Month Skills Agreement, including \$493.3 million for fee-free TAFE places to be matched by the states.

This Agreement also includes \$6.8 million from the Australian Government to improve critical data infrastructure and \$50.0 million for a TAFE Technology Fund, to improve workshops, laboratories, and IT facilities across the country.

Fee-free TAFE from 2024^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	66.9
2024-25	~	~	~	~	~	~	~	~	136.7
2025-26	~	~	~	~	~	~	~	~	139.8
2026-27	~	~	~	~	~	~	~	~	70.7
Total	~	414.1							

a) State allocations have not yet been determined.

In addition to the 12-Month Skills Agreement, the Australian Government will provide funds to the states to enable 300,000 TAFE and vocational education places to become fee-free from 2024. The allocation of funding and places will be subject to further discussions with the states.

JobTrainer Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	127.4	52.1	40.2	20.7	13.8	8.4	3.4	1.6	268.7
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	127.4	52.1	40.2	20.7	13.8	8.4	3.4	1.6	268.7

a) State allocations may not sum to total due to unallocated funds.

The JobTrainer Fund is providing low-fee and fee-free training places for job seekers, including young people, in skills that are in high demand.

Resources Centre of Excellence

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.0	-	-	-	-	-	2.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	2.0	-	-	-	-	-	2.0

The Australian Government is providing funding to support the Isaac Regional Council's initiative to establish a future Resources Centre of Excellence in Moranbah and for the North Bowen Basin Mines Rescue Station and Training Centre.

Revitalising TAFE campuses across Australia

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.6	-	1.9	-	-	-	4.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	2.6	-	1.9	-	-	-	4.5

The Australian Government is providing funding to improve vocational education infrastructure, ensuring TAFEs are equipped to deliver training to the standards expected by students and industry.

Community services

In 2023–24, the Australian Government will provide funding of \$2.2 billion to support state community services as detailed in Table 2.6.

Table 2.6: Payments to support state community services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Alcohol and drug treatment services in the NT	2.0	6.1	-	-	-
Changing Places Implementation	1.4	-	-	-	-
Extra high visibility police and law enforcement operations	7.1	7.1	-	-	-
Family, Domestic and Sexual Violence Responses Agreement					
Family, domestic and sexual violence responses	163.8	84.9	72.3	-	-
500 community sector and frontline workers	18.2	39.9	52.4	54.5	55.1
Innovative approaches to addressing perpetrator behaviour	4.0	6.2	6.2	5.3	5.3
Northern Territory Remote Aboriginal Investment					
Community safety implementation plan	46.1	47.5	-	-	-
Remote Australia strategies implementation plan	3.8	3.9	-	-	-
Payments from the DisabilityCare Australia Fund	973.6	2,015.0	-	-	-
Remote Community Store Licensing Scheme	7.5	-	-	-	-
Social Impact Investments					
Vulnerable priority groups	0.9	0.5	0.5	0.5	4.8
Total	1,228.3	2,211.2	131.5	60.2	65.1

National Partnership payments for community services

The Australian Government provides National Partnership payments to the states for community services, as detailed below.

Alcohol and drug treatment services in the NT

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	2.0	2.0
2023-24	-	-	-	-	-	-	-	6.1	6.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	8.2	8.2

The Australian Government is providing funding to the Northern Territory Government to reduce alcohol related harm in the Northern Territory.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Changing Places Implementation^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	1.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	1.4

a) State allocations have not yet been determined.

The Australian Government is providing funding of up to one-third of the build cost per facility, to support a Changing Places facility in each of the approximately 400 Local Government Areas currently without one.

This program has been reclassified as a payment to the states since the October Budget.

Extra high visibility police and law enforcement operations

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	7.1	7.1
2023-24	-	-	-	-	-	-	-	7.1	7.1
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	14.2	14.2						

The Australian Government is providing funding to the Northern Territory to make remote communities safer.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Family, Domestic and Sexual Violence Responses Agreement

Family, domestic and sexual violence responses^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.1	31.5	39.8	22.6	9.6	2.8	3.2	14.3	163.8
2023-24	~	~	~	~	~	~	~	~	84.9
2024-25	~	~	~	~	~	~	~	~	72.3
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	40.1	31.5	39.8	22.6	9.6	2.8	3.2	14.3	320.9

a) State allocations from 2023–24 have not yet been determined.

The Australian Government is providing funding to states to support frontline family, domestic and sexual violence services and to trial new initiatives to support women and children who are experiencing or are at risk of violence. The funding will enable states to respond to high levels of demand for family, domestic and sexual violence services, and will ensure these continue to support those who need it most.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

500 community sector and frontline workers^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.3	3.3	4.2	1.7	1.3	1.1	0.3	0.9	18.2
2023-24	11.8	7.6	9.1	3.8	3.0	2.2	0.6	1.8	39.9
2024-25	15.6	10.6	11.7	5.2	3.9	2.6	0.8	2.1	52.4
2025-26	16.2	11.0	12.2	5.4	4.0	2.7	0.8	2.2	54.5
2026-27	~	~	~	~	~	~	~	~	55.1
Total	48.8	32.5	37.2	16.2	12.2	8.6	2.5	7.0	220.0

a) State allocations for 2026–27 not yet been determined.

The Australian Government is providing funding for new frontline and community sector workers to provide support to women and children experiencing family, domestic, and sexual violence. This initiative will generate 500 new jobs for community organisations nationally.

Innovative approaches to addressing perpetrator behaviour^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.5	0.5	0.5	0.5	0.5	0.5	0.5	0.5	4.0
2023-24	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	6.2
2024-25	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	6.2
2025-26	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	5.3
2026-27	0.7	0.7	0.7	0.7	0.7	0.7	0.7	0.7	5.3
Total	3.1	27.0							

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding to the states to develop innovative approaches to address family, domestic, and sexual violence perpetrator behaviour. These approaches, which may include technological solutions such as electronic monitoring, will help hold perpetrators to account, prevent them from reoffending, and improve protection for victim-survivors.

This program includes funding that has been reclassified as a payment to the states since the October Budget.

Northern Territory Remote Aboriginal Investment

The Northern Territory Remote Aboriginal Investment agreement supports the Northern Territory to improve schooling for First Nations children, make communities safer and healthier, and increase access to interpreter services and job opportunities for First Nations Australians. Other components of this agreement are discussed in the Health and Education sections of this Part.

Community safety implementation plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	46.1	46.1
2023-24	-	-	-	-	-	-	-	47.5	47.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	93.5	93.5

The Australian Government is providing funding to the Northern Territory to make remote communities safer, improve child and family safety, and address alcohol-related harm through this implementation plan.

Remote Australia strategies implementation plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	3.8	3.8
2023-24	-	-	-	-	-	-	-	3.9	3.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	7.7	7.7

The Remote Australia Strategies Schedule provides funding to support a sustainable, professional and qualified Aboriginal interpreter service.

Payments from the DisabilityCare Australia Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	349.8	270.5	218.9	-	80.6	25.0	18.0	10.8	973.6
2023-24	361.9	280.0	226.6	1,007.5	83.4	25.9	18.7	11.1	2,015.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	711.7	550.5	445.5	1,007.5	164.0	50.8	36.7	21.9	2,988.6

a) Funding amounts for WA are indicative estimates only. Negotiations are continuing on drawdown arrangements.

This funding agreement partially reimburses the states for expenditure incurred in relation to the *National Disability Insurance Scheme Act 2013*. Under the *DisabilityCare Australia Fund Act 2013*, a proportion of the funding held in the DisabilityCare Australia Fund has been allocated to the states over a 10-year period.

Remote Community Store Licensing Scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	7.5	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	7.5	7.5						

The Australian Government is providing funding to transition the remote community store licensing scheme currently delivered by the Australian Government to the Northern Territory Government.

The scheme was introduced in 2007, with the aim of supporting improved store governance, management practices and quality of food in remote community stores. The scheme regulates around 100 stores across 70 remote First Nations communities.

Social Impact Investments**Vulnerable Priority Groups^(a)**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	0.5	~	~	~	0.9
2023-24	-	-	-	-	0.5	-	-	-	0.5
2024-25	-	-	-	-	0.5	-	-	-	0.5
2025-26	-	-	-	-	0.5	-	-	-	0.5
2026-27	~	~	~	~	1.6	~	~	~	4.8
Total	~	~	~	~	3.7	~	~	~	7.2

a) State allocations have not yet been determined.

The Australian Government is providing funding to state governments to trial social impact investments which aim to assist vulnerable priority groups.

New measures to support social impact investing are described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Affordable housing

In 2023–24, the Australian Government will provide funding of \$1.9 billion for state affordable housing services, consisting of \$1.7 billion through the National Housing and Homelessness Agreement (NHHA) and \$187.5 million through National Partnership payments, as detailed in Table 2.7.

Table 2.7: Payments to support state affordable housing services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Housing and Homelessness Agreement	1,646.1	1,707.3	1,692.2	1,731.1	1,764.0
National Partnership payments					
HomeBuilder	481.5	-	-	-	-
Housing and essential services on Northern Territory Homelands	25.0	75.0	-	-	-
Remote housing	323.7	111.7	-	-	-
Social Impact Investments					
People at risk of homelessness	0.3	0.8	1.3	2.3	3.5
Total National Partnership payments	830.5	187.5	1.3	2.3	3.5
Total	2,476.5	1,894.7	1,693.5	1,733.4	1,767.5

National Housing and Homelessness Agreement^{(a)(b)(c)}

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	498.2	419.3	342.8	181.9	116.4	36.9	29.2	21.1	1,646.1
2023-24	515.6	436.5	355.8	188.8	120.2	38.1	30.4	21.9	1,707.3
2024-25	521.3	427.9	352.9	184.7	118.1	37.0	29.3	21.0	1,692.2
2025-26	532.1	439.2	361.1	189.0	120.3	37.8	30.2	21.4	1,731.1
2026-27	541.0	449.1	368.0	192.7	122.1	38.4	30.9	21.8	1,764.0
Total	2,608.1	2,172.0	1,780.6	937.2	597.2	188.2	150.0	107.3	8,540.7

- a) Bilateral agreements under the NHHA expire at the end of 2022–23, beyond which funding is subject to negotiation. The Government is negotiating with the states on a one-year extension of the NHHA to 30 June 2024, to support the transition to a new housing agenda.
- b) Estimates include funding in response to the Fair Work Commission's 2012 Equal Remuneration Order for the Social, Community, Home Care and Disability Services sector. This funding (known as SACS funding) expires at the end of 2022–23.
- c) Estimates from 2023–24 are based on 2022–23 funding, excluding SACS funding, indexed by Wage Cost Index 1 (see Appendix A). Additional one-off funding to support the provision of homelessness services is also included in 2023–24 (see Budget Paper No. 2, *Budget Measures 2023–24* for more details).

The NHHA contributes to improving access to affordable, safe and sustainable housing, including to prevent and address homelessness, and to support social and economic participation. The NHHA supports state and territory governments to deliver funding to support better housing and homelessness outcomes. The Australian Government's contribution to homelessness funding will be matched by the states.

A one-year extension of the NHHA to 30 June 2024 has been offered to the states to support the transition to the Government's housing agenda. This includes an additional \$67.5 million in 2023–24 to assist the sector in tackling the homelessness challenges revealed in the 2021 Census.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

National Partnership payments for affordable housing

The Australian Government will provide a total of \$187.5 million in 2023–24 through National Partnership payments to support state affordable housing services. Further details are provided below.

HomeBuilder^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	481.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	481.5							

a) State allocations are not available as this is a demand-driven program.

HomeBuilder was announced on 4 June 2020 to respond to the impact of the COVID-19 pandemic on the residential construction sector by encouraging eligible Australians to build a new home or substantially renovate an existing home. Applications for the program closed on 14 April 2021.

On 27 April 2023, the Government announced an extension to the HomeBuilder deadline for submitting supporting documentation.

Housing and essential services on Northern Territory Homelands

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	25.0	25.0
2023-24	-	-	-	-	-	-	-	75.0	75.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	100.0	100.0						

The Australian Government is providing funding of \$100.0 million for the delivery of critical housing and essential infrastructure on Northern Territory homelands.

Remote housing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	323.7	323.7
2023-24	-	-	-	-	-	-	-	111.7	111.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	435.4	435.4						

The Australian Government is supporting the provision of housing for First Nations Australians in remote Northern Territory communities to help address overcrowding, homelessness, poor housing conditions and severe housing shortages.

Social Impact Investments

People at risk of homelessness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	0.3
2023-24	~	~	~	~	~	~	~	~	0.8
2024-25	~	~	~	~	~	~	~	~	1.3
2025-26	~	~	~	~	~	~	~	~	2.3
2026-27	2.6	~	~	~	~	~	~	~	3.5
Total	2.6	~	8.0						

a) State allocations have not yet been determined.

The Australian Government is providing funding to state governments to trial social impact investments which aim to help people at risk of homelessness.

New measures to support social impact investing are described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Infrastructure

In 2023–24, the Australian Government will provide funding of \$15.5 billion to support state infrastructure projects, as detailed in Table 2.8.

Table 2.8: Payments to support state infrastructure services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Infrastructure Investment Program					
Black Spot Projects	120.1	120.1	120.1	120.1	120.1
Bridges Renewal Program	95.0	95.0	95.0	95.0	105.4
Developing Northern Australia					
Improving cattle supply chains	6.1	0.5	-	2.0	-
Northern Australia Roads	17.7	69.2	110.0	126.2	110.0
Heavy Vehicle Safety and Productivity Program	70.0	90.0	100.0	100.0	88.1
Major Projects Business Case Fund	54.8	157.1	140.4	14.6	3.3
Rail investment component	2,842.2	3,812.3	4,270.5	3,849.3	3,279.1
Road investment component	6,032.7	8,240.3	8,281.0	8,069.9	7,797.0
Roads of Strategic Importance	644.2	817.9	882.6	804.2	509.1
Roads to Recovery	492.3	483.9	499.5	499.5	499.5
Western Sydney Infrastructure Plan	112.5	302.9	351.1	218.5	45.1
Total Infrastructure Investment Program	10,487.7	14,189.3	14,850.3	13,899.3	12,556.7
Other payments					
Adelaide City Deal	22.7	39.0	58.5	13.0	-
Albury Wodonga Regional Projects	3.6	15.0	38.5	24.0	-
Barkly Regional Deal	0.3	5.6	10.2	5.6	-
Brisbane 2032 Olympic and Paralympic Games	-	36.0	107.9	348.4	583.8
Cairns Regional Development	-	15.0	25.0	73.3	63.3
Drought Communities Programme – Extension	4.3	5.7	-	-	-
Geelong City Deal	30.2	65.0	60.8	-	-
Hinkler Regional Deal	7.5	-	-	-	-
Port of Bundaberg – multi-use conveyor	-	7.7	-	-	-
Hobart and Launceston – place based co-investments	-	20.0	45.0	80.0	100.0
Hunter region – supporting clean energy	-	25.0	25.0	25.0	25.0
Launceston City Deal	14.0	20.5	4.6	-	-
Local Roads and Community Infrastructure	965.6	349.6	249.7	249.7	-
National Water Grid Fund	261.5	424.2	386.7	434.4	267.3
Perth City Deal	89.5	11.0	70.0	74.0	-
Pilbara Ports Common User Upgrades	-	69.3	202.8	167.9	-
South East Queensland City Deal	-	163.9	113.7	84.1	29.0
Townsville City Deal	25.0	58.0	90.0	19.5	-
Western Sydney City Deal	17.8	5.4	-	-	-
WiFi and mobile coverage on trains	2.0	-	-	-	-
Total other payments	1,444.1	1,335.8	1,488.3	1,598.9	1,068.4
Total	11,931.8	15,525.1	16,338.6	15,498.2	13,625.1

Table 2.8: Payments to support state infrastructure services (continued)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
<i>Memorandum item – payments direct to local governments included in payments above</i>					
Infrastructure Investment Program					
Roads to Recovery	463.9	460.0	473.5	473.5	473.5
Other payments					
Drought Communities Programme – Extension	4.3	5.7	-	-	-
Local Roads and Community Infrastructure	965.6	349.6	249.7	249.7	-
Total	1,433.8	815.4	723.2	723.2	473.5

National Partnership payments for infrastructure

The Australian Government provides National Partnership payments to the states for infrastructure, as detailed below. Through these payments, the Australian Government is investing in road and rail infrastructure projects to support regional development and our local communities.

Infrastructure Investment Program

The Australian Government provides funding for road and rail infrastructure through the Infrastructure Investment Program under the National Partnership Agreement on Land Transport Infrastructure Projects. The Australian Government has a 10-year funding allocation for this program.

The Infrastructure Investment Program assists economic and social development regionally and nationally by providing funding to improve the standard of land transport infrastructure.

In recent years, the Infrastructure Investment Program has drifted away from a focus on projects of national significance, and market capacity challenges and cost pressures have increased.

An independent strategic review will ensure the Government's \$120 billion pipeline over 10 years is fit for purpose and the Government's investment is focused on projects which improve long term productivity, supply chains and economic growth in our cities and regions.

The Government will work with states, territories and local governments to prioritise the delivery of projects currently under construction and election commitments.

More information is available in Budget Paper No. 1, *Budget Strategy and Outlook 2023–24, Statement 1: Budget Overview*.

The Infrastructure Investment Program includes several components that involve payments to the states, detailed in the tables below.

Black Spot Projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2023-24	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2024-25	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2025-26	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
2026-27	35.9	31.1	24.3	13.4	8.5	3.1	1.7	2.1	120.1
Total	179.5	155.3	121.7	67.1	42.4	15.3	8.7	10.7	600.7

The Australian Government is providing funding for safety works under the Black Spot Program in places where there have been serious crashes or where serious crashes are likely to occur.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Bridges Renewal Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	38.2	19.3	21.0	8.0	4.1	2.2	1.6	0.7	95.0
2023-24	20.8	4.5	16.0	18.5	16.6	13.6	5.0	-	95.0
2024-25	31.8	10.4	33.9	8.4	3.1	4.6	0.7	2.1	95.0
2025-26	31.8	10.4	33.9	8.4	3.1	4.6	0.7	2.1	95.0
2026-27	35.3	11.6	37.7	9.3	3.4	5.1	0.8	2.3	105.4
Total	157.9	56.2	142.5	52.5	30.3	30.0	8.8	7.2	485.4

The Australian Government is providing funding to upgrade bridges across the nation. This program renews and replaces bridges serving local communities and facilitates higher productivity vehicle access.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Developing Northern Australia**Improving cattle supply chains**

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	6.1	-	-	-	-	-	6.1
2023-24	-	-	-	0.5	-	-	-	-	0.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	2.0	-	-	-	-	-	2.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	8.1	0.5	-	-	-	-	8.6

The Australian Government is providing funding to Queensland and Western Australia for road infrastructure projects that will improve the resilience and productivity of the northern cattle supply chains.

Northern Australia Roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	7.9	4.6	-	-	-	5.2	17.7
2023-24	-	-	28.2	18.2	-	-	-	22.7	69.2
2024-25	-	-	44.0	22.0	-	-	-	44.0	110.0
2025-26	-	-	49.7	22.0	-	-	-	54.6	126.2
2026-27	-	-	44.0	22.0	-	-	-	44.0	110.0
Total	-	-	173.7	88.8	-	-	-	170.6	433.1

The Australian Government is providing funding to Queensland, Western Australia and the Northern Territory for infrastructure projects that are essential to the movement of people and freight to support economic development in the region. Projects include links to roads connecting communities and regional towns to ports and airports.

Heavy Vehicle Safety and Productivity Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	37.4	8.3	12.8	6.5	3.4	0.4	0.9	0.4	70.0
2023-24	7.9	15.2	14.0	17.5	1.8	25.7	0.1	7.9	90.0
2024-25	30.7	13.9	24.8	11.4	9.2	3.2	0.3	6.5	100.0
2025-26	30.7	13.9	24.8	11.4	9.2	3.2	0.3	6.5	100.0
2026-27	27.1	12.3	21.8	10.0	8.1	2.8	0.3	5.7	88.1
Total	133.8	63.7	98.2	56.7	31.7	35.3	1.8	26.9	448.1

The Australian Government is providing funding for projects that contribute to the safety and productivity of heavy vehicles. These projects improve the safety of the road environment, enhance the capacity of existing roads and improve connections to freight networks.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Major Projects Business Case Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.9	16.8	27.4	8.8	-	-	-	-	54.8
2023-24	20.0	50.5	71.5	15.1	-	-	-	-	157.1
2024-25	35.0	35.0	61.8	8.7	-	-	-	-	140.4
2025-26	-	-	11.6	3.0	-	-	-	-	14.6
2026-27	-	-	-	3.3	-	-	-	-	3.3
Total	56.9	102.3	172.3	38.8	-	-	-	-	370.2

The Australian Government is providing funding to support the development of business cases for road and rail infrastructure projects. Funding will support a range of scenarios relating to business case development, including supporting joint state, territory and Australian Government planning processes.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Rail investment component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1,074.2	878.8	162.3	646.8	14.7	45.5	20.0	0.1	2,842.2
2023-24	1,144.1	1,214.3	345.7	1,011.0	20.7	22.1	52.5	1.9	3,812.3
2024-25	1,558.3	1,652.8	342.2	645.1	7.5	37.7	25.0	1.9	4,270.5
2025-26	504.3	2,687.8	434.7	134.5	3.4	37.7	45.0	1.9	3,849.3
2026-27	405.6	2,339.8	336.8	101.2	3.4	34.5	55.9	1.9	3,279.1
Total	4,686.5	8,773.5	1,621.7	2,538.6	49.6	177.4	198.4	7.8	18,053.5

The rail investment component of the Infrastructure Investment Program delivers the Australian Government's rail investment. It targets nationally significant projects that will improve the efficiency and safety of Australia's rail network.

Road investment component

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	970.6	1,048.9	1,883.2	805.3	777.7	291.3	28.2	227.7	6,032.7
2023-24	1,816.0	1,285.9	2,050.3	1,365.6	1,004.8	369.3	81.5	266.9	8,240.3
2024-25	2,344.2	1,276.3	2,172.7	932.2	993.3	208.7	94.8	258.8	8,281.0
2025-26	2,660.1	1,125.9	2,077.2	681.1	1,073.9	175.9	58.1	217.7	8,069.9
2026-27	2,695.4	1,031.3	2,135.3	467.1	1,133.3	94.8	31.7	208.1	7,797.0
Total	10,486.2	5,768.3	10,318.7	4,251.2	4,983.1	1,140.0	294.2	1,179.2	38,420.8

The road investment component of the Infrastructure Investment Program delivers most of the Australian Government's investment in road infrastructure. It targets nationally significant projects that will improve the efficiency and safety of Australia's road network. Funding is provided for road construction projects and network maintenance, as well as transport development, innovation projects and grants to land transport research bodies.

A portion of Australian Government funding for road infrastructure is sourced from the additional net revenue received from the reintroduction of fuel excise indexation in 2014.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Roads of Strategic Importance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	36.4	24.9	171.3	157.6	84.5	86.0	-	83.5	644.2
2023-24	87.1	60.7	203.9	176.2	39.8	114.2	-	136.1	817.9
2024-25	112.2	59.2	250.1	194.5	12.8	130.8	-	123.0	882.6
2025-26	164.8	58.0	193.0	183.4	-	106.2	-	98.9	804.2
2026-27	116.9	32.2	79.1	136.5	-	76.3	-	68.1	509.1
Total	517.3	235.0	897.4	848.1	137.1	513.5	-	509.6	3,658.0

The Australian Government is providing funding to upgrade key freight routes across Australia to improve access for businesses and communities to essential services, markets and employment opportunities.

Roads to Recovery^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	140.9	99.7	95.3	72.3	44.0	16.5	10.2	13.4	492.3
2023-24	132.7	100.5	101.9	69.0	44.4	16.2	5.7	13.5	483.9
2024-25	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
2025-26	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
2026-27	139.3	101.7	101.7	73.1	44.9	16.3	8.0	14.5	499.5
Total	691.4	505.4	502.2	360.6	223.2	81.5	39.8	70.6	2,474.8

a) These figures include payments direct to local governments.

The Australian Government is providing funding for the Roads to Recovery program for road construction and maintenance projects at a local level. Funding recipients have a set program allocation for each 5-year program cycle and choose the projects on which they will spend their funding based on local priorities.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Western Sydney Infrastructure Plan

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	112.5	-	-	-	-	-	-	-	112.5
2023-24	302.9	-	-	-	-	-	-	-	302.9
2024-25	351.1	-	-	-	-	-	-	-	351.1
2025-26	218.5	-	-	-	-	-	-	-	218.5
2026-27	45.1	-	-	-	-	-	-	-	45.1
Total	1,030.0	-	-	-	-	-	-	-	1,030.0

The Australian Government is providing funding to enhance capacity and improve transport infrastructure in Sydney's western suburbs. This is in addition to the funding for the new Western Sydney Airport at Badgerys Creek.

Other payments

Adelaide City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	22.7	-	-	-	22.7
2023-24	-	-	-	-	39.0	-	-	-	39.0
2024-25	-	-	-	-	58.5	-	-	-	58.5
2025-26	-	-	-	-	13.0	-	-	-	13.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	133.2	-	-	-	133.2

The Australian Government is providing funding to support projects in Adelaide and the surrounding region, including the development of a new innovation and cultural precinct in the city centre.

Albury Wodonga Regional Projects

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.5	2.1	-	-	-	-	-	-	3.6
2023-24	8.0	7.0	-	-	-	-	-	-	15.0
2024-25	24.5	14.0	-	-	-	-	-	-	38.5
2025-26	24.0	-	-	-	-	-	-	-	24.0
2026-27	-	-	-	-	-	-	-	-	-
Total	58.0	23.1	-	-	-	-	-	-	81.1

The Australian Government is providing funding to support projects in the Albury Wodonga region that deliver economic and education benefits and improve the liveability of the community.

Barkly Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	0.3	0.3
2023-24	-	-	-	-	-	-	-	5.6	5.6
2024-25	-	-	-	-	-	-	-	10.2	10.2
2025-26	-	-	-	-	-	-	-	5.6	5.6
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	-	21.7	21.7

The Australian Government is providing funding to deliver a range of economic, social and cultural initiatives in the Barkly region, including a purpose-built boarding facility in Tennant Creek.

Brisbane 2032 Olympic and Paralympic Games

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	36.0	-	-	-	-	-	36.0
2024-25	-	-	107.9	-	-	-	-	-	107.9
2025-26	-	-	348.4	-	-	-	-	-	348.4
2026-27	-	-	583.8	-	-	-	-	-	583.8
Total	-	-	1,076.0	-	-	-	-	-	1,076.0

The Australian Government is providing up to \$3.4 billion for infrastructure investment to support the delivery of the Brisbane 2032 Olympic and Paralympic Games. This includes up to \$2.5 billion for Brisbane Arena, which will form a key part of the Roma Street Station Precinct, and up to \$935.0 million for new and upgraded venue infrastructure across Queensland. The Australian Government's co-investment will support local jobs and create a lasting legacy by meeting local community needs for venue assets in the region.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Cairns Regional Development

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	15.0	-	-	-	-	-	15.0
2024-25	-	-	25.0	-	-	-	-	-	25.0
2025-26	-	-	73.3	-	-	-	-	-	73.3
2026-27	-	-	63.3	-	-	-	-	-	63.3
Total	-	-	176.6	-	-	-	-	-	176.6

The Australian Government is providing \$230 million over 5 years from 2023–24 towards the delivery of 2 major construction projects in Cairns. This includes a major expansion to the Cairns Marine Precinct (with an additional \$30 million committed in this Budget) and a new Central Queensland University campus in the Cairns CBD.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Drought Communities Programme – Extension^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.8	1.0	0.4	0.6	0.1	0.3	-	0.1	4.3
2023-24	2.1	0.3	0.3	2.2	0.8	-	-	-	5.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	3.9	1.3	0.7	2.8	0.9	0.3	-	0.1	10.0

a) These figures include payments direct to local governments.

The Australian Government is supporting local infrastructure projects and other drought relief activities with funding being provided to local government areas for projects that provide long lasting benefits to regional communities.

Geelong City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	30.2	-	-	-	-	-	-	30.2
2023-24	-	65.0	-	-	-	-	-	-	65.0
2024-25	-	60.8	-	-	-	-	-	-	60.8
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	156.0	-	-	-	-	-	-	156.0

The Australian Government is providing funding to support projects including the Shipwreck Coast Master Plan, Great Ocean Road projects and projects in the Geelong city centre.

Hinkler Regional Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	7.5	-	-	-	-	-	7.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	7.5	-	-	-	-	-	7.5

The Australian Government is providing funding to support the construction of a multi-use conveyor at the Port of Bundaberg.

Port of Bundaberg – multi-use conveyor

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	7.7	-	-	-	-	-	7.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	7.7	-	-	-	-	-	7.7

The Australian Government is providing additional funding for a multi-use conveyor at the Port of Bundaberg. This funding is in addition to the Hinkler Regional Deal funding for this project.

This program has been reclassified as a payment to the states since the October Budget.

Hobart and Launceston – place based co-investments

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	20.0	-	-	20.0
2024-25	-	-	-	-	-	45.0	-	-	45.0
2025-26	-	-	-	-	-	80.0	-	-	80.0
2026-27	-	-	-	-	-	100.0	-	-	100.0
Total	-	-	-	-	-	245.0	-	-	245.0

The Government is providing \$305.0 million from 2023–24 to 2027–28 to deliver urban renewal projects in Hobart and Launceston, with \$240.0 million to help unlock the potential of the Macquarie Point precinct in Hobart and \$65.0 million for a stadium redevelopment in Launceston.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Hunter region – supporting clean energy

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	25.0	-	-	-	-	-	-	-	25.0
2024-25	25.0	-	-	-	-	-	-	-	25.0
2025-26	25.0	-	-	-	-	-	-	-	25.0
2026-27	25.0	-	-	-	-	-	-	-	25.0
Total	100.0	-	-	-	-	-	-	-	100.0

The Australian Government is providing funding to support the Hunter region and the Port of Newcastle to become hydrogen ready.

This program has been reclassified as a payment to the states since the October Budget.

Launceston City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	14.0	-	-	14.0
2023-24	-	-	-	-	-	20.5	-	-	20.5
2024-25	-	-	-	-	-	4.6	-	-	4.6
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	39.1	-	-	39.1

The Australian Government is providing funding to support projects in Launceston to improve liveability and innovation, increasing incomes and reducing levels of disadvantage. This includes funding to reduce pollution and improve the health of the Tamar River.

Local Roads and Community Infrastructure^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	303.7	211.6	171.0	122.7	85.3	30.8	15.4	25.0	965.6
2023-24	97.5	71.2	71.2	51.1	31.4	11.4	5.6	10.2	349.6
2024-25	69.6	50.9	50.9	36.5	22.5	8.1	4.0	7.3	249.7
2025-26	69.6	50.9	50.9	36.5	22.5	8.1	4.0	7.3	249.7
2026-27	-	-	-	-	-	-	-	-	-
Total	540.5	384.6	343.9	246.9	161.6	58.5	29.0	49.8	1,814.7

a) These figures include payments direct to local governments.

The Australian Government is providing funding to support local councils to deliver priority local road and community infrastructure projects across Australia, supporting jobs and the resilience of local economies.

National Water Grid Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	43.9	38.8	100.0	11.5	20.8	8.0	~	18.6	261.5
2023-24	73.3	52.5	84.4	8.3	10.5	59.8	~	102.3	424.2
2024-25	16.5	43.3	112.6	0.6	0.5	62.6	~	100.6	386.7
2025-26	1.0	6.3	253.8	0.2	~	73.4	~	49.7	434.4
2026-27	-	4.7	200.0	-	-	14.1	-	48.5	267.3
Total	134.7	145.6	750.8	20.5	31.7	217.9	~	319.8	1,774.0

a) State allocations are indicative estimates only to be determined on the signing of agreements. State allocations may not sum to total due to unallocated funds.

The Australian Government is providing \$3.2 billion over 12 years from 2022-23 to expand investment in nationally significant, transformational water infrastructure projects to assist in developing regional communities.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Perth City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	89.5	-	-	-	-	89.5
2023-24	-	-	-	11.0	-	-	-	-	11.0
2024-25	-	-	-	70.0	-	-	-	-	70.0
2025-26	-	-	-	74.0	-	-	-	-	74.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	244.5	-	-	-	-	244.5

The Australian Government is providing funding to support a range of projects in Perth, including the Edith Cowan University Cultural and Creative Industries Education CBD Campus.

Pilbara Ports Common User Upgrades

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	69.3	-	-	-	-	69.3
2024-25	-	-	-	202.8	-	-	-	-	202.8
2025-26	-	-	-	167.9	-	-	-	-	167.9
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	440.0	-	-	-	-	440.0

The Australian Government is providing \$565.0 million from 2023–24 to 2028–29 to support common-user upgrades of Pilbara-based ports, Dampier and Lumsden Point, to expand export and import capacity.

The Dampier Port upgrades will build capacity for critical mineral and renewables export. The Lumsden Point Port upgrades will support increased demand for minerals key to battery and electric vehicle markets and the import of equipment required to grow the hydrogen and renewable industry.

This program has been reclassified as a payment to the states since the October Budget.

South East Queensland City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	163.9	-	-	-	-	-	163.9
2024-25	-	-	113.7	-	-	-	-	-	113.7
2025-26	-	-	84.1	-	-	-	-	-	84.1
2026-27	-	-	29.0	-	-	-	-	-	29.0
Total	-	-	390.7	-	-	-	-	-	390.7

The Australian Government is providing funding to support projects in the South East Queensland (SEQ) region that deliver jobs, greater digital and transport connectivity and more liveable communities, including the construction of the Kangaroo Point Green Bridge and infrastructure provided through the SEQ Innovation Economy Fund.

Townsville City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	25.0	-	-	-	-	-	25.0
2023-24	-	-	58.0	-	-	-	-	-	58.0
2024-25	-	-	90.0	-	-	-	-	-	90.0
2025-26	-	-	19.5	-	-	-	-	-	19.5
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	192.5	-	-	-	-	-	192.5

The Australian Government is providing funding to support projects in Townsville, including the Port of Townsville channel upgrade.

Western Sydney City Deal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	17.8	-	-	-	-	-	-	-	17.8
2023-24	5.4	-	-	-	-	-	-	-	5.4
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	23.1	-	-	-	-	-	-	-	23.1

The Australian Government is providing funding in Western Sydney to deliver improved community facilities and urban amenities, and to cut development costs and boost housing supply.

WiFi and mobile coverage on trains

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.0	-	-	-	-	-	-	-	2.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	2.0	-	-	-	-	-	-	-	2.0

The Australian Government is providing funding for mobile and internet connectivity along the train route between Hornsby and Wyong.

Environment, energy and water

In 2023–24, the Australian Government will provide funding of \$3.7 billion to support state environment, energy and water projects, including \$1.1 billion in Energy Bill Relief and \$2.6 billion in National Partnership payments, as detailed in Table 2.9.

Table 2.9: Payments to support state environment, energy and water services^(a)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
Energy Bill Relief	-	1,109.8	384.9	-	-
National Partnership payments					
ACT Sustainable Household Scheme	-	7.5	-	-	-
Australian Fire Danger Rating System	2.3	-	-	-	-
Bilateral Energy and Emissions Reduction Agreements	30.0	-	-	-	-
Bolstering Australia's Biosecurity System - Protecting Australia from escalating exotic animal disease risks	0.9	1.9	-	-	-
Borumba Pumped Hydro Project	-	nfp	-	-	-
Building resilience to manage fruit fly	-	30.0	-	-	-
CarbonNet	10.0	5.0	5.0	-	-
Community Solar Banks Program	-	50.5	50.5	-	-
Construction Softwood Transport Assistance	2.9	11.5	-	-	-
Disaster Ready Fund					
Coastal and Estuaries Risk Mitigation Program	50.0	-	-	-	-
Disaster Ready Fund – Round 1	-	200.0	-	-	-
Flood Recovery and Resilience Package	225.0	-	-	-	-
National Flood Mitigation Infrastructure Program	50.0	-	-	-	-
Disaster risk reduction	20.9	20.9	-	-	-
Ehrlichia canis pilot program	0.1	0.6	-	-	-
Enhance the National Soil Resources Information System	-	20.0	-	-	-
Environment Restoration Fund	5.4	-	-	-	-
Environmental assessment systems upgrade	1.1	-	-	-	-
Environmental management of the former Rum Jungle Mine site	nfp	nfp	nfp	nfp	nfp
Fishing and Camping Facilities Program	4.6	-	-	-	-
Food Waste for Healthy Soils Fund	11.2	17.9	11.4	-	-
Future Drought Fund					
Farm business resilience	45.0	15.0	-	-	-
Regional drought resilience planning	23.9	5.5	-	-	-
Great Artesian Basin Sustainability Initiative	11.3	5.9	-	-	-
Horse traceability	0.6	0.6	-	-	-
Hydro Tasmania's Tarraleah Hydro Power Station Redevelopment	13.0	19.2	23.0	-	-

Table 2.9: Payments to support state environment, energy and water services^(a) (continued)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Hydrogen energy supply chain project	3.8	3.8	-	-	-
Hydrogen Highways	-	20.0	8.0	7.0	20.0
Implementing water reform in the Murray–Darling Basin	17.3	23.0	-	-	-
Improving Compliance in the Murray–Darling Basin	-	6.0	6.0	6.0	4.6
Investing in Australia's First Nations Culture and World Heritage	2.5	0.8	0.8	0.6	-
Management of established pests and weeds	8.6	5.3	5.0	-	-
Marine Parks Management – Northern Territory Marine Parks	0.2	0.4	0.9	0.9	-
Marinus Link	35.0	25.0	15.0	-	-
National Plant Health Surveillance Program	1.0	1.0	1.0	-	-
North Queensland Strata Title Resilience Pilot Program	-	28.0	12.0	-	-
On-farm emergency water infrastructure rebate scheme	22.5	8.0	-	-	-
Pest and disease preparedness and response programs	143.7	16.1	15.1	10.7	40.9
Raine Island Recovery Project	0.7	0.7	-	-	-
Recycling Modernisation Fund					
Plastics technology stream	5.8	20.8	20.8	12.8	-
Recycling Infrastructure	94.9	69.6	0.5	-	-
Reducing regulatory burden and streamlining audit arrangements in the dairy sector	0.4	-	-	-	-
Reef 2050 Plan					
Paddock to Reef Monitoring, Modelling and Reporting Program	-	4.3	4.1	4.6	-
Sustainable Fisheries	-	-	18.0	18.0	-
Regional fund for wildlife and habitat bushfire recovery	8.3	-	-	-	-
Strengthen Australia's frontline biosecurity capability and domestic preparedness	6.0	8.0	6.0	-	-
Supporting Emissions Reduction in Queensland's Energy Resources Sector	-	4.3	5.0	5.0	-
Sustainable rural water use and infrastructure program	449.5	876.6	153.8	-	-
Temporary cap on the price of coal	nfp	nfp	nfp	-	-
Transforming Digital Environmental Assessments	2.1	4.2	4.2	-	-
Urban Rivers and Catchments Program	5.0	13.2	22.8	22.8	13.7
Water for the Environment Special Account					
Implementation of constraints measures	56.7	90.6	-	-	-
Off-farm Efficiency Program	596.2	661.7	-	-	-
Water Efficiency Program	0.3	-	-	-	-

Table 2.9: Payments to support state environment, energy and water services^(a) (continued)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
World Heritage Sites	9.5	9.6	9.6	9.6	9.6
Yellow crazy ant control	3.0	8.2	6.8	6.8	-
Total National Partnership payments	2,160.4	2,587.9	966.9	170.9	161.0
Total	2,160.4	3,697.7	1,351.8	170.9	161.0

a) Total figures include items not for publication.

Energy Bill Relief

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	360.8	282.1	246.4	82.9	95.4	22.4	11.2	8.6	1,109.8
2024-25	120.3	94.0	82.1	27.6	31.8	22.4	3.7	2.9	384.9
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	481.0	376.2	328.5	110.5	127.2	44.8	14.9	11.5	1,494.7

The Australian Government will provide \$1.5 billion to establish the Energy Bill Relief Fund and partner with the states to deliver targeted energy bill relief to eligible Australian households and small businesses.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

National Partnership payments for environment, energy and water

ACT Sustainable Household Scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	7.5	-	7.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	7.5	-	7.5

The Australian Government will provide funding to support the Australian Capital Territory's Sustainable Household Scheme.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Australian Fire Danger Rating System

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.3	-	-	-	-	-	-	-	2.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	2.3	-	-	-	-	-	-	-	2.3

The Australian Government is providing funding to support the implementation of the Australian Fire Danger Rating System. The new Australian Fire Danger Rating System will improve public safety and reduce the impacts of bushfires by improving decision making enabled by more accurate scientific information. Nationally consistent fire danger rating information will be available to the public, reducing confusion about how to react to a warning.

Bilateral Energy and Emissions Reduction Agreements

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	30.0	30.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	30.0	30.0						

The Australian Government is providing up to \$30.0 million for 2 key projects in the Northern Territory to deliver reliable and affordable energy, reduce emissions and support economic recovery. The funding enables installation of a 35-megawatt big battery for the Darwin-Katherine Interconnected System and microgrids in up to 10 remote First Nations communities across the Northern Territory.

Bolstering Australia's Biosecurity System – Protecting Australia from escalating exotic animal disease risks

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.2	0.2	-	-	-	0.4	0.9
2023-24	-	-	0.6	0.6	-	-	-	0.8	1.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	0.8	0.8	-	-	-	1.2	2.8

The Australian Government is providing funding to build regional resilience through bolstering response/preparedness capability to manage biosecurity risks across the animal, plant and aquatic sectors in northern Australia. The funding supports targeted actions by developing an inter-jurisdictional plant biosecurity network that will enhance detection and response capacity within northern Australia to combat new detections of pest and diseases. The network will proactively enhance Australian Government partnerships with industry and First Nations people and strengthen links between partners as part of our strategy for defending northern Australia from biosecurity risks.

Borumba Pumped Hydro Project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	nfp	-	-	-	-	-	nfp
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	nfp	-	-	-	-	-	nfp

The Australian Government will provide funding to support the Borumba Pumped Hydro Project in Queensland.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Building resilience to manage fruit fly^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	4.7	~	20.0	~	~	~	30.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	4.7	~	20.0	~	~	~	30.0

a) State allocations (except for QLD and SA) have not yet been determined.

The Australian Government is providing funding to build resilience of Australia's fruit fly management system. This investment will reduce the significant impact of fruit flies by helping to stop their spread, driving down pest pressure in vulnerable areas and growing horticulture exports by providing critical post-harvest treatment and market access research infrastructure.

CarbonNet

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	10.0	-	-	-	-	-	-	10.0
2023-24	-	5.0	-	-	-	-	-	-	5.0
2024-25	-	5.0	-	-	-	-	-	-	5.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	20.0	-	-	-	-	-	-	20.0

The Australian Government is providing up to \$20.0 million to support CarbonNet's Stage 3 activities, focused on establishing a commercial carbon capture and storage network in Victoria's Gippsland Basin. The funding will enable CarbonNet to undertake key regulatory works and complete the Front End Engineering Design for onshore and offshore infrastructure.

Community Solar Banks Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	50.5
2024-25	~	~	~	~	~	~	~	~	50.5
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	101.0							

a) State allocations have not yet been determined.

The Australian Government will provide funding to support community-scale solar and clean energy technologies for 25,000 households unable to access the benefits of these technologies. The Community Solar Banks Program will have a particular focus on those who live in low-income households and people in apartments and rental accommodation.

Construction Softwood Transport Assistance

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.8	-	-	-	0.1	-	-	-	2.9
2023-24	11.3	-	-	-	0.2	-	-	-	11.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	14.1	-	-	-	0.3	-	-	-	14.5

The Australian Government is providing funding to the states to support forestry entities to transport bushfire-salvaged softwood to timber mills. Funding is available to reduce transport costs associated with moving bushfire-affected softwood to mills that have capacity to manufacture structural timbers for the domestic building industry, which has experienced timber shortages.

Disaster Ready Fund

The Australian Government is helping communities to prepare for natural disasters through the Disaster Ready Fund. The Disaster Ready Fund, initially established as the Emergency Response Fund, provides a dedicated ongoing source of funding for natural disaster resilience and risk reduction initiatives. The Disaster Ready Fund provides up to \$200.0 million each year from 2023–24 to invest in mitigation projects like flood levees, cyclone shelters, fire breaks and evacuation centres around Australia. The existing approved Emergency Response Fund commitments for 2022–23 are funded from the Disaster Ready Fund.

Coastal and Estuaries Risk Mitigation Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.7	9.0	8.4	19.2	6.7	2.0	-	-	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	4.7	9.0	8.4	19.2	6.7	2.0	-	-	50.0

The Australian Government is providing \$50.0 million from the Disaster Ready Fund in 2022–23 to target high priority locally and nationally significant coastal and estuarine disaster risk mitigation projects.

Disaster Ready Fund – Round 1^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	200.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	200.0							

a) State allocations have not yet been determined.

The Australian Government will provide \$200.0 million in 2023–24 under Round 1 of the Disaster Ready Fund to support disaster mitigation priorities. This will fund projects that build resilience to, prepare for, or reduce the risk of, future natural hazard impacts.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Flood Recovery and Resilience Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	150.0	-	75.0	-	-	-	-	-	225.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	150.0	-	75.0	-	-	-	-	-	225.0

The Australian Government is providing \$225.0 million from the Disaster Ready Fund in 2022–23 to support recovery activities in communities affected by the severe flooding disaster events in Queensland and New South Wales in February and March 2022.

National Flood Mitigation Infrastructure Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	19.2	2.4	0.9	-	9.9	1.8	5.7	10.0	50.0
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	19.2	2.4	0.9	-	9.9	1.8	5.7	10.0	50.0

The Australian Government is providing funding from the Disaster Ready Fund in 2022–23 to states to support national flood mitigation infrastructure priorities to reduce the impacts of floods on Australian communities.

Disaster risk reduction

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2023-24	5.4	3.3	4.8	2.5	1.7	1.0	1.0	1.0	20.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	10.9	6.7	9.6	5.0	3.3	2.1	2.1	2.1	41.8

The Australian Government is providing funding to the states to reduce the risk and impact of disasters on Australians in line with the priorities of the National Disaster Risk Reduction Framework. The funding forms part of a broader \$130.5 million package over 5 years which commenced in 2019–20 to support resilience to disasters triggered by natural hazards.

Ehrlichia canis pilot program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	0.1	-	-	-	-	0.1
2023-24	0.2	0.2	0.2	-	0.2	-	-	-	0.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.2	0.2	0.2	0.1	0.2	-	-	-	0.7

The Australian Government is providing funding to support states in their efforts to raise awareness about *Ehrlichia canis* in several remote First Nations communities and provide targeted information on how to control the disease.

This program includes funding that has been reclassified as a payment to the states since the October Budget.

Enhance the National Soil Resources Information System^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	20.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	20.0							

a) State allocations have not yet been finalised.

The Australian Government is committed to the goals of the National Soil Strategy and will provide \$20.0 million to support state initiatives that make progress against the 4 Priority Actions of the first National Soil Action Plan. The Australian Government will provide national coordination and leadership to drive progress against the nationally agreed Priority Actions, while working in partnership with the states to deliver programs and initiatives that are tailored to regional soil needs and conditions.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Environment Restoration Fund

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.1	2.9	0.3	-	2.3	-	-	-	5.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.1	2.9	0.3	-	2.3	-	-	-	5.4

The Australian Government has provided funding to improve water quality and manage erosion in coasts and waterways, support the recovery and recycling of waste, and protect threatened species and their habitats.

Environmental assessment systems upgrade

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.3	-	-	-	-	-	0.8	1.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	0.3	-	-	-	-	-	0.8	1.1

The Australian Government is providing funding to support activities to establish new and interoperable environmental assessment systems. The activities include developing an online environmental assessment portal, an environmental assessment system and a biodiversity data repository.

Environmental management of the former Rum Jungle Mine site

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	nfp	nfp
2023-24	-	-	-	-	-	-	-	nfp	nfp
2024-25	-	-	-	-	-	-	-	nfp	nfp
2025-26	-	-	-	-	-	-	-	nfp	nfp
2026-27	-	-	-	-	-	-	-	nfp	nfp
Total	-	nfp	nfp						

The Australian Government is continuing to fund the program of work established to improve the management of the Rum Jungle Mine site. This funding supports the site's full rehabilitation, the participation of traditional owners in delivering work and ongoing engagement activities.

Fishing and Camping Facilities Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.3	1.1	1.7	-	0.1	1.4	4.6
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	0.3	1.1	1.7	-	0.1	1.4	4.6

The Australian Government is providing funding for local councils to improve, maintain or build new boating, marine rescue, fishing and camping facilities.

Food Waste for Healthy Soils Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.2	~	2.0	2.1	~	~	-	~	11.2
2023-24	2.1	~	1.5	1.9	~	~	8.0	~	17.9
2024-25	1.7	~	1.4	1.6	~	~	5.0	~	11.4
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	5.0	~	4.9	5.6	~	~	13.0	~	40.5

a) State allocations (except NSW, QLD, WA and the ACT) have not yet been determined.

The Australian Government is investing \$40.5 million through the Food Waste for Healthy Soils Fund to support infrastructure that will increase Australia's processing capacity and diversion of organic waste from landfill for productive use on Australia's soils. In addition to the infrastructure component, the Food Waste for Healthy Soils Fund has been broadened to redirect \$10.0 million to a new program aimed at food waste avoidance. A further \$6.5 million has been redirected to better align with Government priorities.

New measures associated with this item are listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Future Drought Fund

The Future Drought Fund provides secure, continuous funding for drought resilience initiatives to help Australian farms and communities prepare for impacts of drought.

Farm business resilience^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	45.0
2023-24	~	~	~	~	~	~	~	~	15.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	60.0

a) State allocations have not yet been finalised.

The Australian Government is working with state governments to provide farm businesses with learning opportunities to develop strategic management skills and support the development of Farm Business Plans. Participants are supported to develop a plan, tailored to their business and situation, and have the opportunity for professional feedback on the plan. Funding is provided from the Future Drought Fund.

Regional drought resilience planning^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	23.9
2023-24	~	~	~	~	~	~	~	~	5.5
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	29.4

a) State allocations have not yet been finalised.

The Australian Government is working with state governments to support group partnerships of regional organisations, local government, communities and industry to develop regional drought resilience plans. Plans include actions identified by the region to prepare for and manage future drought risks. Small grants will be available for regions to take forward priority actions identified in their plans. Funding is provided from the Future Drought Fund.

Great Artesian Basin Sustainability Initiative

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.8	-	3.5	-	3.0	-	-	0.1	11.3
2023-24	1.3	-	1.3	-	3.2	-	-	0.1	5.9
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	6.1	-	4.8	-	6.2	-	-	0.2	17.2

The Australian Government is providing funding under the Improving Great Artesian Basin Drought Resilience Program (Extension to the Great Artesian Basin Sustainability Initiative) to continue the capping of uncontrolled bores and piping open bore drains to reduce water loss and recover groundwater pressure. In addition to infrastructure works, this program also funds education and communication programs and studies to assist with new water management arrangements.

Horse traceability^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	0.3	~	~	~	~	~	~	0.6
2023-24	~	~	~	~	~	~	~	~	0.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	0.3	~	~	~	~	~	~	1.2

a) State allocations have not yet been determined.

The Australian Government is providing \$1.2 million to assist states in efforts to bring forward national traceability arrangements for all horses.

Hydro Tasmania's Tarraleah Hydro Power Station Redevelopment

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	13.0	-	-	13.0
2023-24	-	-	-	-	-	19.2	-	-	19.2
2024-25	-	-	-	-	-	23.0	-	-	23.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	55.2	-	-	55.2

The Australian Government is providing funding to support upgrade works on the Tarraleah hydro power scheme redevelopment in Tasmania's Central Highlands – a cornerstone project of the Battery of the Nation initiative.

Hydrogen energy supply chain project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	3.8	-	-	-	-	-	-	3.8
2023-24	-	3.8	-	-	-	-	-	-	3.8
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	7.5	-	-	-	-	-	-	7.5

The Australian Government is providing funding to support the pre-commercialisation phase of the Hydrogen Energy Supply Chain project. The project aims to transport liquid hydrogen produced through the gasification of brown coal in Victoria’s Latrobe Valley to Japan. The outcomes of the project’s pre-commercialisation phase will add to the knowledge obtained from its pilot phase, which concluded on 30 June 2022, and will inform the development of a commercial-scale project.

Hydrogen Highways^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	20.0
2024-25	~	~	~	~	~	~	~	~	8.0
2025-26	~	~	~	~	~	~	~	~	7.0
2026-27	~	~	~	~	~	~	~	~	20.0
Total	~	~	~	~	~	~	~	~	55.0

a) State allocations have not yet been determined.

The Australian Government will provide funding to roll out hydrogen refuelling infrastructure on key freight routes to help decarbonise heavy transport. This program forms part of the Driving the Nation Fund.

This program has been reclassified as a payment to the states since the October Budget.

Implementing water reform in the Murray–Darling Basin

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	7.5	5.5	2.0	-	1.6	-	0.8	-	17.3
2023-24	10.0	7.3	2.6	-	2.2	-	1.0	-	23.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	17.4	12.8	4.6	-	3.8	-	1.8	-	40.3

The Australian Government is providing funding to Murray–Darling Basin jurisdictions (New South Wales, Victoria, Queensland, South Australia and the Australian Capital Territory) for new and ongoing activities required to implement water reform associated with the Basin Plan.

Improving Compliance in the Murray–Darling Basin^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	-	~	-	~	-	6.0
2024-25	~	~	~	-	~	-	~	-	6.0
2025-26	~	~	~	-	~	-	~	-	6.0
2026-27	~	~	~	-	~	-	~	-	4.6
Total	~	~	~	-	~	-	~	-	22.6

a) State allocations have not yet been determined.

The Australian Government will provide funding to improve the automated measurement of water use and the subsequent transmission of the data to regulators. This will provide more timely and accurate data on water use, and increase public confidence in the use of water across the Murray–Darling Basin and compliance with sustainable limits.

Investing in Australia's First Nations Culture and World Heritage

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.9	1.2	-	0.3	0.1	-	-	-	2.5
2023-24	-	-	-	0.6	0.2	-	-	-	0.8
2024-25	-	-	-	0.7	0.1	-	-	-	0.8
2025-26	-	-	-	0.5	0.1	-	-	-	0.6
2026-27	-	-	-	-	-	-	-	-	-
Total	0.9	1.2	-	2.0	0.5	-	-	-	4.6

The Australian Government is providing funding to protect First Nations heritage and improve engagement with First Nations people to support their heritage. This funding aims to support the addition of First Nations heritage values to World Heritage and National Heritage listed areas, and progression of the World Heritage listing of Murujuga Cultural Landscape, the Flinders Ranges, Cape York Peninsula, the West Kimberley, Parramatta Female Factory and the Trades Halls transnational listing.

Management of established pests and weeds

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.1	1.8	1.0	0.6	2.3	0.7	0.3	0.7	8.6
2023-24	1.1	1.2	0.7	..	1.0	0.5	0.2	0.5	5.3
2024-25	0.9	1.3	0.5	0.4	0.9	0.5	0.2	0.3	5.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	3.1	4.3	2.2	1.1	4.2	1.8	0.7	1.4	18.9

This program supports states to build the skills and capacity of land managers, communities and industry to better manage established pest animals and weeds, and undertake on-ground reduction and prevention activities for established pests and weeds.

Marine Parks Management – Northern Territory Marine Parks

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	0.2	0.2
2023-24	-	-	-	-	-	-	-	0.4	0.4
2024-25	-	-	-	-	-	-	-	0.9	0.9
2025-26	-	-	-	-	-	-	-	0.9	0.9
2026-27	-	-	-	-	-	-	-	-	-
Total	-	2.3	2.3						

The Australian Government is funding a partnership between the Director of National Parks and the Northern Territory Government to support integrated management across contiguous Commonwealth and Northern Territory marine parks.

Marinus Link

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	35.0	-	-	35.0
2023-24	-	-	-	-	-	25.0	-	-	25.0
2024-25	-	-	-	-	-	15.0	-	-	15.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	75.0	-	-	75.0

The Australian Government has committed \$75.0 million to progress the design and approvals phase of the Marinus Link project (including associated on-island transmission augmentation known as the North West Transmission Developments) to a final investment decision in 2024.

National Plant Health Surveillance Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2023-24	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2024-25	0.2	0.2	0.1	0.1	0.1	0.1	..	0.1	1.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.5	0.5	0.4	0.4	0.4	0.4	0.1	0.3	3.0

a) State allocations are indicative estimates only. Funding is allocated based on pest risk profiles.

The Australian Government is providing funding to support Australia's plant biosecurity system through the National Plant Health Surveillance Program. The program focuses on early detection of national priority plant pests that can enter and establish in Australia. The program is implemented through effective collaboration with all Australian jurisdictions and aims to minimise the impact of pest incursions on agricultural industries, environmental assets and communities through timely pest detection, and provide surveillance data that supports trade and market access.

North Queensland Strata Title Resilience Pilot Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	28.0	-	-	-	-	-	28.0
2024-25	-	-	12.0	-	-	-	-	-	12.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	40.0	-	-	-	-	-	40.0

The Australian Government will provide funding to support strata title properties in North Queensland to undertake disaster mitigation works to improve resilience. The Queensland Government will implement and administer the initiative.

On-farm emergency water infrastructure rebate scheme^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	22.5
2023-24	~	~	~	~	~	~	~	~	8.0
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	30.5

a) State allocations have not yet been determined.

The Australian Government has made available funding for rebates to eligible primary producers and horticulture farmers impacted by drought or natural disasters. The rebates provide support to farmers to replace damaged water infrastructure or build new infrastructure to improve water use efficiency and flexibility.

Pest and disease preparedness and response programs^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.8	5.5	78.5	13.9	1.0	-	-	4.0	143.7
2023-24	0.2	1.3	13.5	0.2	-	-	-	0.9	16.1
2024-25	0.2	1.3	12.5	0.2	-	-	-	0.9	15.1
2025-26	0.2	1.3	8.1	0.2	-	-	-	0.9	10.7
2026-27	0.2	1.3	38.3	0.2	-	-	-	0.9	40.9
Total	41.5	10.7	150.8	14.7	1.0	-	-	7.7	226.4

a) State allocations are indicative estimates only. Funding is conditional on agreed national responses to pest or disease incursions.

The Australian Government is supporting agricultural producers and protecting Australia's unique environment by contributing to the eradication of exotic animal, plant and environmental pests and diseases.

This program protects Australia's enviable animal and plant pest and disease status, enabling continued access to export markets. It also protects Australia's unique environment and the tourism industries it supports, with direct positive effects on rural communities, businesses and employees.

Raine Island Recovery Project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.7	-	-	-	-	-	0.7
2023-24	-	-	0.7	-	-	-	-	-	0.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	1.3	-	-	-	-	-	1.3

The Australian Government is providing funding to re-establish and maintain Raine Island as a viable island ecosystem that supports sustainable populations of green turtles and seabirds through collaboration with Wuthathi and Meriam Nation (Ugar, Mer, Erub) Traditional Owners.

Recycling Modernisation Fund

The Australian Government is providing funding for improved recycling outcomes by addressing critical infrastructure and technology gaps in Australia's waste management and resource recovery system.

Funding is being provided via a number of streams including a main Recycling Modernisation Fund stream, a Regional and Remote stream, a National Paper Solutions stream and a Plastics Technology stream.

Plastics technology stream^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	5.8
2023-24	~	~	~	~	~	~	~	~	20.8
2024-25	~	~	~	~	~	~	~	~	20.8
2025-26	~	~	~	~	~	~	~	~	12.8
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	60.0

a) State allocations have not yet been determined.

The Australian Government is investing in advanced recycling technologies to build Australia's recycling capability for hard-to-recycle plastics and address low plastics recycling rates. This will drive progress on the National Packaging Targets and deliver food grade recycled plastic for packaging.

Recycling Infrastructure^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	17.0	14.0	14.5	19.8	13.0	5.1	4.0	3.4	94.9
2023-24	8.9	15.1	26.6	11.9	2.3	1.3	2.0	1.5	69.6
2024-25	-	-	-	-	-	-	-	0.5	0.5
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	25.8	29.1	41.1	31.7	15.3	6.4	6.0	5.4	165.1

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is investing in waste recovery, processing and recycling infrastructure to respond to the ban on the export of waste paper, plastic, glass and tyres, agreed by all Australian governments in March 2020. Funding has been provided towards a national solution for paper recycling, projects that address regional and remote recycling challenges and to help overcome the urban-regional divide, and projects that increase Australia's waste processing and recycling capacity and support Australia's circular economy.

Reducing regulatory burden and streamlining audit arrangements in the dairy sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.4	-	-	-	-	-	-	0.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	0.4	-	-	-	-	-	-	0.4

The Australian Government is working with Dairy Food Safety Victoria's RegTech 2022 project to explore the opportunities for using data in food safety assurance.

Reef 2050 Plan

The Australian Government is investing in implementation of the Reef 2050 Long-Term Sustainability Plan (Reef 2050 Plan) as part of its broader commitment to protect the Great Barrier Reef and secure reef jobs.

Paddock to Reef Monitoring, Modelling and Reporting Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	4.3	-	-	-	-	-	4.3
2024-25	-	-	4.1	-	-	-	-	-	4.1
2025-26	-	-	4.6	-	-	-	-	-	4.6
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	13.0	-	-	-	-	-	13.0

The Australian Government is providing funding to the Queensland Government to support stronger paddock to reef monitoring, modelling and reporting. This will enhance Australia's understanding of the impacts of investments in land and sea country restoration and measures to further prevent degradation. It will also better enable governments to track progress towards all water quality targets, produce report cards and provide information and tools for efficient targeting of investments to the highest priority areas and actions.

Sustainable Fisheries

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	18.0	-	-	-	-	-	18.0
2025-26	-	-	18.0	-	-	-	-	-	18.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	36.0	-	-	-	-	-	36.0

The Australian Government will provide funding to decrease risks to threatened and protected species listed under the *Environment Protection and Biodiversity Conservation Act 1999* and position reef fisheries at the forefront of best practice and sustainability.

Regional fund for wildlife and habitat bushfire recovery

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	6.4	1.9	-	-	-	-	-	-	8.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	6.4	1.9	-	-	-	-	-	-	8.3

The Australian Government is providing funding to support strategic on-ground action for the most impacted native species, ecological communities and natural assets across 7 bushfire-affected regions.

Strengthen Australia's frontline biosecurity capability and domestic preparedness^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	6.0
2023-24	~	~	~	~	~	~	~	~	8.0
2024-25	~	~	~	~	~	~	~	~	6.0
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	20.0

a) State allocations have not yet been determined

The Australian Government is providing funding to support on-farm and off-farm transition to a national livestock traceability system, including for the individual electronic identification of sheep and goats, to be delivered and co-funded by state governments and industry.

Supporting Emissions Reduction in Queensland's Energy Resources Sector

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	4.3	-	-	-	-	-	4.3
2024-25	-	-	5.0	-	-	-	-	-	5.0
2025-26	-	-	5.0	-	-	-	-	-	5.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	14.3	-	-	-	-	-	14.3

The Australian Government will provide \$14.3 million to establish a partnership with the Queensland Government to support research and development projects, technology trials and transfers to support emissions reduction and the broader decarbonisation of Australia's energy resources sector and enhance energy security.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Sustainable rural water use and infrastructure program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	259.0	110.8	16.9	-	19.4	-	43.4	-	449.5
2023-24	560.7	213.3	19.7	-	62.9	-	20.0	-	876.6
2024-25	~	~	~	-	~	-	~	-	153.8
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	819.7	324.1	36.6	-	82.3	-	63.4	-	1,479.9

a) State allocations are indicative estimates only and to be determined on the signing of agreements. State allocations for 2024–25 have not yet been determined.

The Australian Government funds several measures under this program to support delivery of the Murray–Darling Basin Plan, including water recovery investment for 'bridging the gap' to Sustainable Diversion Limits. The program also funds implementation

of supply measures, support for communities throughout the Murray–Darling Basin and efforts to improve the health of wetlands and freshwater ecosystems.

Temporary cap on the price of coal

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	nfp	-	-	-	-	-	-	-	nfp
2023-24	nfp	-	-	-	-	-	-	-	nfp
2024-25	nfp	-	nfp	-	-	-	-	-	nfp
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	nfp	-	nfp	-	-	-	-	-	nfp

The Australian Government will provide funding to support the New South Wales and Queensland governments to implement a temporary cap of \$125 per tonne on the price of coal used for electricity generation.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Transforming Digital Environmental Assessments

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.3	0.3	0.3	-	0.3	0.3	0.3	0.3	2.1
2023-24	0.6	0.6	0.6	-	0.6	0.6	0.6	0.6	4.2
2024-25	0.6	0.6	0.6	-	0.6	0.6	0.6	0.6	4.2
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	1.5	1.5	1.5	-	1.5	1.5	1.5	1.5	10.5

The Australian Government is building on previous work to implement programs, tools and mechanisms to harmonise and share biodiversity data among Commonwealth and state governments. Under this program, states will transform and share biodiversity data with the new National Biodiversity Data Repository that, among other activities, will support states to share environmental assessment processes and co-design environmental assessment portals.

Urban Rivers and Catchments Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	5.0
2023-24	~	~	~	~	~	~	~	~	13.2
2024-25	~	~	~	~	~	~	~	~	22.8
2025-26	~	~	~	~	~	~	~	~	22.8
2026-27	~	~	~	~	~	~	~	~	13.7
Total	~	77.4							

a) State allocations have not yet been determined.

The Australian Government is providing funding to improve local waterways through an Urban Rivers and Catchments Program. Funding over 6 years from 2022–23 will restore natural habitats for aquatic species, improve water quality and improve community access

to nature, open green space and biodiversity. Projects will be delivered by local government, water utilities and non-government organisations, with funding to be provided via the states.

Water for the Environment Special Account

The Water for the Environment Special Account (WESA) sets aside Commonwealth funding to pay for projects that enhance environmental outcomes listed in the *Basin Plan 2012*.

Implementation of constraints measures^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	40.2	8.3	-	-	1.0	-	-	-	56.7
2023-24	27.2	~	-	-	~	-	-	-	90.6
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	67.4	8.3	-	-	1.0	-	-	-	147.3

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding to ease or remove constraints in and along rivers of the southern Murray–Darling Basin that impede the delivery of water to environmental assets. Funding for constraints measures is also provided under the Sustainable Rural and Water Use and Infrastructure Program.

Off-farm Efficiency Program^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	84.9	84.0	~	-	2.7	-	~	-	596.2
2023-24	16.9	34.4	~	-	~	-	~	-	661.7
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	101.8	118.4	~	-	2.7	-	~	-	1,257.9

a) State allocations may not sum to total due to unallocated funds.

The Australian Government is providing funding for state-led efficiency measures in the Murray–Darling Basin under the WESA. This will improve the efficiency of water delivery infrastructure and increase the volume of environmental water in the Murray–Darling Basin, leading to improved river health, agricultural activity and generating benefits for the local and regional communities.

Water Efficiency Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	0.3	-	0.3
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	0.3	-	0.3

The Australian Government's focus on off-farm efficiency projects means the remaining funding for the Water Efficiency Program is now available under the WESA: Off-farm Efficiency Program. Any successful legacy applications made under the now closed Water Efficiency Program will remain funded through this program, while any new state-led proposals will be considered through the Off-farm Efficiency Program.

World Heritage Sites

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.8	-	3.1	0.4	0.1	5.1	-	-	9.5
2023-24	0.8	-	3.1	0.4	0.1	5.1	-	-	9.6
2024-25	0.8	-	3.1	0.4	0.1	5.1	-	-	9.6
2025-26	0.8	-	3.1	0.4	0.1	5.1	-	-	9.6
2026-27	0.8	-	3.1	0.4	0.1	5.1	-	-	9.6
Total	4.1	-	15.6	2.1	0.5	25.5	-	-	47.9

The Australian Government provides funding to assist addressing critical threats such as feral animals and weeds, and changed fire regimes, to conserve and restore the biodiversity of World Heritage sites, and for Executive Officers and Advisory Committees who support the provision of advice to government on the protection of World Heritage sites.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures October 2023–24*.

Yellow crazy ant control

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	3.0	-	-	-	-	-	3.0
2023-24	-	-	8.2	-	-	-	-	-	8.2
2024-25	-	-	6.8	-	-	-	-	-	6.8
2025-26	-	-	6.8	-	-	-	-	-	6.8
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	24.8	-	-	-	-	-	24.8

The Australian Government is providing funding to ensure a more concerted approach to Yellow Crazy Ant eradication activities in Townsville and in and adjacent to the Wet Tropics of Queensland World Heritage Area in Cairns.

Contingent payments

Contingent payments arise where the Australian Government has committed to provide compensation when an event occurs or has otherwise guaranteed a state's financial position. Payments to the states will only arise if the relevant event occurs.

Table 2.10: Contingent payments to the states

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
Disaster Recovery Funding Arrangements	1,549.8	-	-	-	-
Hepatitis C settlement fund	0.1	0.1	0.1	0.1	0.1
Total	1,549.9	0.1	0.1	0.1	0.1

Disaster Recovery Funding Arrangements – expense estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	240.9	815.1	202.9	209.9	64.0	16.9	-	..	1,549.8
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	240.9	815.1	202.9	209.9	64.0	16.9	-	..	1,549.8

The Australian Government provides funding under the Disaster Recovery Funding Arrangements (DRFA) to assist the states in relief and recovery efforts following natural disasters. The Government recognises a liability equal to the present value of future payments expected to be made to the states under the DRFA. The liability is based on estimated data provided by the states. It includes both known and future estimated expenditure for relief and recovery measures prior to states submitting a claim to the Australian Government.

The total cost of relief and recovery from disaster events may not be completely realised for some years. Current estimates for the DRFA are based on the information available at the time of preparation for past events. These estimates do not include other as yet unquantifiable support in relation to disasters that will be provided through the DRFA. Due to the significant scale of the flooding events last year, the Australian Government previously provisioned funding for communities impacted by these floods in the aggregate budget estimates to accommodate additional expenditure once quantifiable. Further information can be found in Budget Paper No.1, *Budget Strategy and Outlook 2023–24, Statement 6: Expenses and Net Capital Investment*.

Estimated expenditure related to all natural disasters is regularly reviewed and revised by the states as new information becomes available, and this, or the occurrence of future natural disasters, can significantly affect the estimated DRFA liability and payments. More information is available in Budget Paper No. 1, *Budget Strategy and Outlook 2023–24, Statement 9: Statement of Risks*.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Disaster Recovery Funding Arrangements – cash estimates

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	2.3	-	595.5	-	19.9	0.1	0.1	-	617.9
2023-24	2,606.6	771.2	1,896.0	240.7	101.9	12.2	-	0.2	5,628.7
2024-25	783.8	257.9	813.1	146.0	16.9	5.9	-	-	2,023.5
2025-26	134.9	-	-	3.0	-	-	-	-	137.9
2026-27	-	-	-	-	-	-	-	-	-
Total	3,527.6	1,029.1	3,304.6	389.7	138.7	18.1	0.1	0.2	8,408.1

Estimated cash payments for the DRFA illustrate when the Australian Government expects to reimburse the states for costs incurred in relation to past disasters. Revisions to the estimates since the October Budget are based on updated data received from the states.

Hepatitis C settlement fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	0.1
2023-24	~	~	~	~	~	~	~	~	0.1
2024-25	~	~	~	~	~	~	~	~	0.1
2025-26	~	~	~	~	~	~	~	~	0.1
2026-27	~	~	~	~	~	~	~	~	0.1
Total	~	0.5							

a) State allocations have not yet been determined.

The Australian Government is contributing to out-of-court settlement costs for eligible people who contracted Hepatitis C as a result of blood transfusions in Australia between 1985 and 1991.

Other payments

The Australian Government makes payments to the states to support a range of other services, as detailed in Table 2.11.

Table 2.11: Payments to support other state services

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
National Legal Assistance Partnership 2020-25					
Aboriginal and Torres Strait Islander					
Legal Services	88.2	89.6	91.0	-	-
Community legal centres	56.7	57.6	58.6	-	-
Coronial inquiries and expensive and complex cases	2.6	2.7	2.7	-	-
Domestic Violence Units and Health					
Justice Partnerships	14.5	14.7	14.9	-	-
Family advocacy and support services	27.1	27.7	28.3	-	-
Frontline support to address workplace sexual harassment	10.9	11.0	11.2	-	-
Increased legal assistance funding for vulnerable women	32.0	32.5	32.9	-	-
Justice Policy Partnership	0.7	0.7	-	-	-
Legal aid commissions	249.4	260.0	264.1	-	-
Legal assistance family law pilot program	3.6	3.6	3.6	-	-
State and territory legal assistance administration	4.8	4.9	4.9	-	-
Support Criminal Justice Reform through Coronial Inquiries	2.7	5.4	5.4	-	-
Supporting increased child sexual abuse prosecutions	1.7	1.7	1.7	-	-
Supporting people with mental health conditions access the justice system	14.5	14.5	14.5	-	-
Total National Legal Assistance Partnership 2020-25	509.3	526.5	533.9	-	-
Additional funding for Legal Aid					
Commissions to support court reform	16.5	-	-	-	-
Commonwealth High Risk Terrorist Offender Regime	14.9	11.6	14.2	-	-
Counteracting Violent Extremism initiatives					
High Risk Extremist De-radicalisation Program	4.9	3.3	3.3	-	-
Living Safe Together Intervention Program	8.4	5.6	5.6	-	-
Family law information sharing	6.4	6.4	6.4	-	-
Financial assistance for police officers	0.4	-	-	-	-
Financial assistance to local governments					
Financial Assistance Grant program	833.5	3,106.4	3,256.8	3,391.0	3,529.0
Supplementary funding to South Australia for local roads	20.0	20.0	20.0	20.0	-
Indigenous Tourism Fund	8.5	4.3	4.3	-	-
Legal assistance for floods in QLD and NSW	7.1	3.0	3.0	3.0	-

Table 2.11: Payments to support other state services (continued)

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
National Partnership payments					
National Tourism Icons Package	3.8	1.3	5.2	-	-
North Bowen pipeline feasibility study	-	2.5	2.5	-	-
North Queensland strata title inspection scheme	2.9	-	-	-	-
Preventing harm in Australian prisons and other places of detention (OPCAT)	0.1	-	-	-	-
Provision of fire services	26.3	27.9	29.3	30.5	31.5
Scotdesco water security project	0.3	0.3	-	-	-
Sinking fund on state debt
Specialised and trauma-informed legal services for victim-survivors of sexual assault	-	2.6	2.6	2.6	-
Support for businesses impacted by COVID-19	339.5	-	-	-	-
Victorian energy compare IT infrastructure build for Consumer Data Right	0.9	-	-	-	-
Total	1,803.7	3,721.6	3,887.0	3,447.0	3,560.5

National Partnership payments for other services

National Legal Assistance Partnership 2020–25^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	136.2	96.1	108.3	60.8	39.6	16.5	18.6	30.5	509.3
2023-24	139.5	98.6	111.1	62.6	41.2	17.3	19.4	31.4	526.5
2024-25	141.7	100.1	112.8	63.4	41.7	17.5	19.5	31.7	533.9
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	417.4	294.8	332.3	186.8	122.5	51.4	57.5	93.5	1,569.7

a) State allocations may not sum to total due to unallocated funds.

From 1 July 2020 over 5 years, the National Legal Assistance Partnership 2020–25 provides funding to all states for legal assistance services delivered by legal aid commissions, community legal centres and Aboriginal and Torres Strait Islander Legal Services.

Table 2.11 lists all programs funded under the National Legal Assistance Partnership 2020–25.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Additional funding for Legal Aid Commissions to support court reform

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.0	4.2	4.1	-	1.8	0.7	0.5	0.3	16.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	5.0	4.2	4.1	-	1.8	0.7	0.5	0.3	16.5

The Australian Government is providing funding for legal aid commissions to improve their capacity to support the implementation of, and transition to, a new case management approach in the Federal Circuit and Family Court of Australia. The funding supports the delivery of timely and effective family law services by legal aid commissions in response to increased demand arising from the new approach to case management.

Commonwealth High Risk Terrorist Offender Regime^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	5.6	9.3	-	-	-	-	-	-	14.9
2023-24	~	~	~	~	~	~	~	~	11.6
2024-25	~	~	~	~	~	~	~	~	14.2
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	5.6	9.3	~	~	~	~	~	~	40.8

a) State allocations have not yet been determined.

The Australian Government is providing funding to the states to assist in protecting the Australian community from the threat posed by convicted high risk terrorist offenders. The states will provide support with detention and supervision orders and assist with assessment of ongoing risks.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023-24*.

Countering Violent Extremism initiatives

The Australian Government is providing funding to the states to strengthen national efforts to counter violent extremism.

High Risk Extremist De-radicalisation Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.3	0.9	1.0	0.9	0.4	0.2	0.2	0.2	4.9
2023-24	0.6	0.6	0.6	0.5	0.4	0.2	0.2	0.2	3.3
2024-25	0.6	0.6	0.6	0.5	0.4	0.2	0.2	0.2	3.3
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	2.5	2.1	2.2	1.9	1.2	0.6	0.5	0.6	11.5

The Australian Government is providing funding to the states to support de-radicalising high risk violent extremists in their custody through a new de-radicalisation program to rehabilitate and reintegrate high risk violent extremists in custodial settings.

Living Safe Together Intervention Program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.5	1.8	2.2	0.7	0.7	0.4	0.6	0.4	8.4
2023-24	1.1	1.1	0.7	0.7	0.7	0.4	0.4	0.4	5.6
2024-25	1.1	1.1	0.7	0.7	0.7	0.4	0.4	0.4	5.6
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	3.8	4.0	3.7	2.2	2.2	1.1	1.4	1.1	19.6

The Australian Government is providing funding to expand the national Living Safe Together Intervention Program to support at-risk individuals radicalising to violent extremism, by increasing the reach of countering violent extremism intervention services to younger Australians, including in regional and rural Australia, and online.

Family law information sharing

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	1.5	1.0	1.4	0.8	0.5	0.5	0.5	0.2	6.4
2023-24	1.5	1.0	1.4	0.8	0.5	0.5	0.5	0.2	6.4
2024-25	1.5	1.0	1.4	0.8	0.5	0.5	0.5	0.2	6.4
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	4.5	3.0	4.3	2.4	1.4	1.5	1.5	0.6	19.2

The Australian Government is supporting the placement of state child protection and policing officials in the family law courts across Australia. These co-located officials are facilitating information sharing between the family law, child protection and family violence systems. They are also fostering a more coordinated response to safety issues, to promote the safety and wellbeing of families and children.

Financial assistance for police officers

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	0.4	-	-	-	-	-	-	-	0.4
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	0.4	-	-	-	-	-	-	-	0.4

The Australian Government is providing transitional funding for the equal sharing of the costs of reimbursing New South Wales police officers who incur an additional tax liability from making voluntary superannuation contributions that exceed the statutory cap on concessional contributions. Funding covers liabilities incurred from 2016–17 to 2019–20 with reimbursements made in arrears over a 5-year period. The funding will also contribute to the cost-sharing of any fringe benefits tax that results from reimbursing police officers in these situations.

Financial assistance to local governments

Financial Assistance Grant program

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022–23									
General purpose assistance	181.4	147.0	118.0	61.9	40.5	12.8	10.2	5.6	577.3
Local road component	74.3	52.8	48.0	39.2	14.1	13.6	8.2	6.0	256.2
Total financial assistance to local governments	255.7	199.8	166.0	101.1	54.6	26.3	18.4	11.6	833.5
2023–24									
General purpose assistance	674.4	549.1	441.3	230.9	150.4	47.1	37.8	20.7	2,151.7
Local road component	277.0	196.8	178.9	146.0	52.5	50.6	30.6	22.4	954.8
Total financial assistance to local governments	951.4	746.0	620.1	376.9	202.9	97.7	68.4	43.1	3,106.4
2024–25									
General purpose assistance	705.3	578.2	462.8	242.2	156.9	49.0	39.7	21.6	2,255.8
Local road component	290.4	206.4	187.5	153.1	55.0	53.0	32.1	23.4	1,001.0
Total financial assistance to local governments	995.7	784.6	650.3	395.3	211.9	102.1	71.8	45.1	3,256.8
2025–26									
General purpose assistance	732.7	604.5	481.8	252.3	162.6	50.9	41.5	22.5	2,348.8
Local road component	302.4	214.9	195.3	159.4	57.3	55.2	33.4	24.4	1,042.2
Total financial assistance to local governments	1,035.1	819.4	677.1	411.6	219.8	106.1	75.0	46.9	3,391.0
2026–27									
General purpose assistance	760.7	631.4	501.6	262.7	168.4	52.8	43.5	23.4	2,444.4
Local road component	314.7	223.6	203.2	165.8	59.6	57.5	34.8	25.4	1,084.6
Total financial assistance to local governments	1,075.3	855.0	704.8	428.5	228.0	110.3	78.2	48.8	3,529.0

The Financial Assistance Grant program consists of 2 components: a general purpose component and a local road component. The general purpose component is the larger component and is distributed between the states on a per capita basis, while the local road component is distributed between the states according to fixed historical shares.

Funding under the Financial Assistance Grant program is paid through state governments to local governments. State grants commissions determine the intrastate distribution of the grants between local governments. Both funding components are untied and can be spent according to each local government's own priorities.

Funding of \$2.1 billion was brought forward from 2022–23 and paid in 2021–22 to give councils immediate access to funds to help manage the cumulative impacts of floods and the COVID-19 pandemic. In recognition of cashflow pressures on some local governments, the Australian Government will continue to work with states in relation to the financial sustainability of the local government sector, including advancing 75 per cent of funding earlier than would usually occur.

Supplementary funding to South Australia for local roads

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	20.0	-	-	-	20.0
2023-24	-	-	-	-	20.0	-	-	-	20.0
2024-25	-	-	-	-	20.0	-	-	-	20.0
2025-26	-	-	-	-	20.0	-	-	-	20.0
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	80.0	-	-	-	80.0

The Australian Government is providing supplementary funding to South Australia for local roads.

A new measure associated with this item is listed in Table 1.4 and described in more detail in Budget Paper No. 2, *Budget Measures 2023–24*.

Indigenous Tourism Fund^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	~	~	~	~	~	~	~	~	8.5
2023-24	~	~	~	~	~	~	~	~	4.3
2024-25	~	~	~	~	~	~	~	~	4.3
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	17.0

a) State allocations have not yet been determined.

The Australian Government is providing funding to co-invest with states on strategic projects that increase the supply of First Nations tourism experiences and/or create supply chain opportunities for First Nations tourism businesses. This program uses the Indigenous Tourism Fund to leverage and co-invest in significant First Nations tourism projects that align with strategic priorities of states, and deliver long-term benefits for the First Nations tourism sector in each state.

Legal assistance for floods in QLD and NSW

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	4.2	-	2.9	-	-	-	-	-	7.1
2023-24	1.8	-	1.3	-	-	-	-	-	3.0
2024-25	1.8	-	1.3	-	-	-	-	-	3.0
2025-26	1.8	-	1.3	-	-	-	-	-	3.0
2026-27	-	-	-	-	-	-	-	-	-
Total	9.5	-	6.6	-	-	-	-	-	16.1

The Australian Government is providing funding over 4 years to community legal centres in New South Wales and Queensland, in areas that were affected by the 2019–20 bushfires and the 2022 floods. This funding will help meet the increase in demand for legal assistance services to individuals, small businesses, and primary producers following these unprecedented natural disasters.

National Tourism Icons Package

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	0.6	3.1	-	0.1	-	-	3.8
2023-24	-	-	0.7	-	-	0.7	-	-	1.3
2024-25	-	-	-	-	-	5.2	-	-	5.2
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	1.2	3.1	-	6.0	-	-	10.3

The National Tourism Icons Package provides a catalyst for developing tourism within each region, creating jobs, and helping to diversify local economies. Projects are the construction of the Wangetti Trail in Queensland, the upgrade of tourist facilities on Rottnest Island in Western Australia and upgrading tourist facilities at Freycinet in Tasmania.

North Bowen pipeline feasibility study

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	-	-	2.5	-	-	-	-	-	2.5
2024-25	-	-	2.5	-	-	-	-	-	2.5
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	5.0	-	-	-	-	-	5.0

The Australian Government will provide a \$5 million co-contribution to collaborate with the Queensland Government on a series of pipeline feasibility studies. The studies will explore the feasibility of a new pipeline to link the north Bowen Basin to the east coast gas market and other centres of gas demand.

North Queensland strata title inspection scheme

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	2.9	-	-	-	-	-	2.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	2.9	-	-	-	-	-	2.9

This scheme provides bodies corporate in North Queensland with information about the existing resilience of their properties and strategies to improve that resilience if needed.

Preventing harm in Australian prisons and other places of detention (OPCAT)^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	0.1	-	0.1
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	-	-	0.1	-	0.1

a) Totals reflect bilateral schedules and not the total available funding for the states.

The Australian Government is providing funding to support implementation of the Optional Protocol to the Convention against Torture and other Cruel, Inhuman or Degrading Treatment or Punishment (OPCAT) in each jurisdiction. OPCAT establishes mechanisms to prevent mistreatment of people deprived of their liberty and creates a framework for continuously improving oversight of places of detention. The Australian Capital Territory is the only jurisdiction whose government has entered into a funding agreement with the Australian Government.

Provision of fire services

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	6.3	3.5	4.4	2.3	1.5	0.2	5.5	2.6	26.3
2023-24	6.6	3.7	4.7	2.4	1.6	0.2	5.8	2.8	27.9
2024-25	7.0	3.9	4.9	2.5	1.7	0.2	6.1	2.9	29.3
2025-26	7.3	4.1	5.1	2.7	1.7	0.2	6.3	3.1	30.5
2026-27	7.5	4.2	5.3	2.7	1.8	0.3	6.5	3.2	31.5
Total	34.6	19.5	24.6	12.7	8.2	1.2	30.2	14.6	145.5

The Australian Government is contributing to the provision of standard fire services to Australian Government-owned property in the states and territories.

Scotdesco water security project

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	0.3	-	-	-	0.3
2023-24	-	-	-	-	0.3	-	-	-	0.3
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	-	-	-	0.5	-	-	-	0.5

The Australian Government is providing funding to contribute towards the investigation and delivery of a permanent solution to drinking water for the remote community of Scotdesco in South Australia.

Sinking fund on state debt

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	..
2023-24	-	-	-	-	-	-	..
2024-25	-	-	-	-	-	-	..
2025-26	-	-	-	-	-	-	..
2026-27	-	-	-	-	-	-	..
Total	-	-	-	-	-	-	..

The Australian Government is contributing to the Debt Retirement Reserve Trust Account on behalf of New South Wales and Victoria in accordance with the *Financial Agreement Act 1994*. Monies standing to the credit of the account are applied to repurchase state debt that is governed by this legislation.

Specialised and trauma-informed legal services for victim-survivors of sexual assault^(a)

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	-	-	-	-	-	-	-	-
2023-24	~	~	~	~	~	~	~	~	2.6
2024-25	~	~	~	~	~	~	~	~	2.6
2025-26	~	~	~	~	~	~	~	~	2.6
2026-27	-	-	-	-	-	-	-	-	-
Total	~	~	~	~	~	~	~	~	7.7

a) State allocations have not yet been determined.

The Australian Government is providing funding over 3 years from 2023–24 to pilot a new service model in 3 locations across Australia to provide victim-survivors of sexual assault with greater access to specialised and trauma-informed legal support and guidance in navigating the criminal justice system.

Support for businesses impacted by COVID-19

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	113.0	50.0	66.5	73.5	-	36.5	-	-	339.5
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	113.0	50.0	66.5	73.5	-	36.5	-	-	339.5

The Australian Government is providing funding for the remainder of COVID-19 Business Support Payments made by the states to assist businesses that were impacted by extended lockdowns and border closures due to COVID-19. State and territory governments administered the Business Support Payments with the Australian Government generally contributing 50 per cent of the costs.

Victorian energy compare IT infrastructure build for Consumer Data Right

\$million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total
2022-23	-	0.9	-	-	-	-	-	-	0.9
2023-24	-	-	-	-	-	-	-	-	-
2024-25	-	-	-	-	-	-	-	-	-
2025-26	-	-	-	-	-	-	-	-	-
2026-27	-	-	-	-	-	-	-	-	-
Total	-	0.9	-	-	-	-	-	-	0.9

The Australian Government is providing funding to make Victorian energy product reference data available through the Consumer Data Right.

Part 3: General revenue assistance

Overview

General revenue assistance is provided to state and territory governments (states), without conditions, to spend according to their own budget priorities. In 2023–24, the states are expected to receive \$92.5 billion from the Australian Government in total general revenue assistance, which is estimated to represent 13.5 per cent of total Australian Government expenditure in that year. The main form of general revenue assistance is the GST entitlement, which in 2023–24 is estimated to be \$86.6 billion.

Total GST-related payments to the states (GST entitlements plus horizontal fiscal equalisation (HFE) transition payments) are estimated to increase from \$91.5 billion in 2023–24 and reach \$104.8 billion by 2026–27.

2023–24 is the third year in the 6-year transition to the updated GST distribution system, which will ensure that no state will have a per capita GST share lower than the fiscally stronger of New South Wales or Victoria. It is also the second year that the GST relativity floor of 0.7 is in effect. During this transition, the Australian Government has guaranteed, through legislation, that each state will not receive less than they would have under the previous GST distribution system using, if necessary, HFE transition payments.

Estimated general revenue assistance provided to the states by the Australian Government is shown in Table 3.1. Table 1.1 in Part 1 shows a breakdown by state.

Table 3.1: General revenue assistance

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
GST entitlement	82,346.0	86,620.6	90,207.6	95,494.9	101,287.7
HFE transition payments(a)	4,112.4	4,915.5	5,349.6	5,666.8	3,481.1
Other general revenue assistance(b)	1,562.5	934.3	788.2	620.6	492.7
Total	88,020.9	92,470.4	96,345.3	101,782.3	105,261.5

- a) Estimates of the HFE transition payments for 2024–25 and later years are based upon the 2023–24 GST relativities and adjusted to take into account the transition to the new HFE system. The 2026–27 HFE transition payment is assumed to be half of that implied using the 2023–24 relativities.
b) More detail about other general revenue assistance payments is provided in Table 3.7.

GST payments

Under the *Federal Financial Relations Act 2009*, the states are entitled to receive payments from the Australian Government equivalent to the revenue raised from the GST in any given financial year, subject to some minor adjustments. From 2021–22, the states' GST entitlements are boosted each year by additional Australian Government funding as discussed below.

The Australian Government makes monthly payments (advances) to the states throughout the year based on GST estimates for that year. Estimates of the GST are used as the actual amount of GST revenue for the financial year is unknown until after the end of the financial

year. Once the amount of GST revenue is known, the Treasurer makes a determination of the GST entitlement for that year. A balancing adjustment is made to each state's payments to ensure they receive the GST to which they are entitled. These balancing adjustments (referred to as the 'prior year balancing adjustment') are made in the following financial year.

Calculating the GST payments

Adjustments and additions are made to GST revenue to calculate the amount of GST paid to the states in any given year. In particular, adjustments are made to move from GST revenue (an accrual concept) to GST (cash) receipts as GST receipts are the basis for the GST paid to the states.

- Some GST revenue accrued during a financial year is not remitted to the Australian Taxation Office (ATO) by 30 June of that year because it is not due to be paid until Business Activity Statements (BAS) are lodged in the following financial year. For taxpayers other than Australian Government agencies, this accrued amount is included in GST revenue but not in GST receipts.
- Penalties owed to the ATO, other than general interest charge (GIC) penalties, are not included in the GST to be paid to the states as defined in the *Federal Financial Relations Act 2009*.
- Some GST collected by Australian Government agencies is not remitted to the ATO by 30 June in each financial year because it is not due to be paid until the next BAS is lodged. This amount is included in Australian Government receipts but is not included in GST payments to the states until it is remitted to the ATO.
- From 2021–22, the Australian Government is boosting the states' GST entitlement each year with additional funding. From 2021–22, the Australian Government is injecting \$600.0 million annually into the GST pool, which will be followed by a further \$250.0 million annually from 2024–25. Each year, these amounts will grow in line with the underlying growth of the GST pool and will be distributed to the states in the same way as GST revenue.

In 2021–22, the states' GST entitlement was \$870.7 million higher than the advances paid during that year. A prior year balancing adjustment has been made to states' GST payments in 2022–23 to reflect this.

Table 3.2 reconciles GST revenue, GST entitlement and GST payments to the states.

Table 3.2: Reconciling GST revenue, GST entitlement and GST payments to the states

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
GST revenue	88,040	89,080	91,910	97,750	103,690
/less Change in GST receivables	6,279	3,071	2,580	3,191	3,385
GST receipts	81,761	86,009	89,330	94,559	100,305
/less Non-GIC penalties collected	80	90	100	100	120
/less GST collected by Commonwealth agencies but not yet remitted to the ATO	1	-1	0	-1	-5
plus GST pool boost	666	701	978	1,035	1,098
GST entitlement	82,346	86,621	90,208	95,495	101,288
plus Prior year balancing adjustment	871				
GST payments to the States(a)	83,217	86,621	90,208	95,495	101,288

a) These GST payment estimates do not take into account the ATO's GST administration costs, which will be deducted from GST payments to the states throughout the year on a monthly basis. They also do not take into account the HFE transition payments.

Table 3.3 reconciles the GST entitlement estimates since the October Budget. The reconciliation accounts for policy decisions and parameter and other variations. The GST entitlement in 2023–24 has been revised up by \$373 million since the October Budget.

Table 3.3: Reconciliation of the GST entitlement estimates since the October Budget

\$million	2022-23	2023-24	2024-25	2025-26
GST entitlement at October Budget	83,122	86,248	89,048	93,305
Changes between October Budget and 2023-24 Budget				
Effect of policy decisions	..	843	1,130	1,245
Effect of parameter and other variations	-776	-469	29	946
Total variations	-776	373	1,159	2,190
GST entitlement at 2023-24 Budget	82,346	86,621	90,208	95,495

The states' GST entitlement is expected to reach \$101.3 billion by 2026–27. Since the October Budget, GST receipts have been revised up by \$368.0 million in 2023–24 and \$6.1 billion over the 5 years from 2022–23 to 2026–27. Year on year, GST receipts are expected to increase by 5.2 per cent in 2023–24 and 3.9 per cent in 2024–25 in line with nominal household consumption.

Excluding new policy decisions, GST has been revised down by \$481.0 million in 2023–24 but up \$1.5 billion over the 5 years from 2022–23 to 2026–27. GST receipts have been downgraded in the near term due to weaker than expected collections for 2022–23, offset by upgrades to consumption subject to GST and higher population growth.

Policy decisions taken since the October Budget that affect the GST entitlement are shown in Table 3.4. These decisions are estimated to increase the amount of the GST entitlement by \$4.5 billion over the 4 years to 2026–27.

Table 3.4: Policy decisions since the October Budget that affect the GST entitlement

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
Reform of the Product Stewardship for Oil Scheme	-	2	2	3	3
Powering Australia – amendment to the Electric Car Discount	-	-	5
Extending and merging the Serious Financial Crime Taskforce and Serious Organised Crime program	-	3	8	10	12
GST compliance program — four-year extension	-	796	922	996	1047
Migration – raising the Temporary Skilled Migration Income Threshold (TSMIT)	-
Tax Integrity – improving engagement with taxpayers to ensure timely payment of tax and superannuation liabilities	-	41	59	56	26
Small Business Support - helping small business manage their tax instalments and improving cashflow	-	-40	40	-	-
Indirect Tax Concession Scheme – diplomatic and consular concessions	..	-	-	-	-
Tobacco Excise – measures to improve health outcomes and aligning the treatment of stick and non-stick tobacco tax	-	30	60	100	100
Migration Program - 2023-24 planning levels	-	-5	-10	-10	-10
Visa changes for Graduates and Students – increasing visa duration and work hours	..	10	35	60	80
Enhancing Pacific Engagement	-	5	15	25	35
Visa and Migration System
<i>Decisions taken but not yet announced</i>	-	-	-	5	5
Total	..	843	1130	1245	1302

Detailed information on policy decisions taken since the October Budget is included in Budget Paper No. 2.

Distribution of the GST among the states

The Australian Government distributes the GST among the states based on the GST revenue sharing relativities recommended by the Commonwealth Grants Commission (the CGC).

The detailed calculation for the distribution of the GST entitlement in 2023–24 is shown in Table 3.5. This method of calculation is prescribed in the *Federal Financial Relations Act 2009*. At the time of the 2023–24 Budget, the Treasurer had not yet made a determination of the 2023–24 GST revenue sharing relativities. The GST relativities in Table 3.5 use those contained in the CGC's report – *GST Revenue Sharing Relativities – 2023 Update*.

Table 3.5: Calculation of GST entitlements

2023-24	Estimated 31 December population (1)	GST relativities (2)	Adjusted population (1) x (2) (3)	Share of adjusted population (4)	Share of GST pool \$million (5)
NSW	8,361,535	0.92350	7,721,878	28.9%	25,048
VIC	6,854,422	0.85169	5,837,843	21.9%	18,937
QLD	5,486,429	1.03118	5,657,496	21.2%	18,352
WA	2,871,573	0.70000	2,010,101	7.5%	6,520
SA	1,860,141	1.39463	2,594,208	9.7%	8,415
TAS	581,386	1.79080	1,041,146	3.9%	3,377
ACT	471,032	1.19540	563,072	2.1%	1,826
NT	256,207	4.98725	1,277,768	4.8%	4,145
Total	26,742,725	na	26,703,512	100%	86,621

In 2018, the Australian Government reformed the system of HFE to provide a fairer way to distribute the GST among the states. From 2021–22, the system began its transition to a more stable and predictable equalisation standard that will reduce volatility in states' GST payments.

To support the states' transition to the new system, the Australian Government has provided an additional \$5.2 billion in transitional GST top-up payments over the 3 years to 2021–22 to ensure that no state has an effective GST relativity below 0.7, or 4.66024 for the Northern Territory. At the time of the 2018 reforms, it was estimated that \$1.8 billion in top-up payments would be required over those 3 years.

From 2022–23, the new HFE system includes a relativity floor of 0.7, permanently increasing to 0.75 in 2024–25. Further, the Australian Government has guaranteed, through legislation, that each state will receive at least the cumulative better of the old or the new HFE system for the 6 years from 2021–22 to 2026–27. The HFE transition payments associated with this guarantee are outlined in Table 3.1.

The CGC does not forecast GST sharing relativities beyond the budget year. The distribution of GST among the states and any resulting transitional payments for 2024–25 and 2025–26 are calculated based on a technical assumption that uses the 2023–24 relativities as the starting point, which are then adjusted to reflect the transition to the updated distribution system.

In 2026–27, this assumption is changed on the basis that relativities will begin to revert toward historical averages by that year (including because financial years with lower commodity prices, which are assumed to fall from their current elevated levels, will be incorporated in the CGC's relativity calculations). The resulting transitional payment for 2026–27 is assumed to be half that of what would be expected from using the 2023–24 relativities. The estimates (shown in Table 3.1) do not reflect any attempt to project future GST relativities or GST entitlements.

The Government is expected to provide an estimated \$19.4 billion in HFE transition payments from 2023–24 to 2026–27 to support the transition to the new HFE system.

GST administration

States compensate the Australian Government for the costs incurred by the ATO for administering the GST, including costs incurred by the Department of Home Affairs. In practice, this is achieved by the Australian Government reducing the monthly GST payments to the states by the GST administration costs.

The GST administration budget for the ATO is estimated to be \$719.4 million for 2023–24, as shown in Table 3.6.

Table 3.6: Reconciliation of the GST administration budget

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
Administration budget at 2022-23 March Budget (a)	679.1	483.7	484.0	487.0	na
Total variations from 2022-23 March Budget to October Budget	-1.9	-7.7	-7.7	-7.8	na
Administration budget at October Budget	677.2	476.0	476.3	479.2	na
Changes from October Budget to 2023-24 Budget					
Parameter variations	-	0.8	2.7	3.4	16.2
Other variations	-	242.6	245.1	253.0	238.7
Total variations	-	243.4	247.8	256.4	254.9
Administration budget at 2023-24 Budget	677.2	719.4	724.1	735.6	734.1
less Prior year adjustment	-22.7	-	-	-	-
equals State government payments	654.5	719.4	724.1	735.6	734.1

a) Other variations from 2023–24 include the renewed GST Compliance Program. A measure description related to this item can be found in Budget Paper No. 2.

Other general revenue assistance

Like GST, other general revenue assistance is provided to the states, without conditions, to spend according to their own budget priorities.

Table 3.7: Other general revenue assistance

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
ACT municipal services	42.5	44.0	45.4	46.4	47.3
Royalty payments	1,520.0	890.3	742.8	574.2	445.4
Total other general revenue assistance	1,562.5	934.3	788.2	620.6	492.7

Australian Capital Territory municipal services

The Australian Government provides general revenue assistance to the Australian Capital Territory to assist in meeting the additional municipal costs that arise from Canberra's role as the national capital. The payments also compensate the Australian Capital Territory for additional costs resulting from the national capital planning influences on the provision of water and sewerage services.

Royalty payments

Western Australia

The Australian Government provides general revenue assistance to Western Australia from royalties collected under the *Offshore Petroleum (Royalty) Act 2006* in respect of the North West Shelf oil and gas project off the coast of Western Australia. The Australian Government collects these royalties because it has jurisdiction over offshore areas.

Royalties are shared between the Australian Government (approximately one third) and Western Australia (approximately two thirds). These revenue sharing arrangements are set out in the *Offshore Petroleum and Greenhouse Gas Storage Act 2006*.

Compensation for reduced royalties

The Australian Government provides general revenue assistance to compensate Western Australia for the loss of royalty revenue resulting from the removal of the exemption of condensate from crude oil excise in the 2009–10 *Budget*.

Mirror tax arrangements

The Australian Government introduced mirror tax arrangements in 1998 to ensure that the states were not financially disadvantaged by the High Court decision in *Allders International Pty Ltd v Commissioner of State Revenue (Victoria)*, which invalidated state taxes on Commonwealth places. These arrangements mirror certain state taxes, including payroll taxes, land taxes and stamp duties, with respect to Commonwealth places. The states collect these mirror taxes on behalf of the Australian Government and bear the administrative costs of collection.

All mirror tax revenues are credited to the Australian Government and simultaneously appropriated to the states with no net impact on the Australian Government's budget position as shown in Table 3.8.

Table 3.8: Mirror taxes accrued on behalf of the states

\$million	2022-23	2023-24	2024-25	2025-26	2026-27
Mirror taxes	741.7	786.9	820.0	860.8	903.0
/less Transfers to state governments	741.7	786.9	820.0	860.8	903.0
Australian Government budget impact	-	-	-	-	-

Appendix A: Parameters and further information

This appendix provides information on the parameters used in producing this Budget Paper.

Budget Paper No. 1, *Budget Strategy and Outlook 2023–24, Statement 2: Economic Outlook* provides information on the forecasting approach used in the 2023–24 Budget.

Population

Population data are used to distribute funding between the state and territory governments (states) and in the calculation of annual growth factors. The population projections are produced by the Treasury Centre for Population (the Centre).

Estimates of state populations

State population projections are constructed using the latest demographic data and incorporate assumptions regarding fertility, mortality, net overseas migration and net interstate migration.

The Centre estimates population and components of change on a financial year basis. Projected population for the mid-point of the financial year (31 December, Table A.1) is the simple average of the population at the beginning and end of the financial year (Table A.2).

Table A.1: Population by state, at 31 December

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2022	8.228	6.700	5.384	2.818	1.835	0.575	0.462	0.252	26.253	26.258
2023	8.362	6.854	5.486	2.872	1.860	0.581	0.471	0.256	26.743	26.748
2024	8.476	6.993	5.574	2.918	1.880	0.589	0.480	0.260	27.170	27.175
2025	8.580	7.122	5.657	2.963	1.899	0.596	0.490	0.264	27.571	27.576
2026	8.683	7.250	5.740	3.008	1.917	0.603	0.500	0.268	27.969	27.974

a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Table A.2: Population by state, at 30 June

million	NSW	VIC	QLD	WA	SA	TAS	ACT	NT	Total(a)	Australia
2021-22	8.156	6.620	5.327	2.788	1.822	0.572	0.457	0.251	25.991	25.996
2022-23	8.300	6.780	5.441	2.847	1.849	0.578	0.466	0.254	26.516	26.520
2023-24	8.423	6.929	5.532	2.896	1.871	0.585	0.476	0.258	26.970	26.975
2024-25	8.528	7.057	5.616	2.941	1.890	0.592	0.485	0.262	27.371	27.376
2025-26	8.631	7.186	5.699	2.985	1.908	0.599	0.495	0.266	27.770	27.775
2026-27	8.734	7.314	5.782	3.030	1.927	0.607	0.505	0.270	28.168	28.172

a) 'Total' is the sum of the states and territories shown, and excludes Jervis Bay Territory, Christmas Island, the Cocos (Keeling) Islands and Norfolk Island.

Fertility

Assumptions about the fertility rate are based on analysis undertaken and commissioned by the Centre (Table A.3). The total fertility rate is assumed to be 1.66 babies per woman in 2022–23 before falling to 1.64 by 2026–27. Projected state fertility rates are assumed to move in line with the national fertility rate.

Table A.3: Total fertility rate, for years ending 30 June

	2021-22(a)	2022-23	2023-24	2024-25	2025-26	2026-27
Total fertility rate, Australia	1.69	1.66	1.66	1.65	1.65	1.64

a) Outcome for 2021–22, from ABS National, state and territory population, September 2022.

Mortality

Assumptions about life expectancy at birth are based on the Australian Government Actuary mortality improvement factors and the 2019–2021 Australian Bureau of Statistics life tables (Table A.4). Life expectancies are informed by future mortality rates, which have been adjusted in 2021–22 and 2022–23 to account for the impact of COVID-19. Life expectancies are then assumed to improve at the same average annual rate that has been observed over the past 3 decades. Projected state mortality rates are assumed to move in line with the national mortality rates.

Table A.4: Projected life expectancy at birth, for years ending 30 June

	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Male life expectancy at birth, Australia	81.1	81.3	82.0	82.2	82.4	82.5
Female life expectancy at birth, Australia	85.1	85.2	85.9	86.0	86.1	86.3

Net overseas migration

Forecasts for net overseas migration are produced by the Centre (Table A.5). The forecasts incorporate information provided by the Department of Home Affairs, including data on international arrivals and departures, offshore visa grants, and the number of temporary visa holders present in Australia. Box 2.2 in Budget Paper No. 1, *Budget Strategy and Outlook 2023–24, Statement 2: Economic Outlook* provides further detail on the net overseas migration forecasts.

Table A.5: Net overseas migration, for years ending 30 June

	2021-22(a)	2022-23	2023-24	2024-25	2025-26	2026-27
Net overseas migration, Australia	184,000	400,000	315,000	260,000	260,000	260,000

a) Outcome for 2021–22, from ABS National, state and territory population, September 2022.

Interstate migration

Assumptions about future net interstate migration are produced by the Centre (Table A.6). Assumptions are modelled using historical interstate movements data supplied by the Australian Bureau of Statistics. They are also informed by recent population revisions to account for data from the 2021 Census and analysis of economic factors associated with interstate migration.

Table A.6: Net interstate migration by state, for years ending 30 June

	NSW	VIC	QLD	WA	SA	TAS	ACT	NT
2021-22(a)	-43,500	-17,200	55,400	10,800	1,000	-200	-3,300	-3,000
2022-23	-30,100	-2,000	28,900	4,100	-800	900	0	-1,200
2023-24	-23,300	3,200	21,000	1,000	-3,200	1,200	900	-800
2024-25	-23,500	2,800	21,400	1,000	-3,100	1,300	900	-800
2025-26	-23,600	2,400	21,700	1,000	-3,000	1,400	900	-800
2026-27	-23,600	2,000	21,900	900	-2,900	1,500	800	-800

a) Outcome for 2021–22, from ABS National, state and territory population, September 2022. There was an increase in recorded interstate moves in 2021, with the COVID-19 vaccination program affecting Medicare address data used to calculate interstate moves.

Wage cost indices

Table A.7 shows estimated growth in the wage cost indices used in this Budget Paper, rounded to the nearest quarter of a per cent.

Table A.7: Wage cost indices

Per cent	2022–23	2023–24	2024–25	2025–26	2026–27
Wage cost index – 1	1 3/4	3 1/2	3 1/4	2 1/2	2
Wage cost index – 3	2	4 1/2	3 1/2	2 1/2	2
Wage cost index – 6	2 1/2	5 1/2	3 1/2	2 3/4	2 1/4

Data sources

The information in Appendix B and Appendix C of this Budget Paper is consistent with the ABS Government Finance Statistics reporting framework for the public sector.

Australian Government data are sourced from the Australian Government Consolidated Financial Statements, Australian Government Final Budget Outcomes, and ABS Government Finance Statistics. See Budget Paper No. 1, *Budget Strategy and Outlook 2023–24 Statement 10: Australian Government Budget Financial Statements*, and *Statement 11: Historical Australian Government Data*, for more information.

Further information

Several publications of the ABS and academics also provide information that is relevant to analysing federal financial relations data, including:

- *National, state and territory population*
- *Overseas Arrivals and Departures, Australia*
- *Migration, Australia*
- *Births, Australia*
- *Life tables*
- *Deaths, Australia*
- *Taxation Revenue, Australia*
- *Government Finance Statistics, Australia*
- *Australian System of Government Finance Statistics – Concepts, Sources and Methods*
- Information Paper: *Developments in Government Finance Statistics*
- Information Paper: *Accruals Based Government Finance Statistics*
- McDonald, P (2020), *A Projection of Australia's Future Fertility Rates*, Centre for Population Research Paper, Australian Government, Canberra.

Commonwealth Grants Commission publications provide information about the distribution of GST revenue. In relation to the 2023–24 financial year, the most relevant publication is the report *GST Revenue Sharing Relativities – 2023 Update*.

Notes

(a) The following definitions are used in this Budget Paper:

- Budget year refers to 2023–24, while the forward years refer to 2024–25, 2025–26 and 2026–27.
- one billion is equal to one thousand million.

(b) Except where otherwise indicated, payments to the states in this Budget Paper are reported in expense terms, not cash terms.

(c) Figures in tables and the text have generally been rounded. Discrepancies in tables between totals and sums of components reflect rounding unless otherwise noted.

- Estimates of \$100,000 and over are generally rounded to the nearest tenth of a million.
- Estimates midway between rounding points are rounded up.
- Percentage changes in tables are based on the underlying unrounded amounts.

(d) Tables use the following notations:

-	nil
na	not applicable
\$m	millions of dollars
\$b	billions of dollars
nfp	not for publication
*	unquantifiable
..	not zero, but rounded to zero
~	allocation not yet determined

(e) This Budget Paper uses the following conventions.

- The Australian Capital Territory and the Northern Territory of Australia are referred to as ‘the territories’.
- References to the ‘states’ or ‘each state’ include state governments and territory governments.

- Local governments are instrumentalities of state governments. Consequently, payments made to the state government sector include payments made to the local government sector unless otherwise specified.
- The following abbreviations are used, where appropriate:

NSW	New South Wales
VIC	Victoria
QLD	Queensland
WA	Western Australia
SA	South Australia
TAS	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory
GST	Goods and Services Tax

- (f) The term ‘Commonwealth’ refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term ‘Australian Government’ is used when referring to the Government of, and the decisions and activities made by the Government on behalf of, the Commonwealth of Australia.

Appendix B, *Total Payments to the States by Function*; Appendix C, *Supplementary Tables*; Appendix D, *Debt Transactions*; and Appendix E, *Appropriations and Conditions* are available online at: www.budget.gov.au.

Budget Paper No. 3, *Federal Financial Relations 2023–24*, is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper.



Budget

2023–24

AGENCY RESOURCING

BUDGET PAPER NO. 4

Circulated by

Senator the Honourable Katy Gallagher

Minister for Finance, Minister for Women, Minister for the Public Service
of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2023–24

9 May 2023

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Acronyms and notes

AAO	Administrative Arrangements Order
AAS	Australian Accounting Standards
AASB	Australian Accounting Standards Board
Agency/entity	Has the same meaning as <i>Commonwealth entity within the Public Governance, Performance and Accountability Act 2013</i>
APS	Australian Public Service
ASL	Average Staffing Level
CRF	Consolidated Revenue Fund
FBO	Final Budget Outcome
Finance Minister	Minister for Finance
GFS	Government Finance Statistics
GGS	General Government Sector
IMF	International Monetary Fund
MoG	machinery of government
PGPA Act	<i>Public Governance, Performance and Accountability Act 2013</i>
SPPs	Specific Purpose Payments

The following notations are used in this Budget Paper:

-	nil estimates of expenditure
na	not applicable (unless otherwise specified)
\$m	millions of dollars
\$b	billions of dollars

Purpose of Budget Paper No. 4

Budget Paper No. 4 presents information on the full allocation of resources across the General Government Sector.¹ In 2023–24, agencies will be responsible for administering approximately \$684.1 billion to deliver services for individuals, families and businesses.

Budget Paper No. 4 sets out the departmental funding for agencies, administered funding managed by agencies, the nature of funding sources and the purposes of funding as defined by Outcome Statements for each agency.

Additionally, information is provided on the staffing resources allocated to agencies delivering services to the Australian community.

1 The General Government Sector provides public services that are mainly non-market in nature and for the collective consumption of the community or involve the transfer or distribution of income. These services are largely financed through taxes and other compulsory levies, user charging and external funding (Budget 2023–24, Budget Paper No. 1, Statement 10, Appendix A).

Preface

The Australian Government is committed to building a stronger and more diverse Australian Public Service (APS) to better serve communities across Australia. The Government is progressing an ambitious program of APS reform, with a vision for partnership between the public service and people, communities, states and territories, business, unions, non-government organisations and the tertiary sector. This will help the APS build on its commitment to be a trusted and transparent partner that embodies integrity and puts people and business at the centre of policy, implementation and delivery.

The Government is also making significant and targeted investment in data and digital capability as a foundational building block to enable the APS to provide better outcomes and services for the Australian people.

Data and digital capability

Technology is central to everything that people, business and government do in today's world. The Government recognises the importance of data and digital capabilities to create more insightful and effective data-driven policies and to deliver easy, accessible and secure services for people and business. The Government also acknowledges that data and digital activities are a key contributor to the economy.

The Government continues to spend responsibly, investing more than \$2 billion in digital and ICT in the 2023–24 Budget and is undertaking foundational work to support future investment decisions. This includes new digital solutions to improve service delivery, actions to modernise outdated legacy platforms and IT systems, as well as vital work to ensure critical data and digital investment is properly scoped and provides maximum value for the taxpayer.

An initial Data and Digital Government Strategy has been released, with the final strategy and accompanying implementation plan to be informed by public consultation and delivered by the end of 2023. By aligning the APS' data and digital agenda with a clear vision, the Strategy will enable joined-up delivery across Government. The Strategy will also support stronger long-term policy and service delivery through commitments to better manage, share, integrate and analyse data; leverage digital technologies; and create seamless digital information and services. The Strategy will accelerate the Government's uptake of data and digital capabilities and drive more cost-effective data and digital investment. The Strategy will also enable the APS reform agenda and deliver the data and digital vision of simple, secure and connected public services underpinned by world class data and digital capabilities by 2030.

The Government recognises the critical importance of cyber security to maintain public trust in government institutions, businesses and individuals. The National Cyber Security Coordinator has been established to strengthen Australia's cyber resilience and strategically manage cyber security activity across government, the private sector and the community. Greater coordination will ensure government is better placed to protect Australians from cyber attacks by helping affected individuals and businesses recover if major incidents occur.

Work is ongoing to combat scams and online fraud to protect Australians from financial harm. A National Anti-Scams Centre will be established to better protect Australian consumers and business by improving cooperation between government and industry to respond to increasingly sophisticated scam activity and provide consistent communication and messaging on scam protection and prevention. The Centre is a critical component of the Government's plan to fight back against scammers on behalf of Australians.

The Government is making it safer and easier for people to verify their identity digitally, while minimising the collection of personal information. Digital ID will be a voluntary, secure and trusted way for Australians to use the government services they rely on. The Government is investing in the future of the Digital ID program to expand the services that can be accessed using a digital ID. This investment includes the development of legislation, appointing a regulator, continuing the accreditation of private sector digital ID providers, as well as the ongoing operation and development of myGov ID. It also includes working with the states and territories, through Data and Digital Ministers, to ensure interoperability within the Digital ID program. The expanded use of digital IDs means that in the future businesses will store less personal information, minimising the impact of any potential data breaches.

APS reform

This Budget continues the work of reforming the APS, based on 4 key areas of focus:

- An APS that embodies integrity in everything it does
- An APS that puts people and business at the centre of policy and services
- An APS that is a model employer
- An APS that has the capability to do its job well

An APS that embodies integrity in everything it does

The Government is prioritising a culture of integrity and work is underway across the APS to ensure the public service continues to be an honest, impartial and trusted adviser to government.

The National Anti-Corruption Commission (NACC) will commence on 1 July 2023. It will strengthen Australia's existing integrity framework by ensuring there is an agency with a dedicated focus on preventing, detecting and investigating allegations of serious or systemic corruption involving Commonwealth public officials.

The establishment of the NACC will support work that is already underway across the APS to strengthen public sector integrity, including supporting new corruption prevention measures, improving protections for whistleblowers and an updated and robust Code of Conduct for ministers and for ministerial staff.

An APS Integrity Taskforce has been established to support the APS to deliver the Government's integrity agenda and to work with agencies to deliver system-wide integrity improvements. The Taskforce will work in partnership with agencies to develop a comprehensive action plan that outlines current work, identifies gaps and opportunities, and develops options for further reform.

The Government is progressing comprehensive reform of the *Public Interest Disclosure Act 2013 (PID Act)* to ensure it effectively protects whistleblowers who report wrongdoing and corruption. Following passage of priority amendments to the *PID Act* to make immediate improvements to the public sector whistleblowing scheme, the Government will commence a second stage of reforms in 2023. This will include consultation on redrafting the *PID Act* and a discussion paper on the merits of establishing a Whistleblower Protection Authority or Commissioner.

Significant changes to the *Public Service Act 1999* are being developed to help the APS better serve the Government, the Parliament and the Australian community into the future. These changes will embed the integrity components of the APS reform agenda and the APS Values will be expanded to include stewardship as a new value. The integrity of advice and the ability of the APS to deliver policies and programs that respond to community needs not only builds government trust in the APS, most importantly it builds the Australian community's trust in government. To be effective stewards, public servants must work collectively to harness experience, diversity and resources to deliver common objectives.

The Government is also considering opportunities to reaffirm and clarify the APS' core values as an impartial and apolitical organisation that upholds the highest standards of integrity. This includes supporting work to be done at the lowest appropriate level through optimal management structures. These initiatives will enhance integrity and public trust in the APS and the broader institutions of government.



The APS Academy

It is critical that APS employees have a strong understanding of their responsibilities as public servants. The APS Academy provides an APS Induction Pathway with specific learning modules as an introduction to working in the APS.

The Induction Pathway provides information on Australia's system of government, legislation and policies and the responsibilities employees have in contributing to an ethical workplace culture. The APS Academy also provides foundational and leadership-oriented integrity courses to support the application of APS values and the APS employment principles, including the requirement to provide workplaces free from discrimination. The Government's investment in these critical initiatives will ensure the Australian public has confidence that the APS embodies integrity in everything that it does.

An APS that puts people and business at the centre of policy and services

The Government is committed to ensuring the APS works in genuine partnership with the community to solve problems and co-design the best solutions to improve the lives of all Australians.

A new Partnership Priorities Sub-Committee of the Secretaries Board has been established to further embed partnership culture and behaviour in the APS, including place-based partnerships. The Sub-Committee is developing a Charter for Partnerships and Engagement to provide a clear statement about how the APS will work in partnership with communities and business to build public trust and drive public service culture and behaviour.

The Charter will be published and be a public commitment to: work openly and respectfully; listen and learn; and inform and be informed. It will mean rethinking who the APS interacts with and what people-centred public administration means. It means consulting beyond traditional participants and locations to provide government with a range of perspectives and on-the-ground experiences of all Australians.



Government engaging with business and the community

Building better partnerships with communities and business will help the APS provide better advice to governments and more effectively deliver government priorities.

The Future Made in Australia Office is actively engaging with industry including peak industry groups, unions and academia, as well as individual small, medium and large businesses, and state and territory governments. This engagement is driving activities that benefit both business and the APS and will enable delivery of the best economic, social and environmental outcomes through procurement.

The Government is working with communities across central Australia to improve educational engagement, attendance and learning outcomes. This will prioritise community engagement and locally driven responses to inform activities, including on-country learning initiatives.

To have greater impact through genuine partnerships, the APS must understand the needs of communities, businesses and the nation, and what is required to implement policies effectively and efficiently. The Government is looking for opportunities to support secondments between government, business, and the community sector to enable this approach.

The Government is expanding the use of the Survey of Trust in Australian Public Services, a regular, national survey measuring public satisfaction, trust and experiences with Australian public services. The survey, now published monthly, offers a whole-of-APS view of service experience, complementing existing work undertaken by APS agencies.

Advancing gender equality is a national priority. The National Strategy to Achieve Gender Equality will provide a roadmap for whole-of-community action and a framework for government effort to advance gender equality. It will be underpinned by the implementation of gender responsive budgeting, which will transform the way the Government develops and delivers policy and services. Gender responsive budgeting is helping ensure government policy and services are inclusive of people from all backgrounds. The Strategy, along with actions the Government already has underway to drive gender equality, will help make Australia a more gender equal and inclusive society.

The Government is committed to reducing the APS' greenhouse gas emissions to net zero by 2030. The APS will achieve net zero by actively reducing emissions from government operations through a range of measures including energy efficiency in government property, renewable energy supply, the Commonwealth vehicle fleet and through the use of offsets. This is in line with Australia's international commitments and highlights the critical leadership role of governments in taking economy-wide climate action.

The Government's APS reforms ensure that people continue to be at the centre of services and the services they rely on are more accessible. The Government is making a significant investment to provide better access and more affordable care for patients. This investment will improve the quality and accessibility of multidisciplinary primary care, modernise Australia's digital health infrastructure, improve the financial sustainability of general practices, grow and upskill Australia's health workforce, and ease the pressure on hospitals.

The Government is also expanding the availability of general practice telehealth consultations to enable patients registered with their general practice through MyMedicare to access Medicare rebates for longer consultations over the telephone. This will support people with chronic illnesses to have easier access to their regular doctor. This is one way that the Government is offering accessible services to support everyone.



Modernising myGov

myGov is Australia's largest government digital platform, with over 25 million active accounts and more than 800,000 sign-ins every day. myGov provides a central place for Australians to access essential digital government services.

The myGov app was launched in December 2022 and provides Australians with easier access to myGov. The myGov app offers new capabilities so that people can securely store and manage government issued credentials, including Medicare and concession cards. By March 2023, over one million Australians were using the myGov app.

The Government is committed to delivering a world-class, people-centric, secure platform to provide Australians with easy access to the government services they need and the confidence their data is safe.

An APS that is a model employer

Diversity and inclusion are powerful enablers of performance. With a diverse workforce supported by inclusive workplaces, the APS will deliver innovative policy and services, maintain public trust in its integrity and drive a people-centric focus to deliver for all Australians.

The Government has set an ambitious but achievable target to increase First Nations employment in the APS to 5 per cent by 2030. The Boosting First Nations Employment package will contribute to achieving that target by initially focusing on: increasing the number of First Nations staff in the senior ranks of the APS to 100 by 2024–25; building a talent pipeline; and strengthening the cultural competence of the APS to work in genuine partnership with First Nations' communities.

The package builds on the Commonwealth Aboriginal and Torres Strait Islander Workforce Strategy 2020–2024 and is an enabler to the Commonwealth’s commitment to Closing the Gap by transforming government institutions and organisations.

There is also a focus on improving employment outcomes for culturally and linguistically diverse Australians in the APS, including to increase representation at senior levels of the APS. The APS Cultural and Linguistic Diversity Employment Strategy will drive APS-wide action to improve multicultural capability, remove bias and racism from APS workplaces and address barriers to staff progression.

As part of this Strategy, an APS-wide learning package is being developed to promote cultural and linguistic diversity and increase cultural awareness across the APS. An APS-wide network to connect culturally and linguistically diverse executives and senior level champions is also being established. Supporting staff to increase cultural and linguistically diverse representation and senior representation will ensure the views of our diverse communities are represented in advice to the Government.

Through the APS Disability Employment Strategy and Australia’s Disability Strategy, the Government is committed to making sure people with disability can obtain employment in the APS and have equal access and inclusion in the workplace. The APS has developed pathways to provide targeted and tailored entry and mobility pathways for people with disability. One of these dedicated disability pathway programs is the 12 month opt-in Ability Apprenticeship Program that provides an entry pathway for people with disability into secure, ongoing employment in the APS. The Ability Apprenticeship Program provides participants with formal and on-the-job training, as well as support from a disability employment provider.

Work is underway to capture the spirit of service in the first APS Purpose Statement and reflect this as part of the APS Employee Value Proposition. The Employee Value Proposition aims to position the APS as a model employer for current and prospective staff. It will send a positive message about working in the APS and help the APS to attract and retain the talent and capabilities the public service needs for the future; building the diversity of the APS workforce to reflect the community it serves.

The APS is committed to embedding flexibility in the way it works, creating flexible workplaces that embrace diversity and meet the expectations of the Australian community and the APS workforce. The APS has adopted a principles-based approach to flexible work that provides a framework for considering flexibility at the individual, team and organisation level. The starting principle is that flexibility applies to all roles, with different types of flexibility suitable for different roles. This flexibility strengthens the APS’ ability to deliver strong outcomes, improves the APS workforce’s resilience, helps employees balance their work and personal priorities and positions the APS as an employer of choice.

Mobility is also improving the capability of employees and organisations, and continues to increase across the APS. Exposure to different roles and workplaces increases employee skills and experience, helping to build networks and understanding of the variety of roles available across the APS. In 2021–22 there was a 5.4 per cent increase in ongoing staff taking up mobility opportunities. This is the highest annual rate in the last 20 years.

The APS Jobs website has new functionality that makes it easier to share and access merit lists prepared by another agency. This functionality increases the opportunities to draw on existing merit pools across agencies, making recruitment a more efficient process for APS agencies.

These initiatives are supported by the Government's commitment to restore the APS' ability to bargain. The Government is committed to fair and equitable conditions of employment and job security for the APS. APS bargaining will support a more inclusive and diverse workplace and help the APS attract and retain the skills it needs. It will reflect best practice, recognising the Government's job to set the standard of employer behaviours it champions, exemplify model behaviour through demonstrated respect for good faith bargaining and reflect the principle of transparency.

An APS that has the capability to do its job well

The Government is looking to re-shape and re-position the APS to respond to the contemporary Australian landscape. The Government is building on efforts to date to realise an APS that is future-fit and able to adapt and evolve to meet changing and rising community expectations.

Capability reviews of the Australian Public Service Commission, the Department of Health and Aged Care and the Department of Infrastructure, Transport, Regional Development, Communications and the Arts are underway. These are the first of a series of reviews across the APS that focus on building the capability of individual agencies, aim to embed a culture of continuous improvement across the APS and ensure that agencies can deliver Government priorities and outcomes for Australians.

The Government is committed to establishing an in-house consulting capability to provide a new source of high quality consulting services for the APS, supporting Government priorities quickly and at a lower cost than external firms. The in-house consulting capability will strengthen internal capabilities and bring critical work back into the APS.



Rebuilding APS capability

The Government is committed to rebuilding the capability of the APS and reducing wasteful spending. As part of the broader APS reform agenda, an Audit of Employment was undertaken to provide an estimate of the use of external labour (contractors, consultants, outsourced service providers and labour hire) across the APS.

The audit brought together information from 112 agencies across the APS and found that in 2021–22, these agencies employed an external labour workforce of 53,900 staff (on a full-time equivalent basis) at a cost of \$20.8 billion. For 2021–22, the combined public servants and external labour workforce was around 37 per cent larger than the workforce measured by public servant numbers alone. This translates to around 1 in every 4 dollars spent by agencies for departmental purposes being directed to external labour services.

The audit found that around 69 per cent of the spending on external labour was on outsourced service providers. Contractors and consultants accounted for close to 27 per cent of expenditure and labour hire accounted for around 4 per cent.

The audit also found that 43 per cent of the total spending on external labour in 2021–22 was in the area of ICT and Digital Solutions, 17 per cent related to Service Delivery and 9 per cent related to Portfolio, Program and Project Management.

The Government is taking action to reduce reliance on external labour and is committed to bringing capability back into the APS. In the October 2022 Budget, the Government removed the Average Staffing Level cap to support agencies to make better employment decisions. There is a continued focus on reducing spending on external labour with 3,314 positions in 2023–24 being converted to APS roles in this Budget. The reduction in expenditure from conversion is \$811 million over the forward estimates.

The audit findings have informed discussions about the use of external labour roles, will assess if initiatives intended to rebalance the APS workforce towards direct APS employment are effective and inform further thinking about how to rebuild APS capability and capacity.

The first round of projects to be funded from the APS Capability Reinvestment Fund have been identified. The Fund will build the capability of the APS and address service-wide challenges, with initial funding to kick-start projects that will deliver long-term, cross-agency capability shifts. Implementing scalable and impactful activities will support all agencies to strengthen the capacity and capability of the APS, ensuring it is fit-for-purpose to deliver the Government’s priorities and able to respond to the emerging challenges Australia is facing.

The Government continues to focus on delivering learning and development excellence for the APS. The APS Academy provides the APS with the necessary foundation of skills needed to deliver high quality, respected and trusted solutions to meet Australia's challenges. The APS Academy addresses the need for skills acquisition and learning experiences across a broad spectrum of professions and fosters an APS-wide culture of learning that builds core public sector capabilities and drives high performance.

The Office for Women secondment program is making knowledge exchange a reality. Since October 2022, staff from 7 agencies across the APS have undertaken a secondment with the Office for Women, gaining deep understanding of gender equality issues and developing gender analysis skills they take back to their home agency. Through this collaboration, a shared understanding of opportunities for advancing gender equality are developed. Other gender analysis capability projects will continue to be rolled out across the APS.



APS Surge Reserve

APS employees have always stepped forward to help in times of need. In 2022, around 2,000 employees made temporary moves to the Surge Reserve to work in priority delivery areas to process pandemic leave claims and deliver flood disaster recovery payments.

The APS provides critical support to millions of Australians impacted by major disasters or emergencies. This successful response relies on 2 main capabilities: innovations that support people to easily apply online for and receive disaster recovery payments; and the deployment of staff from across the APS as part of the Surge Reserve capability.

A strong and enduring APS

The APS is made up of Australians helping other Australians.

The Government's investment in data and digital will enable the APS to accelerate its transformation to be even more data-led and digitally-capable and be fit for the digital age.

Strategic investment will lead to an APS that is stronger, more inclusive and more capable. The Government is committed to an APS that embodies integrity in everything it does, through increasing transparency and engaging with the public on issues of trust.

The Government is also focused on a culture of service delivery and policy development based on genuine partnership and co-design with the Australian public. Through offering staff a quality employee experience in a dynamic workplace, the APS continues to be a great place to work and will set the standard for diversity and inclusion.

The APS will continue to build on the skills and capabilities of its staff to be a robust and trusted institution that delivers modern policy and service solutions for decades to come.

The Government's vision is for an APS that has the capability to deliver 21st century outcomes and continues to evolve and innovate so the APS is positioned to deliver better outcomes for all Australians.



Senator the Hon Katy Gallagher

Minister for Finance

Minister for Women

Minister for the Public Service of the Commonwealth of Australia

Introduction and Guide to Budget Paper No. 4

The purpose of Budget Paper No. 4 is to provide a whole-of-government view of estimated resourcing managed in the Budget year and previous year by agencies (which are non-corporate Commonwealth entities, corporate Commonwealth entities and Commonwealth companies) in the General Government Sector (GGS). The resources include financial resources, staff resources, expenses and net capital investment.

The Budget Papers do not authorise appropriations or impose legal obligations on the Commonwealth.

Budget Paper No. 4 contains three main parts and an appendix with tables of information as follows:

- Part 1 Agency Financial Resourcing
 - 1.1 Agency Resourcing Table
 - 1.2 Special Appropriations Table
 - 1.3 Special Accounts Table
- Part 2 Staffing of Agencies
- Part 3 Expenses and Net Capital Investment
 - 3.1 Departmental Expenses Table
 - 3.2 Net Capital Investment Table

Appendix A: Agency Outcome Statements

The Agency Financial Resourcing tables present appropriation information by portfolio and then by agency. Estimated resourcing is presented on a cash basis for both the Budget year and previous year (which is printed below the Budget year in italics, or to the left of the Budget year in a separate column). The tables include agencies, Outcomes, special appropriations and special accounts, and estimates of annual appropriations and external revenue, as well as staffing for the 2022–23 and 2023–24 years.

Estimates contained in the Budget Papers incorporate assumptions and judgements based on the best information available at the time of publication.

Transfer of resourcing between agencies

Agencies may, over the course of a financial year, transfer amounts of resourcing to other agencies, as a result of restructuring, legislative changes, Executive decisions and machinery of government changes enacted by amendments to the Administrative Arrangements Order (AAO). Resourcing, at the date of change and afterwards, is reflected against the agency that gains the resources. Resourcing prior to the date of change is reflected against the agency that formerly managed the resources.

Supply Bills and annual Appropriation Bills

Throughout Budget Paper No. 4, references to annual appropriations and Appropriation Bills for 2023–24 should be taken to include the relevant Appropriation Bills.²

Annual appropriation amounts appearing for 2022–23 include the relevant Supply Acts³ and Appropriation Acts.⁴ References to annual appropriation amounts for 2022–23 do not include the Appropriation Bills (Nos. 3 and 4) 2022–2023, as they had not been enacted at the time of publication.

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- 2 The Appropriation Bills are: Appropriation Bill (No. 1) 2023–2024, Appropriation Bill (No. 2) 2023–2024 and Appropriation (Parliamentary Departments) Bill (No. 1) 2023–2024.
 - 3 The Supply Acts are: *Supply Act (No. 1) 2022–2023*, *Supply Act (No. 2) 2022–2023*, *Supply Act (No. 3) 2022–2023*, *Supply Act (No. 4) 2022–2023*, *Supply (Parliamentary Departments) Act (No. 1) 2022–2023* and *Supply (Parliamentary Departments) Act (No. 2) 2022–2023*.
 - 4 The Appropriation Acts are: *Appropriation Act (No. 1) 2023–2023*, *Appropriation Act (No. 2) 2022–2023* and *Appropriation (Parliamentary Departments) Act (No. 1) 2022–2023*.

Guide to Resourcing Tables

Linkages between tables and amounts presented in Budget Paper No. 4 are illustrated in Figures 1 to 4. A consolidated view of financial resources to be managed by agencies is presented in the Agency Resourcing Table. Amounts in the Agency Resourcing Table can be matched with information in the:

- annual Appropriation Bills
- Special Appropriations Table
- Special Accounts Table.

Figures 1 and 2 show how amounts in the Agency Resourcing Table can be matched with amounts in the annual Appropriations Bills. The Figures also highlight amounts in these Bills for non-operating expenditure and for payments to the States, Territories and local governments.

Figures 3 and 4 show how amounts in the Agency Resourcing Table can be matched with amounts in the Special Appropriations Table and the Special Accounts Table.

Figure 1: Example of the Agency Resourcing Table and Appropriation Bill (No. 1)

ATTORNEY-GENERAL'S Agency Resourcing—20YY-20ZZ <i>Estimated Actual—20XX-20YY</i>									
Entity/Outcome/ Non-operating	Departmental		Administered						
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Special Accounts (b) \$'000	Appropriation Bill No. 1 \$'000	SPPs \$'000	Other (c) Appropriation \$'000	Special Appropriation \$'000	Total \$'000
Attorney-General's Department									
Outcome 1	222,339 216,362	-	-	421,610 428,608	380,202 609,127	3,214 7,248	-	3,225 94,338	1,073,203 1,399,416
Equity Injections	-	8,383	-	-	-	-	-	-	8,383
Administrated Assets and Liabilities	-	4,731	-	-	-	-	-	-	4,731
Total	222,339 216,362	8,383 4,731	-	-	-	-	1,530 20,712	-	1,530 20,712
PORTFOLIO	2,656,582	83,500	-	618,374	397,162	3,214	1,530	3,225	1,083,116
TOTAL	2,628,962	140,953	-	633,448	622,137	7,248	20,712	94,338	1,424,859
(b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.									
(c) Includes <i>New Administered Outcomes</i> and <i>administered assets and liabilities item</i> , within the meaning of Appropriation Bill No.2.									
ATTORNEY-GENERAL'S PORTFOLIO									
Appropriation (plain figures)—20YY-20ZZ <i>Actual Available Appropriation (italic figures)—20XX-20YY</i>									
ATTORNEY-GENERAL'S DEPARTMENT			Departmental \$'000	Administered \$'000		Total \$'000			
Outcome 1 - A just and secure society through the maintenance and improvement of Australia's law and justice framework and its national security and emergency management system			222,339 216,362	380,202 609,127	602,541 825,489	602,541 825,489			
Total: Attorney-General's Department			222,339 216,362	380,202 609,127	602,541 825,489	602,541 825,489			

Figure 2: Example of the Agency Resourcing Table and Appropriation Bill (No. 2)

ATTORNEY-GENERAL'S Agency Resourcing—20YY-20ZZ <i>Estimated Actual—20XX-20YY</i>								
Entity/Outcome/ Non-operating	Departmental		Administered Appropriation Bill No. 2					
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Special Accounts (b) \$'000	Appropriation Bill No. 1 \$'000	SPPs \$'000	Other (c) Appropriation \$'000	Special Appropriation \$'000
Attorney-General's Department								
Outcome 1	222,339	-	-	421,610	380,202	3,214	-	3,225
	216,362	-	-	428,608	609,127	7,248	-	94,338
Equity Injections	-	8,383	-	-	-	-	-	8,383
	-	4,731	-	-	-	-	-	4,731
Administered Assets and Liabilities	-	-	-	-	-	1,530	-	1,530
	-	-	-	-	-	20,712	-	20,712
Total	222,339	8,383	-	421,610	380,202	3,214	1,530	3,225
	216,362	4,731	-	428,608	609,127	7,248	20,712	94,338
PORTFOLIO	2,656,582	83,500	-	618,374	397,162	3,214	1,530	13,525
TOTAL	2,628,962	140,953	-	633,448	622,137	7,248	20,712	105,288

(b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
(c) Includes *New Administered Outcomes* and *administered assets and liabilities item*, within the meaning of Appropriation Bill No.2.

ATTORNEY-GENERAL'S PORTFOLIO			
Appropriation (plain figures)—20YY-20ZZ <i>Actual Available Appropriation (italic figures)—20XX-20YY</i>			
	Payments to States, ACT, NT and local government \$'000	New Administered Outcomes \$'000	Total \$'000
ATTORNEY-GENERAL'S DEPARTMENT			
Operating			
Outcome 1 - A just and secure society through the maintenance and improvement of Australia's law and justice framework and its national security and emergency management system	3,214 7,248	-	3,214 7,248
Total: Operating	3,214 7,248	-	3,214 7,248
Non-operating			
Equity Injections		8,383 4,731	8,383 4,731
Administered Assets and Liabilities		1,530 20,712	1,530 20,712
Total: Non-operating		9,913 25,443	9,913 25,443
Total: Attorney-General's Department	3,214 7,248	-	13,127 32,691

Figure 3: Example of the Agency Resourcing Table and Special Appropriations Table

ATTORNEY-GENERAL'S Agency Resourcing—20YY-20ZZ <i>Estimated Actual—20XX-20YY</i>									
Entity/Outcome/ Non-operating	Departmental		Administered						
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Special Accounts (b) \$'000	Appropriation Bill No. 1 \$'000	SPPs \$'000	Other (c) \$'000	Special Appropriation \$'000	Total \$'000
Attorney-General's Department									
Outcome 1	222,339	-	-	421,610	380,202	3,214	-	3,225	1,073,203
	216,362	-	-	428,608	609,127	7,248	-	94,338	1,399,416
Equity Injections	-	8,383	-	-	-	-	-	-	8,383
	-	4,731	-	-	-	-	-	-	4,731
Administered Assets and Liabilities	-	-	-	-	-	1,530	-	1,530	-
	-	-	-	-	-	20,712	-	20,712	-
Total	222,339	8,383	-	421,610	380,202	3,214	1,530	3,225	1,083,116
	216,362	4,731	-	428,608	609,127	7,248	20,712	94,338	1,394,859
PORTFOLIO	2,656,582	83,500	-	618,374	397,162	3,214	1,530	13,525	4,186,074
TOTAL	2,628,962	140,953	-	633,448	622,137	7,248	20,712	105,288	4,513,183

(b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
(c) Includes *New Administered Outcomes* and *administered assets and liabilities item*, within the meaning of Appropriation Bill No.2

Special Appropriations Table	Estimated Actual 20XX-20YY (\$'000)	Budget Estimate 20YY-20ZZ (\$'000)
ATTORNEY-GENERAL'S PORTFOLIO		
Attorney-General's Department		
Commonwealth Places (Application of Laws) Act 1970	-	-
Crimes (Superannuation Benefits) Act 1989	-	-
Family Law Act 1975	-	-
Federal Circuit Court of Australia Act 1999	-	-
Federal Court of Australia Act 1976	-	-
High Court Justices (Long Leave Payments) Act 1979	-	-
High Court of Australia Act 1979	-	-
Judges (Long Leave Payments) Act 1979	-	-
Law Officers Act 1964	450	450
Public Governance, Performance and Accountability Act 2013	34	34
Social Security (Administration) Act 1999	93,854	2,741
Total: Attorney-General's Department	94,338	3,225

Figure 4: Example of the Agency Resourcing Table and Special Accounts Table

ATTORNEY-GENERAL'S Agency Resourcing—20YY-20ZZ <i>Estimated Actual—20XX-20YY</i>								
Entity/Outcome/ Non-operating	Departmental		Administered					
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	Special Appropriation \$'000	Special Accounts (b) \$'000	Appropriation Bill No. 1 \$'000	SPPs \$'000	Other (c) \$'000	Special Appropriation \$'000
Attorney-General's Department								
Outcome 1	222,339 216,362	- -	- -	421,610 428,608	380,202 609,127	3,214 7,248	- -	3,225 94,338
Equity Injections	- -	8,383 4,731	- -	- -	- -	- -	- -	8,383 4,731
Administered Assets and Liabilities	- -	- -	- -	- -	- -	1,530 20,712	- -	1,530 20,712
Total	222,339 216,362	8,383 4,731	- → 421,610 - 428,608	380,202 609,127	3,214 7,248	1,530 20,712	3,225 94,338	1,083,116 1,424,859
PORTFOLIO	2,656,582	83,500						
TOTAL	2,628,962	140,953						

(b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
(c) Includes *New Administered Outcomes* and *administered assets and liabilities item*, within the meaning of Appropriation Bill No.2.

Budget Estimate—20YY-20ZZ <i>Estimated Actual—20XX-20YY</i>					
Opening Balance (\$'000)	Receipts (Non- Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
ATTORNEY-GENERAL'S PORTFOLIO					
Attorney-General's Department					
AGS Client Funds Special Account 2015	-	270,501	-	-270,501	-
	-	267,823	-	-267,823	-
AGS Operational Special Account 2015	21,760	149,049	-	-145,758	25,051
	25,786	142,066	-	-146,092	21,760
Services for Other Entities and Trust Moneys - Attorney General's Department Special Account	21,398	2,060	-	-21,581	1,877
	20,731	18,719	-	-18,052	21,398
Total: Attorney-General's Department	43,158	421,610	-	-437,840	26,928
	46,517	428,608	-	-431,967	43,158

Part 1: Agency Financial Resourcing

Appropriations Framework

An appropriation is a legal entitlement to draw money from the Consolidated Revenue Fund (CRF). Appropriations are either annual appropriations or special appropriations. Annual appropriations are contained in the annual Appropriation Acts. Special appropriations are contained in other Acts.

The CRF is a concept established in section 81 of the Constitution to represent all Commonwealth money. All revenues or moneys raised or received by the Executive Government of the Commonwealth, or any person or organisation acting on behalf of the Commonwealth, automatically form part of the CRF. This includes for example taxes, charges, levies, borrowings, loan repayments and moneys held on behalf of others or in trust. Money automatically forms part of the CRF upon receipt, regardless of whether the money is deposited in a bank account.

Section 83 of the Constitution provides that no money shall be drawn from the Treasury of the Commonwealth except under an appropriation made by law (the 'Treasury' of the Commonwealth equates to the CRF). Section 81 provides that appropriations from the CRF must be applied for expenditure of the Commonwealth. Together, sections 81 and 83 provide that before money may be spent there must be an appropriation, made by law, for the purposes of the Commonwealth. These requirements for an appropriations framework safeguard the constitutional control by the Parliament over Australian Government spending.

The appropriations and expenditure framework for agencies in the Australian Government is based on the accounting concept of control. Where an agency has substantial control, the related appropriation and expenditure is classified as *departmental* and where an agency does not have control, expenditure is classified as *administered*. This classification is unique to government and is not used elsewhere in the Australian economy and is in accordance with the Australian Accounting Standard AASB 1050 *Administered Items*. Whether an agency has *administered* or *departmental* control over resources is based largely on the level of discretion the agency has in using those resources.

Departmental appropriations are available to meet expenditure over which an agency has substantial control and are typically used for agency operational expenditure, such as for employees and supplier expenses. *Administered* appropriations are administered by an agency on behalf of the government for the benefit of, or payment to, parties who are external to the agency and not part of the internal operations of that agency.

Administered appropriations are typically used for expenditure such as government grants, subsidies and obligations that arise from legislated eligibility rules and conditions. Further information on the appropriations framework can be found on the Finance website.

Machinery of Government Changes

The term ‘machinery of government changes’ (MoG changes) describes a variety of organisational or functional changes affecting the Commonwealth. MoG changes often arise from amendments to the Administrative Arrangements Order (AAO) following a Prime Ministerial decision to abolish or create a department or to move functional responsibilities between agencies.

Since the October 2022–23 Budget, there have been a number of AAO amendments and other Government decisions resulting in the following MoG changes:

- establishment of the Domestic, Family and Sexual Violence Commission as a new executive agency within the Social Services portfolio
- establishment of the Northern Territory Aboriginal Investment Corporation as a new corporate Commonwealth entity within the Prime Minister and Cabinet portfolio
- the Fair Work Ombudsman and Registered Organisations Commission was abolished, and re-established as the Office of the Fair Work Ombudsman, within the Employment and Workplace relations portfolio
- transfer of the functions and powers of the Registered Organisations Commissioner from the Fair Work Ombudsman and Registered Organisations Commission within the Employment and Workplace relations portfolio to the Fair Work Commission within the same portfolio.
- the Australian Building and Construction Commission within the Employment and Workplace relations portfolio, was abolished, its functions and responsibilities for the commercial building industry transferred to the Office of the Fair Work Ombudsman within the same portfolio.

The AAO documents and further information on AAOs can be found on the website of the Department of the Prime Minister and Cabinet, or on the Federal Register of Legislation. For information on how MoG changes impact on portfolios, refer to the *2023–24 Portfolio Budget Statements* of relevant portfolios.

Advance to the Finance Minister

The Advance to the Finance Minister (AFM) provisions under the annual Appropriation Acts enable urgently required allocations to be issued to entities during the financial year. Allocations are made through a determination by the Minister for Finance up to a statutory limit in the annual Appropriation Acts.

In 2022–23, AFM provisions totalling \$6 billion were available across *Supply Acts* (*Nos. 1 and 2*) 2022–2023 and *Appropriation Acts* (*Nos. 1 and 2*), comprising of:

- \$5 billion for future unforeseen and unavoidable COVID-19, natural disaster and national emergency response related expenditure
- \$1 billion for other urgent and unforeseen expenditure.

At the time of publication, no AFMs have been issued under the 2022–23 annual appropriations.

The Appropriation Bills (*Nos. 1 and 2*) 2023–2024, once enacted, will include 2 AFM provisions totalling \$1 billion, for urgent and unforeseen expenditure that is not currently contemplated, comprising:

- \$400 million in Appropriation Bill (*No. 1*) 2023–2024
- \$600 million in Appropriation Bill (*No. 2*) 2023–2024.

This reflects an overall reduction in the AFM provisions to return them to normal levels of contingency.

Further information on AFMs allocated in prior years can be found on the Finance website.

Overview of Agency Resourcing Table

The Agency Resourcing Table presents a consolidated view of estimated Commonwealth public sector financial resources, which will be managed in the Budget year by agencies, that is, Commonwealth entities and Commonwealth companies subject to the *Public Governance, Performance and Accountability Act 2013*.⁵ The Agency Resourcing Table is organised by portfolio and agency, and by agency Outcome.⁶ Corporate Commonwealth entities are denoted by a * in the Agency Resourcing Table and Commonwealth companies are denoted by a #.

The Agency Resourcing Table differentiates the sources of funding, which are annual Appropriation Bills, External Revenue, Special Appropriations and Special Accounts. The amounts are classified into *departmental* and *administered* resourcing, except for special accounts, which can be classified as either or both. The Agency Resourcing Table includes inter-governmental transactions, which occur when one agency in the GGS pays another agency in the GGS for goods and/or services. To eliminate inter-governmental transactions would not accurately represent the financial resources managed by a particular agency.

Amounts in the Agency Resourcing Table can be matched with amounts in the annual Appropriation Bills, Special Appropriations Table and Special Accounts Table. Examples are in Figures 1 to 4 of the section entitled *Guide to Resourcing Tables*.

Appropriations for corporate entities, shown as *administered* in the annual Appropriation Bills, are regarded as *departmental* funding when received by the corporate entities. This is consistent with accounting and reporting requirements and shown as such in the Agency Resourcing Table.

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- 5 The total amounts in the Agency Resourcing Table cannot be used to calculate consolidated Commonwealth financial resources. This is because they do not include Public Financial Corporations, Public Non-Financial Corporations and the Australian National University. These are public corporations that typically operate in the commercial sphere, are not in the GGS, and are mostly self-funded. Further information on the nature and classification of agencies can be found in the *Flipchart of PGPA Act Commonwealth entities and companies*, which is available on the Finance website.
 - 6 The text of the approved Outcomes which apply to each agency is set out at *Appendix A: Agency Outcome Statements*.
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The column headed *External Revenue* in the Agency Resourcing Table presents income received from sources that are not appropriated by Parliament to the agency, including amounts received from other government agencies, individuals, and non-government bodies. In large part, these amounts are for the provision of services.

The column headed Special Accounts in the Agency Resourcing Table shows estimated amounts to be credited to one or more special accounts. This column presents estimated income expected from other government agencies, individuals and non-government bodies. This column is located between the *departmental* and *administered* sides of the Agency Resourcing Table because depending on the legislated purposes of a special account, the resources may be used for *departmental* and/or *administered* expenditure. It is consistent with amounts presented in the *Receipts (non-appropriated)* column of the Special Accounts Table.

The Agency Resourcing Table includes only those special appropriations and special accounts that have been established in law at the time of publication. The Agency Resourcing Table and Special Accounts Table exclude moneys held by an agency on trust for a person other than the Commonwealth. These amounts are not considered resourcing available to the agency, as they are not held on account of the Commonwealth and are not for the use or benefit of the Commonwealth.

PARLIAMENT

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Department/Outcome/ Non-operating	Departmental					Administered					
	Operating \$'000	Non- operating \$'000	External Revenue(a) \$'000	Special Appropriation \$'000	Special Accounts(b) \$'000	Operating \$'000	SPPs \$'000	Non- operating(c) \$'000	Special Appropriation \$'000	Total \$'000	
Department of the Senate											
Outcome 1	27,265	-	450	-	-	-	-	-	-	27,715	
	24,202	-	450	-	-	-	-	-	-	24,652	
Total	27,265	-	450	-	-	-	-	-	-	27,715	
	24,202	-	450	-	-	-	-	-	-	24,652	
Department of the House of Representatives											
Outcome 1	26,929	-	97	-	-	347	-	-	-	27,373	
	25,092	-	69	-	-	334	-	-	-	25,495	
Total	26,929	-	97	-	-	347	-	-	-	27,373	
	25,092	-	69	-	-	334	-	-	-	25,495	
Department of Parliamentary Services											
Outcome 1	189,547	-	16,875	-	-	6,040	-	-	-	212,462	
	175,392	-	16,875	-	-	5,633	-	-	-	197,900	
Administered Assets and Liabilities	-	-	-	-	-	-	-	55,200	-	55,200	
	-	-	-	-	-	-	-	48,358	-	48,358	
Total	189,547	-	16,875	-	-	6,040	-	55,200	-	267,662	
	175,392	-	16,875	-	-	5,633	-	48,358	-	246,258	

PARLIAMENT

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Department/Outcome/ Non-operating	Departmental					Administered					Total \$'000
	Operating \$'000	Non- operating \$'000	External Revenue(a) \$'000	Special Appropriation \$'000	Special Accounts(b) \$'000	Operating \$'000	SPPs \$'000	Non- operating(c) \$'000	Special Appropriation \$'000		
Parliamentary Budget Office											
Outcome 1	9,137	-	-	-	-	-	-	-	-	9,137	
	8,823	-	-	-	-	-	-	-	-	8,823	
Total	9,137	-	-	-	-	-	-	-	-	9,137	
	8,823	-	-	-	-	-	-	-	-	8,823	
TOTAL	252,878	-	17,422	-	-	6,387	-	55,200	-	331,887	
	233,509	-	17,394	-	-	5,967	-	48,358	-	305,228	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes New Administered Outcomes and Administered Assets and Liabilities items, within the meaning of Appropriation Bill No.2.

AGRICULTURE, FISHERIES AND FORESTRY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Agriculture, Fisheries and Forestry											
Outcome 1	152,442	-	7,221	-	100,000	164,917	-	-	1,048,426	1,473,006	
	217,713	-	8,738	-	100,000	220,112	-	-	1,080,172	1,626,735	
Outcome 2	563,098	-	6,806	-	489,487	65,611	-	-	22,958	1,147,960	
	413,274	-	17,315	-	475,615	91,272	-	-	22,464	1,019,940	
Equity Injections	-	56,457	-	-	-	-	-	-	-	-	56,457
	-	38,054	-	-	-	-	-	-	-	-	38,054
Administered Assets and Liabilities	-	-	-	-	-	-	-	218,214	-	218,214	
	-	-	-	-	-	-	-	236,499	-	236,499	
Total	715,540	56,457	14,027	-	589,487	230,528	-	218,214	1,071,384	2,895,637	
	630,987	38,054	26,053	-	575,615	311,384	-	236,499	1,102,636	2,921,228	

AGRICULTURE, FISHERIES AND FORESTRY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Pesticides and Veterinary Medicines Authority*												
Outcome 1	1,840	-	44,334	-	-	-	-	-	-	-	46,174	
	1,663	-	42,415	-	-	-	-	-	-	-	44,078	
Total	1,840	-	44,334	-	-	-	-	-	-	-	46,174	
	1,663	-	42,415	-	-	-	-	-	-	-	44,078	
Cotton Research and Development Corporation*												
Outcome 1	-	-	61,814	-	-	-	-	-	-	-	61,814	
	-	-	35,113	-	-	-	-	-	-	-	35,113	
Total	-	-	61,814	-	-	-	-	-	-	-	61,814	
	-	-	35,113	-	-	-	-	-	-	-	35,113	
Fisheries Research and Development Corporation*												
Outcome 1	-	-	44,266	-	-	-	-	-	-	-	44,266	
	-	-	40,876	-	-	-	-	-	-	-	40,876	
Total	-	-	44,266	-	-	-	-	-	-	-	44,266	
	-	-	40,876	-	-	-	-	-	-	-	40,876	

AGRICULTURE, FISHERIES AND FORESTRY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Grains Research and Development Corporation*											
Outcome 1	-	-	263,510	-	-	-	-	-	-	-	263,510
	-	-	307,246	-	-	-	-	-	-	-	307,246
Total	-	-	263,510	-	-	-	-	-	-	-	263,510
	-	-	307,246	-	-	-	-	-	-	-	307,246
Regional Investment Corporation*											
Outcome 1	22,063	-	-	-	-	-	-	-	-	-	22,063
	22,965	-	-	-	-	-	-	-	-	-	22,965
Total	22,063	-	-	-	-	-	-	-	-	-	22,063
	22,965	-	-	-	-	-	-	-	-	-	22,965
Rural Industries Research and Development Corporation*											
Outcome 1	-	-	48,884	-	-	-	-	-	-	-	48,884
	-	-	51,058	-	-	-	-	-	-	-	51,058
Total	-	-	48,884	-	-	-	-	-	-	-	48,884
	-	-	51,058	-	-	-	-	-	-	-	51,058

AGRICULTURE, FISHERIES AND FORESTRY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)	Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Special Appropriation	Total \$'000
Wine Australia*										
Outcome 1	-	-	34,130	-	-	-	-	-	-	34,130
	-	-	48,841	-	-	-	-	-	-	48,841
Total	-	-	34,130	-	-	-	-	-	-	34,130
	-	-	48,841	-	-	-	-	-	-	48,841
Australian Fisheries Management Authority										
Outcome 1	27,407	-	-	-	19,242	6,031	-	-	-	52,680
	26,762	-	-	-	17,160	5,839	-	-	-	49,761
Total	27,407	-	-	-	19,242	6,031	-	-	-	52,680
	26,762	-	-	-	17,160	5,839	-	-	-	49,761
PORTFOLIO	766,850	56,457	510,965	-	608,729	236,559	-	218,214	1,071,384	3,469,158
TOTAL	682,377	38,054	551,602	-	592,775	317,223	-	236,499	1,102,636	3,521,166

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities items*, within the meaning of Appropriation Bill No.2.

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Attorney-General's Department											
Outcome 1	290,735	-	167,776	-	9,791	471,223	-	-	330	939,855	
	237,622	-	153,732	-	35,284	492,874	-	-	897	920,409	
Equity Injections	-	23,345	-	-	-	-	-	-	-	23,345	
	-	7,687	-	-	-	-	-	-	-	7,687	
Administered Assets and Liabilities	-	-	-	-	-	-	-	1,356	-	1,356	
	-	-	-	-	-	-	-	146	-	146	
Total	290,735	23,345	167,776	-	9,791	471,223	-	1,356	330	964,556	
	237,622	7,687	153,732	-	35,284	492,874	-	146	897	928,242	
Australian Human Rights Commission*											
Outcome 1	31,315	-	10,217	-	-	-	-	-	-	41,532	
	26,549	-	14,276	-	-	-	-	-	-	40,825	
Total	31,315	-	10,217	-	-	-	-	-	-	41,532	
	26,549	-	14,276	-	-	-	-	-	-	40,825	

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Administrative Appeals Tribunal												
Outcome 1	196,609	-	250	-	-	-	-	-	-	7,500	204,359	
	168,975	-	250	-	-	-	-	-	-	7,500	176,725	
Equity Injections	-	2,800	-	-	-	-	-	-	-	-	2,800	
	-	-	-	-	-	-	-	-	-	-	-	
Total	196,609	2,800	250	-	-	-	-	-	-	7,500	207,159	
	168,975	-	250	-	-	-	-	-	-	7,500	176,725	
Australian Commission for Law Enforcement Integrity												
Outcome 1	-	-	-	-	-	-	-	-	-	-	-	
	52,186	-	126	-	-	-	-	-	-	-	52,312	
Equity Injections	-	-	-	-	-	-	-	-	-	-	-	
	-	2,380	-	-	-	-	-	-	-	-	2,380	
Total	-	-	-	-	-	-	-	-	-	-	-	
	52,186	2,380	126	-	-	-	-	-	-	-	54,692	

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation \$'000	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c) \$'000	Special Appropriation \$'000
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total \$'000
Australian Criminal Intelligence Commission												
Outcome 1	149,620	-	2,255	-	140,711	-	-	-	-	-	292,586	
	149,231	-	12,195	-	135,324	-	-	-	-	-	296,750	
Equity Injections	-	3,567	-	-	-	-	-	-	-	-	3,567	
	-	1,000	-	-	-	-	-	-	-	-	1,000	
Total	149,620	3,567	2,255	-	140,711	-	-	-	-	-	296,153	
	149,231	1,000	12,195	-	135,324	-	-	-	-	-	297,750	
Australian Federal Police												
Outcome 1	775,233	-	49,230	-	11,488	1,071	-	-	-	50	837,072	
	745,123	-	109,666	-	11,167	1,024	-	-	-	50	867,030	
Outcome 2	-	-	206,836	-	-	-	-	-	-	-	206,836	
	-	-	203,616	-	-	-	-	-	-	-	203,616	
Outcome 3	649,607	-	73,608	-	-	29,078	-	-	-	-	752,293	
	621,509	-	76,258	-	-	3,926	-	-	-	-	701,693	
Equity Injections	-	59,562	-	-	-	-	-	-	-	-	59,562	
	-	61,575	-	-	-	-	-	-	-	-	61,575	
Total	1,424,840	59,562	329,674	-	11,488	30,149	-	-	-	50	1,855,763	
	1,366,632	61,575	389,540	-	11,167	4,950	-	-	-	50	1,833,914	

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Financial Security Authority											
Outcome 1	57,291	-	46,403	-	59,213	-	-	-	-	3,000	165,907
	57,202	-	45,660	-	57,993	-	-	-	-	3,000	163,855
Total	57,291	-	46,403	-	59,213	-	-	-	-	3,000	165,907
	57,202	-	45,660	-	57,993	-	-	-	-	3,000	163,855
Australian Institute of Criminology											
Outcome 1	5,685	-	-	-	601	-	-	-	-	-	6,286
	5,364	-	-	-	970	-	-	-	-	-	6,334
Total	5,685	-	-	-	601	-	-	-	-	-	6,286
	5,364	-	-	-	970	-	-	-	-	-	6,334
Australian Law Reform Commission											
Outcome 1	4,428	-	1	-	-	-	-	-	-	-	4,429
	2,629	-	-	-	1	-	-	-	-	-	2,630
Total	4,428	-	1	-	-	-	-	-	-	-	4,429
	2,629	-	-	-	1	-	-	-	-	-	2,630

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Transaction Reports and Analysis Centre											
Outcome 1	100,856	-	4,798	-	-	-	-	-	-	-	105,654
	95,356	-	2,770	-	-	-	-	-	-	-	98,126
Equity Injections	-	11,334	-	-	-	-	-	-	-	-	11,334
	-	19,501	-	-	-	-	-	-	-	-	19,501
Total	100,856	11,334	4,798	-	-	-	-	-	-	-	116,988
	95,356	19,501	2,770	-	-	-	-	-	-	-	117,627

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Federal Court of Australia											
Outcome 1	69,016	-	550	-	-	-	-	-	-	600	70,166
	<u>66,569</u>	-	<u>550</u>	-	-	-	-	-	-	<u>600</u>	<u>67,719</u>
Outcome 2	47,485	-	-	-	-	-	-	-	-	100	47,585
	<u>46,379</u>	-	<u>-</u>	-	-	-	-	-	-	<u>100</u>	<u>46,479</u>
Outcome 3	100,883	-	-	-	-	931	-	-	-	200	102,014
	<u>94,256</u>	-	<u>-</u>	-	-	<u>927</u>	-	-	-	<u>200</u>	<u>95,383</u>
Outcome 4	127,865	-	1,234	-	-	-	-	-	-	-	129,099
	<u>122,885</u>	-	<u>1,231</u>	-	-	-	-	-	-	-	<u>124,116</u>
Total	345,249	-	1,784	-	-	931	-	-	-	900	348,864
	<u>330,089</u>	-	<u>1,781</u>	-	-	<u>927</u>	-	-	-	<u>900</u>	<u>333,697</u>
High Court of Australia											
Outcome 1	20,192	-	800	-	-	-	-	-	-	-	20,992
	<u>19,244</u>	-	<u>720</u>	-	-	-	-	-	-	-	<u>19,964</u>
Equity Injections	-	850	-	-	-	-	-	-	-	-	850
	-	<u>850</u>	-	-	-	-	-	-	-	-	<u>850</u>
Total	20,192	850	800	-	-	-	-	-	-	-	21,842
	<u>19,244</u>	<u>850</u>	<u>720</u>	-	-	-	-	-	-	-	<u>20,814</u>

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Special Appropriation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	\$'000
National Anti-Corruption Commission (d)											
Outcome 1	57,533	-	-	-	-	-	-	-	-	-	57,533
	-	-	-	-	-	-	-	-	-	-	-
Equity Injections	-	31,465	-	-	-	-	-	-	-	-	31,465
	-	-	-	-	-	-	-	-	-	-	-
Total	57,533	31,465	-	-	-	-	-	-	-	-	88,998
 Office of the Australian Information Commissioner											
Outcome 1	46,470	-	178	-	-	-	-	-	-	-	46,648
	29,641	-	178	-	-	-	-	-	-	-	29,819
Equity Injections	-	1,000	-	-	-	-	-	-	-	-	1,000
	-	630	-	-	-	-	-	-	-	-	630
Total	46,470	1,000	178	-	-	-	-	-	-	-	47,648
	29,641	630	178	-	-	-	-	-	-	-	30,449

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Office of the Commonwealth Ombudsman											
Outcome 1	42,671	-	4,385	-	-	-	-	-	-	-	47,056
	40,284	-	4,205	-	-	-	-	-	-	-	44,489
Total	42,671	-	4,385	-	-	-	-	-	-	-	47,056
	40,284	-	4,205	-	-	-	-	-	-	-	44,489
Office of the Director of Public Prosecutions											
Outcome 1	99,781	-	4,578	-	-	-	-	-	-	-	104,359
	96,455	-	10,178	-	-	-	-	-	-	-	106,633
Equity Injections	-	2,177	-	-	-	-	-	-	-	-	2,177
	-	2,200	-	-	-	-	-	-	-	-	2,200
Total	99,781	2,177	4,578	-	-	-	-	-	-	-	106,536
	96,455	2,200	10,178	-	-	-	-	-	-	-	108,833

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Office of the Inspector-General of Intelligence and Security											
Outcome 1	13,880	-	67	-	-	-	-	-	-	-	13,947
	16,319	-	67	-	-	-	-	-	-	-	16,386
Total	13,880	-	67	-	-	-	-	-	-	-	13,947
	16,319	-	67	-	-	-	-	-	-	-	16,386
Office of Parliamentary Counsel											
Outcome 1	18,893	-	8,065	-	-	-	-	-	-	-	26,958
	18,283	-	8,005	-	-	-	-	-	-	-	26,288
Total	18,893	-	8,065	-	-	-	-	-	-	-	26,958
	18,283	-	8,005	-	-	-	-	-	-	-	26,288

ATTORNEY-GENERAL'S

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPPs	\$'000	\$'000	\$'000	Total
Office of the Special Investigator											
Outcome 1	56,206	-	-	-	-	-	-	-	-	-	56,206
	55,001	-	-	-	-	-	-	-	-	-	55,001
Equity Injections	-	500	-	-	-	-	-	-	-	-	500
	-	1,000	-	-	-	-	-	-	-	-	1,000
Total	56,206	500	-	-	-	-	-	-	-	-	56,706
	55,001	1,000	-	-	-	-	-	-	-	-	56,001
PORTFOLIO	2,962,254	136,600	581,231	-	221,804	502,303	-	1,356	11,780	4,417,328	
TOTAL	2,767,062	96,823	643,683	-	240,739	498,751	-	146	12,347	4,259,551	

- a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.
- b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
- c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.
- d) The National Anti-Corruption Commission will be established on 1 July 2023 on commencement of Part 3 of the *National Anti-Corruption Commission Act 2022*.

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Department of Climate Change, Energy, the Environment and Water											
Outcome 1	295,133	-	4,852	-	400,000	795,143	-	-	-	30	1,495,158
	242,114	-	3,084	-	508,932	542,467	-	-	-	30	1,296,627
Outcome 2	436,085	-	4,807	-	14,146	407,990	-	-	-	81	863,109
	337,698	-	8,267	-	13,815	458,951	-	-	-	71	818,802
Outcome 3	252,822	-	6,000	-	-	5,000	-	-	-	-	263,822
	269,733	-	12,000	-	-	-	-	-	-	-	281,733
Outcome 4	96,731	-	-	-	2,816	246,950	-	-	-	-	346,497
	49,270	-	-	-	2,658	182,839	-	-	-	-	234,767
Equity Injections	-	33,694	-	-	-	-	-	-	-	-	33,694
	-	47,718	-	-	-	-	-	-	-	-	47,718
Administered Assets and Liabilities	-	-	-	-	-	-	-	8,777,797	-	-	8,777,797
	-	-	-	-	-	-	-	2,253,213	-	-	2,253,213
Total	1,080,771	33,694	15,659	-	416,962	1,455,083	-	8,777,797	111	11,780,077	
	898,815	47,718	23,351	-	525,405	1,184,257	-	2,253,213	101	4,932,860	

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Institute of Marine Science*											
Outcome 1	99,852	-	37,606	-	-	-	-	-	-	-	137,458
	62,926	-	47,587	-	-	-	-	-	-	-	110,513
Equity Injections	-	29,246	-	-	-	-	-	-	-	-	29,246
	-	17,550	-	-	-	-	-	-	-	-	17,550
Total	99,852	29,246	37,606	-	-	-	-	-	-	-	166,704
	62,926	17,550	47,587	-	-	-	-	-	-	-	128,063
Australian Renewable Energy Agency*											
Outcome 1	319,090	-	1,330	-	-	-	-	-	-	-	320,420
	312,630	-	1,415	-	-	-	-	-	-	-	314,045
Total	319,090	-	1,330	-	-	-	-	-	-	-	320,420
	312,630	-	1,415	-	-	-	-	-	-	-	314,045
Clean Energy Finance Corporation*											
Outcome 1	20,811	-	266,048	-	-	-	-	-	-	-	286,859
	12,610	-	201,699	-	-	-	-	-	-	-	214,309
Total	20,811	-	266,048	-	-	-	-	-	-	-	286,859
	12,610	-	201,699	-	-	-	-	-	-	-	214,309

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Director of National Parks*											
Outcome 1	106,592	-	24,345	-	-	-	-	-	-	-	130,937
	86,884	-	19,721	-	-	-	-	-	-	-	106,605
Equity Injections	-	36,883	-	-	-	-	-	-	-	-	36,883
	-	56,833	-	-	-	-	-	-	-	-	56,833
Total	106,592	36,883	24,345	-	-	-	-	-	-	-	167,820
	86,884	56,833	19,721	-	-	-	-	-	-	-	163,438
Murray-Darling Basin Authority*											
Outcome 1	86,578	-	114,843	-	-	-	-	-	-	-	201,421
	53,147	-	120,674	-	-	-	-	-	-	-	173,821
Equity Injections	-	9,998	-	-	-	-	-	-	-	-	9,998
	-	4,840	-	-	-	-	-	-	-	-	4,840
Total	86,578	9,998	114,843	-	-	-	-	-	-	-	211,419
	53,147	4,840	120,674	-	-	-	-	-	-	-	178,661

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Sydney Harbour Federation Trust*											
Outcome 1	4,598	-	18,835	-	-	-	-	-	-	-	23,433
	1,048	-	18,842	-	-	-	-	-	-	-	19,890
Equity Injections	-	25,591	-	-	-	-	-	-	-	-	25,591
	-	5,666	-	-	-	-	-	-	-	-	5,666
Total	4,598	25,591	18,835	-	-	-	-	-	-	-	49,024
	1,048	5,666	18,842	-	-	-	-	-	-	-	25,556
Bureau of Meteorology											
Outcome 1	442,726	-	100,862	-	-	-	-	-	-	-	543,588
	408,520	-	86,080	-	-	-	-	-	-	-	494,600
Equity Injections	-	25,788	-	-	-	-	-	-	-	-	25,788
	-	130,218	-	-	-	-	-	-	-	-	130,218
Total	442,726	25,788	100,862	-	-	-	-	-	-	-	569,376
	408,520	130,218	86,080	-	-	-	-	-	-	-	624,818

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Clean Energy Regulator											
Outcome 1	114,162	-	-	-	3,500	234,291	-	-	509	352,462	
	113,769	-	6,100	-	3,500	233,413	-	-	523	357,305	
Outcome 2	4,605	-	-	-	-	-	-	-	-	4,605	
	200	-	-	-	-	-	-	-	-	200	
Equity Injections	-	7,491	-	-	-	-	-	-	-	7,491	
	-	8,312	-	-	-	-	-	-	-	8,312	
Total	118,767	7,491	-	-	3,500	234,291	-	-	509	364,558	
	113,969	8,312	6,100	-	3,500	233,413	-	-	523	365,817	
Climate Change Authority											
Outcome 1	13,396	-	-	-	-	-	-	-	-	13,396	
	8,465	-	100	-	-	-	-	-	-	8,565	
Equity Injections	-	-	-	-	-	-	-	-	-	-	
	-	1,690	-	-	-	-	-	-	-	1,690	
Total	13,396	-	-	-	-	-	-	-	-	13,396	
	8,465	1,690	100	-	-	-	-	-	-	10,255	

CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	Total	\$'000
Great Barrier Reef Marine Park Authority											
Outcome 1	80,672	-	3,020	8,000	21,023	-	-	-	-	112,715	
	111,726	-	9,334	-	21,162	-	-	-	-	142,222	
Equity Injections	-	2,124	-	-	-	-	-	-	-	2,124	
	-	8,025	-	-	-	-	-	-	-	8,025	
Total	80,672	2,124	3,020	8,000	21,023	-	-	-	-	114,839	
	111,726	8,025	9,334	-	21,162	-	-	-	-	150,247	
North Queensland Water Infrastructure Authority											
Outcome 1	1,177	-	6	-	-	-	-	-	-	1,183	
	3,214	-	-	-	-	-	-	-	-	3,214	
Total	1,177	-	6	-	-	-	-	-	-	1,183	
	3,214	-	-	-	-	-	-	-	-	3,214	
PORTFOLIO	2,375,030	170,815	582,554	8,000	441,485	1,689,374	-	8,777,797	620	14,045,675	
TOTAL	2,073,954	280,852	534,903	-	550,067	1,417,670	-	2,253,213	624	7,111,283	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Department of Defence												
Outcome 1	226,888	-	2,040	-	-	-	-	-	-	-	-	228,928
	298,723	-	48,572	-	-	-	-	-	-	-	-	347,295
Outcome 2	37,896,368	-	583,794	-	388,714	-	-	-	-	4,001,789	42,870,665	
	34,049,027	-	888,582	-	297,131	-	-	-	-	3,671,365	38,906,105	
Equity Injections	-	11,963,094	-	-	-	-	-	-	-	-	-	11,963,094
	-	12,805,191	-	-	-	-	-	-	-	-	-	12,805,191
Total	38,123,256	11,963,094	585,834	-	388,714	-	-	-	-	4,001,789	55,062,687	
	34,347,750	12,805,191	937,154	-	297,131	-	-	-	-	3,671,365	52,058,591	
Army and Air Force Canteen Service*												
Outcome 1	-	-	32,339	-	-	-	-	-	-	-	-	32,339
	-	-	32,279	-	-	-	-	-	-	-	-	32,279
Total	-	-	32,339	-	-	-	-	-	-	-	-	32,339
	-	-	32,279	-	-	-	-	-	-	-	-	32,279

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Australian Military Forces Relief Trust Fund*											
Outcome 1	-	-	537	-	-	-	-	-	-	-	537
	-	-	537	-	-	-	-	-	-	-	537
Total	-	-	537	-	-	-	-	-	-	-	537
	-	-	537	-	-	-	-	-	-	-	537
Australian Strategic Policy Institute Limited#											
Outcome 1	-	-	12,347	-	-	-	-	-	-	-	12,347
	-	-	12,143	-	-	-	-	-	-	-	12,143
Total	-	-	12,347	-	-	-	-	-	-	-	12,347
	-	-	12,143	-	-	-	-	-	-	-	12,143
Defence Housing Australia*											
Outcome 1	-	-	994,596	-	-	-	-	-	-	-	994,596
	-	-	909,549	-	-	-	-	-	-	-	909,549
Total	-	-	994,596	-	-	-	-	-	-	-	994,596
	-	-	909,549	-	-	-	-	-	-	-	909,549

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					Total \$'000
	Appropriation Bill No. 1	Appropriation Bill No. 2	External Revenue(a)	Special Appropriation	Special Accounts(b)	Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Royal Australian Air Force Veterans Residences Trust Fund*											
Outcome 1	-	-	656	-	-	-	-	-	-	656	
	-	-	656	-	-	-	-	-	-	656	
Total	-	-	656	-	-	-	-	-	-	656	
	-	-	656	-	-	-	-	-	-	656	
Royal Australian Air Force Welfare Trust Fund*											
Outcome 1	-	-	1,710	-	-	-	-	-	-	1,710	
	-	-	1,710	-	-	-	-	-	-	1,710	
Total	-	-	1,710	-	-	-	-	-	-	1,710	
	-	-	1,710	-	-	-	-	-	-	1,710	
Royal Australian Navy Central Canteens Board (Royal Australian Navy Central Canteens Fund)*											
Outcome 1	-	-	17,903	-	-	-	-	-	-	17,903	
	-	-	17,470	-	-	-	-	-	-	17,470	
Total	-	-	17,903	-	-	-	-	-	-	17,903	
	-	-	17,470	-	-	-	-	-	-	17,470	

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Royal Australian Navy Relief Trust Fund*											
Outcome 1	-	-	700	-	-	-	-	-	-	-	700
	-	-	695	-	-	-	-	-	-	-	695
Total	-	-	700	-	-	-	-	-	-	-	700
	-	-	695	-	-	-	-	-	-	-	695
Australian Signals Directorate											
Outcome 1	1,505,082	-	2,918	-	-	-	-	-	-	-	1,508,000
	1,239,988	-	2,850	-	-	-	-	-	-	-	1,242,838
Equity Injections	-	967,339	-	-	-	-	-	-	-	-	967,339
	-	462,450	-	-	-	-	-	-	-	-	462,450
Total	1,505,082	967,339	2,918	-	-	-	-	-	-	-	2,475,339
	1,239,988	462,450	2,850	-	-	-	-	-	-	-	1,705,288

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Veterans' Affairs											
Outcome 1	379,692	-	6,713	-	107,434	72,062	-	-	7,246,602	7,812,503	
	364,103	-	7,521	-	103,961	67,346	-	-	6,659,993	7,202,924	
Outcome 2	168,845	-	468	-	-	53,191	-	-	4,156,544	4,379,048	
	142,956	-	401	-	-	62,059	-	-	4,108,823	4,314,239	
Outcome 3	17,984	-	49	-	35	58,319	-	-	-	76,387	
	26,047	-	32	-	20	61,756	-	-	-	87,855	
Equity Injections	-	4,548	-	-	-	-	-	-	-	4,548	
	-	3,504	-	-	-	-	-	-	-	3,504	
Administered Assets and Liabilities	-	-	-	-	-	-	-	7,005	-	7,005	
	-	-	-	-	-	-	-	2,420	-	2,420	
Total	566,521	4,548	7,230	-	107,469	183,572	-	7,005	11,403,146	12,279,491	
	533,106	3,504	7,954	-	103,981	191,161	-	2,420	10,768,816	11,610,942	

DEFENCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian War Memorial*											
Outcome 1	42,140	-	8,904	-	-	-	-	-	-	-	51,044
	42,828	-	7,577	-	-	-	-	-	-	-	50,405
Equity Injections	-	7,645	-	-	-	-	-	-	-	-	7,645
	-	131,563	-	-	-	-	-	-	-	-	131,563
Total	42,140	7,645	8,904	-	-	-	-	-	-	-	58,689
	42,828	131,563	7,577	-	-	-	-	-	-	-	181,968
PORTFOLIO	40,236,999	12,942,626	1,665,674	-	496,183	183,572	-	7,005	15,404,935	70,936,994	
TOTAL	36,163,672	13,402,708	1,930,574	-	401,112	191,161	-	2,420	14,440,181	66,531,828	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

EDUCATION

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Education											
Outcome 1	212,103	-	28	-	-	-	615,344	172,738	-	40,810,246	41,810,459
	173,148	-	28	-	-	-	682,510	466,608	-	37,470,548	38,792,842
Outcome 2	148,362	-	4,470	-	10,685	490,264	-	-	-	19,006,929	19,660,710
	130,279	-	4,267	-	7,550	374,245	-	-	-	17,745,190	18,261,531
Equity Injections	-	25,039	-	-	-	-	-	-	-	-	25,039
	-	5,555	-	-	-	-	-	-	-	-	5,555
Total	360,465	25,039	4,498	-	10,685	1,105,608	172,738	-	59,817,175	61,496,208	
	303,427	5,555	4,295	-	7,550	1,056,755	466,608	-	55,215,738	57,059,928	

EDUCATION

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Curriculum, Assessment and Reporting Authority*											
Outcome 1	-	-	34,562	-	-	-	-	-	-	-	34,562
	-	-	33,223	-	-	-	-	-	-	-	33,223
Total	-	-	34,562	-	-	-	-	-	-	-	34,562
	-	-	33,223	-	-	-	-	-	-	-	33,223
Australian Institute for Teaching and School Leadership Limited#											
Outcome 1	-	-	14,911	-	-	-	-	-	-	-	14,911
	-	-	16,858	-	-	-	-	-	-	-	16,858
Total	-	-	14,911	-	-	-	-	-	-	-	14,911
	-	-	16,858	-	-	-	-	-	-	-	16,858
Australian Research Council											
Outcome 1	23,706	-	842	-	-	10,831	-	-	899,520	934,899	
	24,641	-	1,328	-	-	9,185	-	-	831,594	866,748	
Total	23,706	-	842	-	-	10,831	-	-	899,520	934,899	
	24,641	-	1,328	-	-	9,185	-	-	831,594	866,748	

EDUCATION

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Tertiary Education Quality and Standards Agency											
Outcome 1	21,378	-	650	-	-	-	-	-	-	200	22,228
	21,572	-	519	-	-	-	-	-	-	200	22,291
Total	21,378	-	650	-	-	-	-	-	-	200	22,228
	21,572	-	519	-	-	-	-	-	-	200	22,291
PORTFOLIO	405,549	25,039	55,463	-	10,685	1,116,439	172,738	-	60,716,895	62,502,808	
TOTAL	349,640	5,555	56,223	-	7,550	1,065,940	466,608	-	56,047,532	57,999,048	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes New Administered Outcomes and Administered Assets and Liabilities items, within the meaning of Appropriation Bill No.2.

EMPLOYMENT AND WORKPLACE RELATIONS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Employment and Workplace Relations											
Outcome 1	382,894	-	39,239	-	-	1,920,125	-	-	30	2,342,288	
	403,382	-	47,901	-	-	1,831,217	-	-	30	2,282,530	
Outcome 2	281,032	-	25,690	-	3,168	1,993,065	-	-	563,414	2,866,369	
	269,178	-	30,987	-	3,058	3,332,272	-	-	604,906	4,240,401	
Outcome 3	72,873	-	6,612	-	-	67,328	-	-	496,805	643,618	
	63,567	-	8,415	-	-	54,191	-	-	410,898	537,071	
Equity Injections	-	29,374	-	-	-	-	-	-	-	29,374	
	-	48,897	-	-	-	-	-	-	-	48,897	
Total	736,799	29,374	71,541	-	3,168	3,980,518	-	-	1,060,249	5,881,649	
	736,127	48,897	87,303	-	3,058	5,217,680	-	-	1,015,834	7,108,899	
Comcare*											
Outcome 1	6,029	-	305,386	-	-	-	-	-	-	311,415	
	5,897	-	270,330	-	-	-	-	-	-	276,227	
Total	6,029	-	305,386	-	-	-	-	-	-	311,415	
	5,897	-	270,330	-	-	-	-	-	-	276,227	

EMPLOYMENT AND WORKPLACE RELATIONS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Asbestos Safety and Eradication Agency											
Outcome 1	5,551	-	-	-	-	-	-	-	-	-	5,551
	4,606	-	-	-	-	-	-	-	-	-	4,606
Total	5,551	-	-	-	-	-	-	-	-	-	5,551
	4,606	-	-	-	-	-	-	-	-	-	4,606
Australian Skills Quality Authority											
Outcome 1	42,064	-	-	-	-	-	-	-	-	357	42,421
	43,644	-	-	-	-	-	-	-	-	357	44,001
Equity Injections	-	1,157	-	-	-	-	-	-	-	-	1,157
	-	1,214	-	-	-	-	-	-	-	-	1,214
Total	42,064	1,157	-	-	-	-	-	-	-	357	43,578
	43,644	1,214	-	-	-	-	-	-	-	357	45,215
Fair Work Commission											
Outcome 1	106,083	-	212	-	-	-	-	-	-	500	106,795
	95,073	-	500	-	-	-	-	-	-	500	96,073
Total	106,083	-	212	-	-	-	-	-	-	500	106,795
	95,073	-	500	-	-	-	-	-	-	500	96,073

EMPLOYMENT AND WORKPLACE RELATIONS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Office of the Fair Work Ombudsman											
Outcome 1	169,869	-	1,300	-	-	-	-	-	-	650	171,819
	62,998	-	14	-	-	-	-	-	-	650	63,662
Total	169,869	-	1,300	-	-	-	-	-	-	650	171,819
	62,998	-	14	-	-	-	-	-	-	650	63,662
Safe Work Australia											
Outcome 1	12,227	-	-	-	12,233	-	-	-	-	-	24,460
	11,105	-	-	-	11,146	-	-	-	-	-	22,251
Total	12,227	-	-	-	12,233	-	-	-	-	-	24,460
	11,105	-	-	-	11,146	-	-	-	-	-	22,251

EMPLOYMENT AND WORKPLACE RELATIONS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Seafarers Safety, Rehabilitation and Compensation Authority											
Outcome 1	-	-	-	-	-	310	-	-	-	-	310
	-	-	-	-	-	458	-	-	-	-	458
Total	-	-	-	-	-	310	-	-	-	-	310
	-	-	-	-	-	458	-	-	-	-	458
PORTFOLIO	1,078,622	30,531	378,439	-	15,711	3,980,518	-	-	1,061,756	6,545,577	
TOTAL	959,450	50,111	358,147	-	14,662	5,217,680	-	-	1,017,341	7,617,391	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

FINANCE

Agency Resourcing – 2023-2024
Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Department of Finance												
Outcome 1	107,021	-	1,915	-	-	-	-	-	-	-	-	108,936
	96,210	-	1,614	-	-	-	-	-	-	-	-	97,824
Outcome 2	229,451	-	41,705	-	51,817,636	11,021	-	-	-	8,912,394	61,012,207	
	229,832	-	20,189	-	50,251,459	10,924	-	-	-	8,492,840	59,005,244	
Outcome 3	41,224	-	219	-	-	402,076	-	-	251,328	694,847		
	24,109	-	10,243	-	-	306,369	-	-	251,175	591,896		
Equity Injections	-	107,234	-	-	-	-	-	-	-	-	-	107,234
	-	6,525	-	-	-	-	-	-	-	-	-	6,525
Administered Assets and Liabilities	-	-	-	-	-	-	-	-	449,238	-	449,238	
	-	-	-	-	-	-	-	-	2,592	-	2,592	
Total	377,696	107,234	43,839	-	51,817,636	413,097	-	449,238	9,163,722	62,372,462		
	350,151	6,525	32,046	-	50,251,459	317,293	-	2,592	8,744,015	59,704,081		
Commonwealth Superannuation Corporation*												
Outcome 1	-	-	-	-	159,988	-	-	-	-	-	159,988	
	-	-	-	-	154,766	-	-	-	-	-	154,766	
Total	-	-	-	-	159,988	-	-	-	-	-	159,988	
	-	-	-	-	154,766	-	-	-	-	-	154,766	

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Electoral Commission												
Outcome 1	607,851	-	11,038	14,900	-	-	-	-	-	-	633,789	
	270,484	-	11,037	14,900	-	-	-	-	-	-	296,421	
Total	607,851	-	11,038	14,900	-	-	-	-	-	-	633,789	
	270,484	-	11,037	14,900	-	-	-	-	-	-	296,421	
Digital Transformation Agency												
Outcome 1	61,994	-	3,836	-	414,444	-	-	-	-	-	480,274	
	71,740	-	845	-	420,484	-	-	-	-	-	493,069	
Total	61,994	-	3,836	-	414,444	-	-	-	-	-	480,274	
	71,740	-	845	-	420,484	-	-	-	-	-	493,069	
Future Fund Management Agency												
Outcome 1	-	-	-	-	603,354	-	-	-	-	-	603,354	
	-	-	-	-	457,950	-	-	-	-	-	457,950	
Total	-	-	-	-	603,354	-	-	-	-	-	603,354	
	-	-	-	-	457,950	-	-	-	-	-	457,950	

FINANCE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Independent Parliamentary Expenses Authority											
Outcome 1	9,008	-	-	-	-	-	41,004	-	-	35,139	85,151
	10,029	-	-	-	-	-	39,795	-	-	34,082	83,906
Total	9,008	-	-	-	-	-	41,004	-	-	35,139	85,151
	10,029	-	-	-	-	-	39,795	-	-	34,082	83,906
PORTFOLIO	1,056,549	107,234	58,713	14,900	52,995,422	454,101	-	449,238	9,198,861	64,335,018	
TOTAL	702,404	6,525	43,928	14,900	51,284,659	357,088	-	2,592	8,778,097	61,190,193	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes New Administered Outcomes and Administered Assets and Liabilities items, within the meaning of Appropriation Bill No.2.

FOREIGN AFFAIRS AND TRADE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Department of Foreign Affairs and Trade											
Outcome 1	1,386,641	-	132,700	-	1,000	4,433,007	-	-	367,860	6,321,208	
	1,216,021	-	132,700	-	1,000	4,288,638	-	-	341,435	5,979,794	
Outcome 2	510,432	-	-	-	-	750	-	-	2,100	513,282	
	422,747	-	-	-	-	750	-	-	2,100	425,597	
Outcome 3	166,240	-	-	-	39,309	-	-	-	-	205,549	
	231,108	-	-	-	53,126	-	-	-	-	284,234	
Equity Injections	-	147,723	-	-	-	-	-	-	-	147,723	
	-	75,796	-	-	-	-	-	-	-	75,796	
Administered Assets and Liabilities	-	-	-	-	-	-	-	18,851	-	18,851	
	-	-	-	-	-	-	-	7,548	-	7,548	
Total	2,063,313	147,723	132,700	-	40,309	4,433,757	-	18,851	369,960	7,206,613	
	1,869,876	75,796	132,700	-	54,126	4,289,388	-	7,548	343,535	6,772,969	
Tourism Australia*											
Outcome 1	143,952	-	40,500	-	-	-	-	-	-	184,452	
	139,643	-	43,140	-	-	-	-	-	-	182,783	
Total	143,952	-	40,500	-	-	-	-	-	-	184,452	
	139,643	-	43,140	-	-	-	-	-	-	182,783	

FOREIGN AFFAIRS AND TRADE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Centre for International Agricultural Research											
Outcome 1	9,599	-	1,544	-	8,805	103,550	-	-	-	-	123,498
	9,430	-	1,954	-	8,470	92,920	-	-	-	-	112,774
Total	9,599	-	1,544	-	8,805	103,550	-	-	-	-	123,498
	9,430	-	1,954	-	8,470	92,920	-	-	-	-	112,774
Australian Secret Intelligence Service											
Outcome 1	419,541	-	32,644	-	-	-	-	-	-	-	452,185
	389,200	-	40,776	-	-	-	-	-	-	-	429,976
Equity Injections	-	11,632	-	-	-	-	-	-	-	-	11,632
	-	4,793	-	-	-	-	-	-	-	-	4,793
Total	419,541	11,632	32,644	-	-	-	-	-	-	-	463,817
	389,200	4,793	40,776	-	-	-	-	-	-	-	434,769

FOREIGN AFFAIRS AND TRADE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total	\$'000
Australian Trade and Investment Commission											
Outcome 1	250,816	-	20,000	-	-	187,000	-	-	-	457,816	
	256,788	-	20,000	-	-	183,166	-	-	-	459,954	
Outcome 2	10,911	-	1,000	-	-	-	-	-	-	11,911	
	10,444	-	1,000	-	-	-	-	-	-	11,444	
Equity Injections	-	1,583	-	-	-	-	-	-	-	1,583	
	-	4,554	-	-	-	-	-	-	-	4,554	
Total	261,727	1,583	21,000	-	-	187,000	-	-	-	471,310	
	267,232	4,554	21,000	-	-	183,166	-	-	-	475,952	
PORTFOLIO	2,898,132	160,938	228,388	-	49,114	4,724,307	-	18,851	369,960	8,449,690	
TOTAL	2,675,381	85,143	239,570	-	62,596	4,565,474	-	7,548	343,535	7,979,247	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities items*, within the meaning of Appropriation Bill No.2.

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Health and Aged Care											
Outcome 1	485,177	-	23,008	-	229,817	7,856,270	-	-	1,692,780	10,287,052	
	485,421	-	19,556	-	223,672	10,595,802	-	-	1,529,830	12,854,281	
Outcome 2	220,018	-	-	-	-	1,720,973	-	-	7,730,030	9,671,021	
	150,289	-	-	-	-	1,633,143	-	-	7,570,969	9,354,401	
Outcome 3	510,104	-	-	-	-	6,285,028	-	-	27,633,611	34,428,743	
	350,691	-	-	-	-	6,260,027	-	-	22,053,142	28,663,860	
Outcome 4	10,531	-	-	-	-	41,706	-	-	-	52,237	
	10,780	-	-	-	-	166,669	-	-	-	177,449	
Equity Injections	-	119,943	-	-	-	-	-	-	-	119,943	
	-	169,891	-	-	-	-	-	-	-	169,891	
Administered Assets and Liabilities	-	-	-	-	-	-	-	3,749	-	3,749	
	-	-	-	-	-	-	-	1,006,137	-	1,006,137	
Total	1,225,830	119,943	23,008	-	229,817	15,903,977	-	3,749	37,056,421	54,562,745	
	997,181	169,891	19,556	-	223,672	18,655,641	-	1,006,137	31,153,941	52,226,019	

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					Total \$'000
	Appropriation Bill No. 1	Appropriation Bill No. 2	External Revenue(a)	Special Appropriation	Special Accounts(b)	Appropriation Bill No. 1	Appropriation Bill No. 2	SPPs	Other(c)	Special Appropriation	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Australian Commission on Safety and Quality in Health Care*											
Outcome 1	-	-	33,295	-	-	-	-	-	-	-	33,295
	-	-	32,352	-	-	-	-	-	-	-	32,352
Total	-	-	33,295	-	-	-	-	-	-	-	33,295
	-	-	32,352	-	-	-	-	-	-	-	32,352
Australian Digital Health Agency*											
Outcome 1	269,304	-	32,250	-	-	-	-	-	-	-	301,554
	208,259	-	32,250	-	-	-	-	-	-	-	240,509
Equity Injections	-	33,321	-	-	-	-	-	-	-	-	33,321
	-	18,406	-	-	-	-	-	-	-	-	18,406
Total	269,304	33,321	32,250	-	-	-	-	-	-	-	334,875
	208,259	18,406	32,250	-	-	-	-	-	-	-	258,915

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Institute of Health and Welfare*											
Outcome 1	35,444	-	75,630	-	-	-	-	-	-	-	111,074
	34,846	-	75,630	-	-	-	-	-	-	-	110,476
Total	35,444	-	75,630	-	-	-	-	-	-	-	111,074
	34,846	-	75,630	-	-	-	-	-	-	-	110,476
Australian Sports Commission*											
Outcome 1	351,081	-	19,111	-	-	-	-	-	-	-	370,192
	337,870	-	35,240	-	-	-	-	-	-	-	373,110
Equity Injections	-	2,882	-	-	-	-	-	-	-	-	2,882
	-	10,334	-	-	-	-	-	-	-	-	10,334
Total	351,081	2,882	19,111	-	-	-	-	-	-	-	373,074
	337,870	10,334	35,240	-	-	-	-	-	-	-	383,444

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Sports Foundation Limited#											
Outcome 1	-	-	48,200	-	-	-	-	-	-	-	48,200
	-	-	48,200	-	-	-	-	-	-	-	48,200
Total	-	-	48,200	-	-	-	-	-	-	-	48,200
	-	-	48,200	-	-	-	-	-	-	-	48,200
Food Standards Australia New Zealand*											
Outcome 1	17,458	-	5,068	-	-	-	-	-	-	-	22,526
	17,675	-	5,268	-	-	-	-	-	-	-	22,943
Total	17,458	-	5,068	-	-	-	-	-	-	-	22,526
	17,675	-	5,268	-	-	-	-	-	-	-	22,943
Independent Health and Aged Care Pricing Authority*											
Outcome 1	-	-	44,119	-	-	-	-	-	-	-	44,119
	-	-	37,282	-	-	-	-	-	-	-	37,282
Total	-	-	44,119	-	-	-	-	-	-	-	44,119
	-	-	37,282	-	-	-	-	-	-	-	37,282

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Aged Care Quality and Safety Commission											
Outcome 1	261,985	-	11,255	-	-	-	-	-	-	-	273,240
	203,603	-	22,962	-	-	-	-	-	-	-	226,565
Equity Injections	-	850	-	-	-	-	-	-	-	-	850
	-	3,025	-	-	-	-	-	-	-	-	3,025
Total	261,985	850	11,255	-	-	-	-	-	-	-	274,090
	203,603	3,025	22,962	-	-	-	-	-	-	-	229,590
Australian National Preventive Health Agency											
Total	-	-	-	-	-	-	-	-	-	-	-
Australian Organ and Tissue Donation and Transplantation Authority											
Outcome 1	6,537	-	-	-	-	-	51,566	-	-	-	58,103
	6,353	-	-	-	-	-	49,131	-	-	-	55,484
Total	6,537	-	-	-	-	-	51,566	-	-	-	58,103
	6,353	-	-	-	-	-	49,131	-	-	-	55,484

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Radiation Protection and Nuclear Safety Agency											
Outcome 1	28,547	-	-	-	-	13,424	-	-	-	-	41,971
	17,242	-	-	-	-	12,939	-	-	-	-	30,181
Equity Injections	-	10,468	-	-	-	-	-	-	-	-	10,468
Total	28,547	10,468	-	-	-	13,424	-	-	-	-	52,439
	17,242	-	-	-	-	12,939	-	-	-	-	30,181
Cancer Australia											
Outcome 1	13,407	-	1,671	-	-	24,743	-	-	-	-	39,821
	11,160	-	2,199	-	-	18,623	-	-	-	-	31,982
Total	13,407	-	1,671	-	-	24,743	-	-	-	-	39,821
	11,160	-	2,199	-	-	18,623	-	-	-	-	31,982
National Blood Authority											
Outcome 1	6,322	-	-	-	1,713,379	5,829	-	-	-	-	1,725,530
	6,130	-	-	-	1,557,496	184	-	-	-	-	1,563,810
Total	6,322	-	-	-	1,713,379	5,829	-	-	-	-	1,725,530
	6,130	-	-	-	1,557,496	184	-	-	-	-	1,563,810

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered				
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	External Revenue(a) \$'000	Special Appropriation \$'000	Special Accounts(b) \$'000	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2			Total \$'000
							SPPs \$'000	Other(c) \$'000	Total \$'000	
National Health and Medical Research Council										
Outcome 1	37,599	-	16,668	-	10,000	923,780	-	-	-	988,047
	36,488	-	16,749	-	10,000	893,049	-	-	-	956,286
Total	37,599	-	16,668	-	10,000	923,780	-	-	-	988,047
	36,488	-	16,749	-	10,000	893,049	-	-	-	956,286
National Health Funding Body										
Outcome 1	7,456	-	-	-	-	-	-	-	-	7,456
	7,263	-	-	-	-	-	-	-	-	7,263
Total	7,456	-	-	-	-	-	-	-	-	7,456
	7,263	-	-	-	-	-	-	-	-	7,263
National Mental Health Commission										
Outcome 1	11,147	-	285	-	-	5,783	-	-	-	17,215
	11,047	-	480	-	-	5,498	-	-	-	17,025
Equity Injections	-	-	-	-	-	-	-	-	-	-
	-	50	-	-	-	-	-	-	-	50
Total	11,147	-	285	-	-	5,783	-	-	-	17,215
	11,047	50	480	-	-	5,498	-	-	-	17,075

HEALTH AND AGED CARE

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Professional Services Review												
Outcome 1	15,841	-	-	-	-	-	-	-	-	-	-	15,841
	14,542	-	-	-	-	-	-	-	-	-	-	14,542
Total	15,841	-	-	-	-	-	-	-	-	-	-	15,841
	14,542	-	-	-	-	-	-	-	-	-	-	14,542
Sport Integrity Australia												
Outcome 1	32,821	-	1,986	-	-	4,526	-	-	-	-	-	39,333
	31,838	-	1,986	-	-	5,405	-	-	-	-	-	39,229
Equity Injections	-	-	-	-	-	-	-	-	-	-	-	-
		359	-	-	-	-	-	-	-	-	-	359
Total	32,821	-	1,986	-	-	4,526	-	-	-	-	-	39,333
	31,838	359	1,986	-	-	5,405	-	-	-	-	-	39,588
PORTFOLIO	2,320,779	167,464	312,546	-	1,966,620	16,920,204	-	3,749	37,056,421	58,747,783		
TOTAL	1,941,497	202,065	330,154	-	1,804,107	19,627,531	-	1,006,137	31,153,941	56,065,432		

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

HOME AFFAIRS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Department of Home Affairs											
Outcome 1	234,383	-	44,458	-	-	-	105,230	-	-	-	384,071
	224,483	-	66,492	-	4,321	100,044	-	-	-	-	395,340
Outcome 2	999,284	-	99,666	-	-	-	953,515	-	-	-	2,052,465
	959,913	-	113,460	-	-	-	1,023,604	-	-	45,000	2,141,977
Outcome 3	1,900,068	-	68,344	-	-	-	964,179	-	-	700,000	3,632,591
	1,756,328	-	82,867	-	-	-	861,242	-	-	700,000	3,400,437
Equity Injections	-	31,383	-	-	-	-	-	-	-	-	31,383
	-	55,243	-	-	-	-	-	-	-	-	55,243
Administered Assets and Liabilities	-	-	-	-	-	-	-	2,083	-	-	2,083
	-	-	-	-	-	-	-	14,718	-	-	14,718
Total	3,133,735	31,383	212,468	-	-	2,022,924	-	2,083	700,000	6,102,593	
	2,940,724	55,243	262,819	-	4,321	1,984,890	-	14,718	745,000	6,007,715	

HOME AFFAIRS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Australian Security Intelligence Organisation											
Outcome 1	595,914	-	20,598	-	-	-	-	-	-	-	616,512
	564,433	-	17,458	-	-	-	-	-	-	-	581,891
Equity Injections	-	63,951	-	-	-	-	-	-	-	-	63,951
	-	71,945	-	-	-	-	-	-	-	-	71,945
Total	595,914	63,951	20,598	-	-	-	-	-	-	-	680,463
	564,433	71,945	17,458	-	-	-	-	-	-	-	653,836

HOME AFFAIRS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
National Emergency Management Agency											
Outcome 1	133,497	-	-	-	-	-	202,352	-	-	-	335,849
	97,136	-	-	-	-	-	280,766	-	-	1,511,749	1,889,651
Equity Injections	-	2,823	-	-	-	-	-	-	-	-	2,823
	-	4,684	-	-	-	-	-	-	-	-	4,684
Total	133,497	2,823	-	-	-	-	202,352	-	-	-	338,672
	97,136	4,684	-	-	-	-	280,766	-	-	1,511,749	1,894,335
PORTFOLIO	3,863,146	98,157	233,066	-	-	-	2,225,276	-	2,083	700,000	7,121,728
TOTAL	3,602,293	131,872	280,277	-	4,321	2,265,656	-	14,718	2,256,749	8,555,886	

- a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.
- b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
- c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

INDUSTRY, SCIENCE AND RESOURCES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Department of Industry, Science and Resources											
Outcome 1	630,715	-	82,964	-	41,366	1,496,898	-	-	51,513	2,303,456	
	592,768	-	101,679	-	33,060	2,188,663	-	-	44,790	2,960,960	
Equity Injections	-	30,235	-	-	-	-	-	-	-	-	30,235
	-	30,541	-	-	-	-	-	-	-	-	30,541
Administered Assets and Liabilities	-	-	-	-	-	-	-	-	16,650	-	16,650
	-	-	-	-	-	-	-	-	7,851	-	7,851
Total	630,715	30,235	82,964	-	41,366	1,496,898	-	16,650	51,513	2,350,341	
	592,768	30,541	101,679	-	33,060	2,188,663	-	7,851	44,790	2,999,352	
Australian Nuclear Science and Technology Organisation*											
Outcome 1	318,527	-	136,506	-	-	-	-	-	-	-	455,033
	233,027	-	151,700	-	-	-	-	-	-	-	384,727
Equity Injections	-	117,011	-	-	-	-	-	-	-	-	117,011
	-	45,744	-	-	-	-	-	-	-	-	45,744
Total	318,527	117,011	136,506	-	-	-	-	-	-	-	572,044
	233,027	45,744	151,700	-	-	-	-	-	-	-	430,471

INDUSTRY, SCIENCE AND RESOURCES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Commonwealth Scientific and Industrial Research Organisation*											
Outcome 1	1,008,739	-	633,225	-	-	-	-	-	-	-	1,641,964
	991,134	-	645,397	-	-	-	-	-	-	-	1,636,531
Equity Injections	-	50,700	-	-	-	-	-	-	-	-	50,700
	-	85,528	-	-	-	-	-	-	-	-	85,528
Total	1,008,739	50,700	633,225	-	-	-	-	-	-	-	1,692,664
	991,134	85,528	645,397	-	-	-	-	-	-	-	1,722,059
National Offshore Petroleum Safety and Environmental Management Authority*											
Outcome 1	8,721	-	50,828	-	-	-	-	-	-	-	59,549
	9,112	-	45,384	-	-	-	-	-	-	-	54,496
Equity Injections	-	-	-	-	-	-	-	-	-	-	-
	-	2,562	-	-	-	-	-	-	-	-	2,562
Total	8,721	-	50,828	-	-	-	-	-	-	-	59,549
	9,112	2,562	45,384	-	-	-	-	-	-	-	57,058

INDUSTRY, SCIENCE AND RESOURCES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
National Reconstruction Fund Corporation*(d)											
Outcome 1	39,016	-	5,197	-	-	-	-	-	-	-	44,213
	-	-	-	-	-	-	-	-	-	-	-
Equity Injections	-	14,200	-	-	-	-	-	-	-	-	14,200
Total	39,016	14,200	5,197	-	-	-	-	-	-	-	58,413
	-	-	-	-	-	-	-	-	-	-	-
Geoscience Australia											
Outcome 1	328,815	-	66,894	-	-	19	-	-	-	-	395,728
	339,589	-	69,485	-	-	19	-	-	-	-	409,093
Equity Injections	-	13,063	-	-	-	-	-	-	-	-	13,063
	-	9,594	-	-	-	-	-	-	-	-	9,594
Total	328,815	13,063	66,894	-	-	19	-	-	-	-	408,791
	339,589	9,594	69,485	-	-	19	-	-	-	-	418,687

INDUSTRY, SCIENCE AND RESOURCES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total	\$'000
IP Australia											
Outcome 1	371	-	-	-	251,404	-	-	-	-	251,775	
	360	-	-	-	246,745	-	-	-	-	247,105	
Total	371	-	-	-	251,404	-	-	-	-	251,775	
	360	-	-	-	246,745	-	-	-	-	247,105	
PORTFOLIO	2,334,904	225,209	975,614	-	292,770	1,496,917	-	16,650	51,513	5,393,577	
TOTAL	2,165,990	173,969	1,013,645	-	279,805	2,188,682	-	7,851	44,790	5,874,732	

- a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.
- b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
- c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.
- d) The National Reconstruction Fund Corporation will be established in July 2023 on commencement of the *National Reconstruction Fund Corporation Act 2023*.

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					Total \$'000	
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	External Revenue(a) \$'000	Special Appropriation \$'000	Special Accounts(b) \$'000	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2					
							SPPs \$'000	Other(c) \$'000	Special Appropriation \$'000			
Department of Infrastructure, Transport, Regional Development, Communications and the Arts												
Outcome 1	81,698	-	-	-	-	43,798	485,306	-	100	610,902		
	87,530	-	-	-	-	225,435	490,881	-	100	803,946		
Outcome 2	136,686	-	3,612	-	-	387,135	-	-	227,051	754,484		
	84,737	-	3,585	-	-	336,927	-	-	249,010	674,259		
Outcome 3	80,220	-	-	-	-	916,527	369,610	-	4,147,824	5,514,181		
	75,420	-	-	-	-	784,113	669,330	-	1,597,069	3,125,932		
Outcome 4	35,169	-	-	-	20,188	227,780	-	-	50	283,187		
	32,410	-	-	-	19,934	283,317	-	-	50	335,711		
Outcome 5	88,552	-	2,560	-	-	411,782	-	-	100	502,994		
	80,470	-	2,049	-	-	310,319	-	-	100	392,938		
Outcome 6	55,193	-	4,554	-	3,876	293,608	-	-	-	357,231		
	53,099	-	3,501	-	3,829	296,608	-	-	-	357,037		
Administered Assets and Liabilities	-	-	-	-	-	-	3,228,475	-	3,228,475			
	-	-	-	-	-	-	3,829,129	-	3,829,129			
Total	477,518	-	10,726	-	24,064	2,280,630	854,916	3,228,475	4,375,125	11,251,454		
	413,666	-	9,135	-	23,763	2,236,719	1,160,211	3,829,129	1,846,329	9,518,952		

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Australia Council*											
Outcome 1	257,974	-	5,887	-	-	-	-	-	-	-	263,861
	220,531	-	4,450	-	-	-	-	-	-	-	224,981
Total	257,974	-	5,887	-	-	-	-	-	-	-	263,861
	220,531	-	4,450	-	-	-	-	-	-	-	224,981
Australian Broadcasting Corporation*											
Outcome 1	1,137,568	-	86,338	-	-	-	-	-	-	-	1,223,906
	1,107,158	-	183,338	-	-	-	-	-	-	-	1,290,496
Total	1,137,568	-	86,338	-	-	-	-	-	-	-	1,223,906
	1,107,158	-	183,338	-	-	-	-	-	-	-	1,290,496
Australian Film, Television and Radio School*											
Outcome 1	24,283	-	9,635	-	-	-	-	-	-	-	33,918
	22,997	-	8,877	-	-	-	-	-	-	-	31,874
Total	24,283	-	9,635	-	-	-	-	-	-	-	33,918
	22,997	-	8,877	-	-	-	-	-	-	-	31,874

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Civil Aviation Safety Authority*											
Outcome 1	107,602	-	105,646	-	-	-	-	-	-	-	213,248
	92,445	-	125,112	-	-	-	-	-	-	-	217,557
Total	107,602	-	105,646	-	-	-	-	-	-	-	213,248
	92,445	-	125,112	-	-	-	-	-	-	-	217,557
Creative Partnerships Australia Ltd#											
Outcome 1	-	-	15	-	-	-	-	-	-	-	15
	-	-	8,837	-	-	-	-	-	-	-	8,837
Total	-	-	15	-	-	-	-	-	-	-	15
	-	-	8,837	-	-	-	-	-	-	-	8,837
High Speed Rail Authority* (d)											
Outcome 1	5,424	-	-	-	-	-	-	-	-	-	5,424
	-	-	4,447	-	-	-	-	-	-	-	4,447
Total	5,424	-	-	-	-	-	-	-	-	-	5,424
	-	-	4,447	-	-	-	-	-	-	-	4,447

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					Total \$'000
	Appropriation Bill No. 1	Appropriation Bill No. 2	External Revenue(a)	Special Appropriation	Special Accounts(b)	Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation		
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000		
Infrastructure Australia*											
Outcome 1	12,961	-	379	-	-	-	-	-	-	13,340	
	12,733	-	104	-	-	-	-	-	-	12,837	
Total	12,961	-	379	-	-	-	-	-	-	13,340	
	12,733	-	104	-	-	-	-	-	-	12,837	
National Film and Sound Archive of Australia*											
Outcome 1	37,270	-	2,526	-	-	-	-	-	-	39,796	
	29,702	-	2,826	-	-	-	-	-	-	32,528	
Equity Injections	-	9,813	-	-	-	-	-	-	-	9,813	
	-	8,405	-	-	-	-	-	-	-	8,405	
Total	37,270	9,813	2,526	-	-	-	-	-	-	49,609	
	29,702	8,405	2,826	-	-	-	-	-	-	40,933	
National Gallery of Australia*											
Outcome 1	66,003	-	19,482	-	-	-	-	-	-	85,485	
	48,045	-	18,315	-	-	-	-	-	-	66,360	
Equity Injections	-	27,818	-	-	-	-	-	-	-	27,818	
	-	17,043	-	-	-	-	-	-	-	17,043	
Total	66,003	27,818	19,482	-	-	-	-	-	-	113,303	
	48,045	17,043	18,315	-	-	-	-	-	-	83,403	

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
National Library of Australia*												
Outcome 1	75,948	-	17,450	-	-	-	-	-	-	-	-	93,398
	60,989	-	21,940	-	-	-	-	-	-	-	-	82,929
Equity Injections	-	16,843	-	-	-	-	-	-	-	-	-	16,843
	-	9,650	-	-	-	-	-	-	-	-	-	9,650
Total	75,948	16,843	17,450	-	-	-	-	-	-	-	-	110,241
	60,989	9,650	21,940	-	-	-	-	-	-	-	-	92,579
National Museum of Australia*												
Outcome 1	53,768	-	8,715	-	-	-	-	-	-	-	-	62,483
	50,912	-	12,609	-	-	-	-	-	-	-	-	63,521
Equity Injections	-	8,838	-	-	-	-	-	-	-	-	-	8,838
	-	1,948	-	-	-	-	-	-	-	-	-	1,948
Total	53,768	8,838	8,715	-	-	-	-	-	-	-	-	71,321
	50,912	1,948	12,609	-	-	-	-	-	-	-	-	65,469

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
National Portrait Gallery of Australia*											
Outcome 1	18,648	-	2,974	-	-	-	-	-	-	-	21,622
	12,615	-	2,897	-	-	-	-	-	-	-	15,512
Equity Injections	-	205	-	-	-	-	-	-	-	-	205
	-	194	-	-	-	-	-	-	-	-	194
Total	18,648	205	2,974	-	-	-	-	-	-	-	21,827
	12,615	194	2,897	-	-	-	-	-	-	-	15,706
National Transport Commission*											
Outcome 1	4,605	-	8,679	-	-	-	-	-	-	-	13,284
	4,427	-	8,018	-	-	-	-	-	-	-	12,445
Total	4,605	-	8,679	-	-	-	-	-	-	-	13,284
	4,427	-	8,018	-	-	-	-	-	-	-	12,445
Northern Australia Infrastructure Facility*											
Outcome 1	21,295	-	250	-	-	-	-	-	-	-	21,545
	20,939	-	230	-	-	-	-	-	-	-	21,169
Total	21,295	-	250	-	-	-	-	-	-	-	21,545
	20,939	-	230	-	-	-	-	-	-	-	21,169

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Old Parliament House*											
Outcome 1	21,702	-	3,439	-	-	-	-	-	-	-	25,141
	14,970	-	3,346	-	-	-	-	-	-	-	18,316
Equity Injections	-	6,072	-	-	-	-	-	-	-	-	6,072
	-	4,414	-	-	-	-	-	-	-	-	4,414
Total	21,702	6,072	3,439	-	-	-	-	-	-	-	31,213
	14,970	4,414	3,346	-	-	-	-	-	-	-	22,730
Screen Australia*											
Outcome 1	12,890	-	79,864	-	-	-	-	-	-	-	92,754
	27,834	-	76,804	-	-	-	-	-	-	-	104,638
Total	12,890	-	79,864	-	-	-	-	-	-	-	92,754
	27,834	-	76,804	-	-	-	-	-	-	-	104,638
Special Broadcasting Service Corporation*											
Outcome 1	334,939	-	151,487	-	-	-	-	-	-	-	486,426
	316,805	-	180,287	-	-	-	-	-	-	-	497,092
Total	334,939	-	151,487	-	-	-	-	-	-	-	486,426
	316,805	-	180,287	-	-	-	-	-	-	-	497,092

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Australian Communications and Media Authority											
Outcome 1	152,714	-	100	-	50	6,020	-	-	8,300	167,184	
	136,683	-	100	-	235	8,214	-	-	24,300	169,532	
Equity Injections	-	2,000	-	-	-	-	-	-	-	2,000	
	-	-	-	-	-	-	-	-	-	-	
Total	152,714	2,000	100	-	50	6,020	-	-	8,300	169,184	
	136,683	-	100	-	235	8,214	-	-	24,300	169,532	
Australian Transport Safety Bureau											
Outcome 1	26,641	-	1,469	-	-	-	-	-	-	28,110	
	21,629	-	1,456	-	-	-	-	-	-	23,085	
Total	26,641	-	1,469	-	-	-	-	-	-	28,110	
	21,629	-	1,456	-	-	-	-	-	-	23,085	

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
National Archives of Australia											
Outcome 1	92,337	-	2,140	-	-	-	-	-	-	-	94,477
	94,558	-	2,056	-	-	-	-	-	-	-	96,614
Equity Injections	-	7,300	-	-	-	-	-	-	-	-	7,300
	-	10,600	-	-	-	-	-	-	-	-	10,600
Total	92,337	7,300	2,140	-	-	-	-	-	-	-	101,777
	94,558	10,600	2,056	-	-	-	-	-	-	-	107,214
National Capital Authority											
Outcome 1	11,576	-	4,562	-	-	34,013	-	-	25	50,176	
	10,995	-	2,660	-	-	31,598	-	-	25	45,278	
Administered Assets and Liabilities	-	-	-	-	-	-	-	99,215	-	99,215	
	-	-	-	-	-	-	-	29,045	-	29,045	
Total	11,576	-	4,562	-	-	34,013	-	99,215	25	149,391	
	10,995	-	2,660	-	-	31,598	-	29,045	25	74,323	

INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Special Appropriation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	\$'000
National Faster Rail											
Agency (d)											
Outcome 1	-	-	-	-	-	-	-	-	-	-	-
	2,251	-	-	-	-	-	-	-	-	-	2,251
Total	-	-	-	-	-	-	-	-	-	-	2,251
PORTFOLIO	3,079,521	81,684	699,897	-	24,114	2,320,663	854,916	3,327,690	4,383,450	14,771,935	
TOTAL	2,839,794	53,971	851,007	-	23,998	2,276,531	1,160,211	3,858,174	1,870,654	12,934,340	

- a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.
- b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
- c) Includes New Administered Outcomes and Administered Assets and Liabilities items, within the meaning of Appropriation Bill No.2.
- d) The High Speed Rail Authority will be established on 13 June 2023 on commencement of the High Speed Rail Authority Act 2022. On commencement of the High Speed Rail Authority, the National Faster Rail Agency will be abolished.

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024
Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental					Administered					Total \$'000	
	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2 \$'000	External Revenue(a) \$'000	Special Appropriation \$'000	Special Accounts(b) \$'000	Appropriation Bill No. 1 \$'000	Appropriation Bill No. 2					
							SPPs \$'000	Other(c) \$'000	Special Appropriation \$'000			
Department of the Prime Minister and Cabinet												
Outcome 1	303,847	-	33,975	-	-	54,329	-	-	10	392,161		
	243,564	-	36,253	-	-	55,942	-	-	10	335,769		
Total	303,847	-	33,975	-	-	54,329	-	-	10	392,161		
	243,564	-	36,253	-	-	55,942	-	-	10	335,769		
Aboriginal Hostels Limited#												
Outcome 1	43,092	-	21,157	-	-	-	-	-	-	64,249		
	35,931	-	22,124	-	-	-	-	-	-	58,055		
Equity Injections	-	3,048	-	-	-	-	-	-	-	3,048		
	-	-	-	-	-	-	-	-	-	-		
Total	43,092	3,048	21,157	-	-	-	-	-	-	67,297		
	35,931	-	22,124	-	-	-	-	-	-	58,055		
Australian Institute of Aboriginal and Torres Strait Islander Studies*												
Outcome 1	22,575	-	10,821	-	-	-	-	-	-	33,396		
	21,281	-	13,105	-	-	-	-	-	-	34,386		
Equity Injections	-	294	-	-	-	-	-	-	-	294		
	-	74	-	-	-	-	-	-	-	74		
Total	22,575	294	10,821	-	-	-	-	-	-	33,690		
	21,281	74	13,105	-	-	-	-	-	-	34,460		

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered						
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
Indigenous Business Australia*													
Outcome 1	9,420	-	209,268	-	-	-	-	-	-	-	-	218,688	
	9,361	-	232,649	-	-	-	-	-	-	-	-	242,010	
Equity Injections	-	22,850	-	-	-	-	-	-	-	-	-	22,850	
	-	41,600	-	-	-	-	-	-	-	-	-	41,600	
Total	9,420	22,850	209,268	-	-	-	-	-	-	-	-	241,538	
	9,361	41,600	232,649	-	-	-	-	-	-	-	-	283,610	
Indigenous Land and Sea Corporation*													
Outcome 1	9,812	-	81,254	-	-	-	-	-	-	-	-	91,066	
	10,629	-	81,286	-	-	-	-	-	-	-	-	91,915	
Total	9,812	-	81,254	-	-	-	-	-	-	-	-	91,066	
	10,629	-	81,286	-	-	-	-	-	-	-	-	91,915	
National Australia Day Council Limited#													
Outcome 1	-	-	17,105	-	-	-	-	-	-	-	-	17,105	
	-	-	23,303	-	-	-	-	-	-	-	-	23,303	
Total	-	-	17,105	-	-	-	-	-	-	-	-	17,105	
	-	-	23,303	-	-	-	-	-	-	-	-	23,303	

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Northern Territory Aboriginal Investment Corporation*												
Outcome 1	-	-	75,403	-	-	-	-	-	-	-	75,403	
	-	-	69,889	-	-	-	-	-	-	-	69,889	
Total	-	-	75,403	-	-	-	-	-	-	-	75,403	
	-	-	69,889	-	-	-	-	-	-	-	69,889	
Outback Stores Pty Ltd#												
Outcome 1	-	-	19,312	-	-	-	-	-	-	-	19,312	
	-	-	19,312	-	-	-	-	-	-	-	19,312	
Total	-	-	19,312	-	-	-	-	-	-	-	19,312	
	-	-	19,312	-	-	-	-	-	-	-	19,312	
Torres Strait Regional Authority*												
Outcome 1	37,247	-	17,651	-	-	-	-	-	-	-	54,898	
	36,486	-	21,492	-	-	-	-	-	-	-	57,978	
Total	37,247	-	17,651	-	-	-	-	-	-	-	54,898	
	36,486	-	21,492	-	-	-	-	-	-	-	57,978	

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian National Audit Office											
Outcome 1	92,450	-	4,100	778	-	-	-	-	-	-	97,328
	84,379	-	4,100	778	-	-	-	-	-	-	89,257
Total	92,450	-	4,100	778	-	-	-	-	-	-	97,328
	84,379	-	4,100	778	-	-	-	-	-	-	89,257
Australian Public Service Commission											
Outcome 1	61,158	-	23,651	-	-	-	-	-	-	4,537	89,346
	61,283	-	22,876	-	-	-	-	-	-	4,444	88,603
Total	61,158	-	23,651	-	-	-	-	-	-	4,537	89,346
	61,283	-	22,876	-	-	-	-	-	-	4,444	88,603
National Indigenous Australians Agency											
Outcome 1	346,848	-	13,456	-	1,534,945	1,768,605	3,635	-	79,600	3,747,089	
	396,519	-	13,217	-	1,674,371	1,721,112	3,635	-	75,355	3,884,209	
Equity Injections	-	2,101	-	-	-	-	-	-	-	-	2,101
	-	2,101	-	-	-	-	-	-	-	-	2,101
Total	346,848	2,101	13,456	-	1,534,945	1,768,605	3,635	-	79,600	3,749,190	
	396,519	2,101	13,217	-	1,674,371	1,721,112	3,635	-	75,355	3,886,310	

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Office of National Intelligence												
Outcome 1	138,395	-	1,000	-	-	-	10,382	-	-	-	-	149,777
	121,261	-	1,000	-	-	-	8,549	-	-	-	-	130,810
Equity Injections	-	6,024	-	-	-	-	-	-	-	-	-	6,024
	-	16,656	-	-	-	-	-	-	-	-	-	16,656
Total	138,395	6,024	1,000	-	-	-	10,382	-	-	-	-	155,801
	121,261	16,656	1,000	-	-	-	8,549	-	-	-	-	147,466
Office of the Official Secretary to the Governor-General												
Outcome 1	16,114	-	258	-	-	-	5,844	-	-	495	22,711	
	23,023	-	258	-	-	-	7,276	-	-	495	31,052	
Total	16,114	-	258	-	-	-	5,844	-	-	495	22,711	
	23,023	-	258	-	-	-	7,276	-	-	495	31,052	

PRIME MINISTER AND CABINET

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	SPPs	\$'000	\$'000	\$'000	Total
Workplace Gender Equality Agency											
Outcome 1	11,738	-	100	-	-	-	-	-	-	-	11,838
	10,576	-	100	-	-	-	-	-	-	-	10,676
Total	11,738	-	100	-	-	-	-	-	-	-	11,838
	10,576	-	100	-	-	-	-	-	-	-	10,676
PORTFOLIO	1,092,696	34,317	528,511	778	1,534,945	1,839,160	3,635	-	84,642	5,118,684	
TOTAL	1,054,293	60,431	560,964	778	1,674,371	1,792,879	3,635	-	80,304	5,227,655	

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

SOCIAL SERVICES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Department of Social Services											
Outcome 1	87,878	-	4,932	-	-	-	13,072	-	-	138,033,763	138,139,645
	97,591	-	7,482	-	-	-	11,932	-	-	127,433,684	127,550,689
Outcome 2	258,884	-	10,112	-	3,903	1,053,138	-	-	541,183	1,867,220	
	219,624	-	16,585	-	3,903	1,019,220	-	-	371,189	1,630,521	
Outcome 3	131,359	-	5,429	-	-	29,698,849	-	-	-	29,835,637	
	111,026	-	8,465	-	-	24,417,223	-	-	-	24,536,714	
Outcome 4	15,626	-	942	-	-	66,745	-	-	-	83,313	
	18,342	-	1,427	-	-	92,902	-	-	-	112,671	
Total	493,747	-	21,415	-	3,903	30,831,804	-	-	138,574,946	169,925,815	
	446,583	-	33,959	-	3,903	25,541,277	-	-	127,804,873	153,830,595	
National Disability Insurance Agency*(d)											
Outcome 1	1,984,176	-	40,003,231	-	-	-	-	-	-	41,987,407	
	1,445,361	-	34,404,496	-	-	-	-	-	-	35,849,857	
Total	1,984,176	-	40,003,231	-	-	-	-	-	-	41,987,407	
	1,445,361	-	34,404,496	-	-	-	-	-	-	35,849,857	

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Institute of Family Studies											
Outcome 1	5,249	-	11,263	-	-	-	-	-	-	-	16,512
	4,607	-	17,829	-	-	-	-	-	-	-	22,436
Total	5,249	-	11,263	-	-	-	-	-	-	-	16,512
	4,607	-	17,829	-	-	-	-	-	-	-	22,436
Domestic, Family and Sexual Violence Commission											
Outcome 1	5,588	-	-	-	-	-	-	-	-	-	5,588
	3,523	-	-	-	-	-	-	-	-	-	3,523
Total	5,588	-	-	-	-	-	-	-	-	-	5,588
	3,523	-	-	-	-	-	-	-	-	-	3,523
NDIS Quality and Safeguards Commission											
Outcome 1	149,299	-	-	-	-	-	4,804	-	-	-	154,103
	82,003	-	-	-	-	-	4,589	-	-	-	86,592
Total	149,299	-	-	-	-	-	4,804	-	-	-	154,103
	82,003	-	-	-	-	-	4,589	-	-	-	86,592

SOCIAL SERVICES

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Services Australia											
Outcome 1	4,559,235	-	194,045	-	2,263,884	1,230	-	-	600	7,018,994	
	5,113,018	-	269,170	-	2,192,938	1,266	-	-	10,740	7,587,132	
Equity Injections	-	54,916	-	-	-	-	-	-	-	54,916	
	-	177,067	-	-	-	-	-	-	-	177,067	
Total	4,559,235	54,916	194,045	-	2,263,884	1,230	-	-	600	7,073,910	
	5,113,018	177,067	269,170	-	2,192,938	1,266	-	-	10,740	7,764,199	
PORTFOLIO	7,197,294	54,916	40,229,954	-	2,267,787	30,837,838	-	-	138,575,546	219,163,335	
TOTAL	7,095,095	177,067	34,725,454	-	2,196,841	25,547,132	-	-	127,815,613	197,557,202	

- a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.
- b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.
- c) Includes New Administered Outcomes and Administered Assets and Liabilities items, within the meaning of Appropriation Bill No.2
- d) The National Disability Insurance Agency, (NDIA) is a corporate Commonwealth entity and as such is not required to report expenses separately as *administered* or *departmental*. However, the NDIA's expenses incurred in the provision of reasonable and necessary support to clients (*administered* in nature) will be significant over the forward estimates compared to other corporate Commonwealth entities. These expenses are jointly funded by the Commonwealth and participating States and Territories and reflected as Departmental External Revenue. All agency operational costs (*departmental* in nature) are funded by the Commonwealth through the Appropriation Bills. Table 3.1: Departmental Expenses Table also shows the split between NDIA expenses that are *departmental* or *administered* in nature and provides a total excluding NDIA expenses that are *administered* in nature.

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Department of the Treasury												
Outcome 1	343,752	-	11,072	-	2,533,251	117,404	-	-	124,468,922	127,474,401		
	346,004	-	11,072	-	1,324,658	81,176	-	-	120,309,724	122,072,634		
Equity Injections	-	-	-	-	-	-	-	-	-	-	-	
	-	303	-	-	-	-	-	-	-	-	303	
Administered Assets and Liabilities	-	-	-	-	-	-	-	-	171,153	-	171,153	
Total	343,752	-	11,072	-	2,533,251	117,404	-	-	124,468,922	127,474,401		
	346,004	303	11,072	-	1,324,658	81,176	-	171,153	120,309,724	122,244,090		
National Housing Finance and Investment Corporation*												
Outcome 1	-	-	75,562	-	-	-	-	-	-	-	75,562	
	-	-	76,289	-	-	-	-	-	-	-	76,289	
Total	-	-	75,562	-	-	-	-	-	-	-	75,562	
	-	-	76,289	-	-	-	-	-	-	-	76,289	

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Bureau of Statistics												
Outcome 1	425,498	-	67,472	-	-	-	-	-	-	-	492,970	
	362,302	-	89,272	-	-	-	-	-	-	-	451,574	
Equity Injections	-	5,549	-	-	-	-	-	-	-	-	5,549	
	-	2,244	-	-	-	-	-	-	-	-	2,244	
Total	425,498	5,549	67,472	-	-	-	-	-	-	-	498,519	
	362,302	2,244	89,272	-	-	-	-	-	-	-	453,818	
Australian Competition and Consumer Commission												
Outcome 1	352,252	-	3,614	-	-	-	-	-	-	20	355,886	
	319,121	-	6,574	-	-	-	-	-	-	20	325,715	
Equity Injections	-	1,100	-	-	-	-	-	-	-	-	1,100	
	-	14,000	-	-	-	-	-	-	-	-	14,000	
Total	352,252	1,100	3,614	-	-	-	-	-	-	20	356,986	
	319,121	14,000	6,574	-	-	-	-	-	-	20	339,715	

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Australian Office of Financial Management											
Outcome 1	19,516	-	25	-	482,499	-	-	-	324,987,499	325,489,539	
	16,756	-	25	-	561,956	-	-	-	224,571,005	225,149,742	
Total	19,516	-	25	-	482,499	-	-	-	324,987,499	325,489,539	
	16,756	-	25	-	561,956	-	-	-	224,571,005	225,149,742	
Australian Prudential Regulation Authority											
Outcome 1	9,364	-	-	-	405,242	-	-	-	-	414,606	
	2,973	-	-	-	405,293	-	-	-	-	408,266	
Total	9,364	-	-	-	405,242	-	-	-	-	414,606	
	2,973	-	-	-	405,293	-	-	-	-	408,266	

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered				
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	Appropriation Bill No. 2	
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Australian Securities and Investments Commission											
Outcome 1	453,504	-	23,525	-	-	-	10,628	-	-	146,469	634,126
	447,381	-	29,020	-	3,000	-	7,925	-	-	142,177	629,503
Equity Injections	-	3,866	-	-	-	-	-	-	-	-	3,866
	-	5,824	-	-	-	-	-	-	-	-	5,824
Total	453,504	3,866	23,525	-	-	10,628	-	-	146,469	637,992	
	447,381	5,824	29,020	-	3,000	7,925	-	-	142,177	635,327	
Australian Taxation Office											
Outcome 1	4,180,223	-	160,939	-	-	6,266	-	-	15,722,877	20,070,305	
	4,091,046	-	141,078	-	-	9,750	-	-	14,156,662	18,398,536	
Equity Injections	-	26,174	-	-	-	-	-	-	-	-	26,174
	-	23,522	-	-	-	-	-	-	-	-	23,522
Total	4,180,223	26,174	160,939	-	-	6,266	-	-	15,722,877	20,096,479	
	4,091,046	23,522	141,078	-	-	9,750	-	-	14,156,662	18,422,058	

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Commonwealth Grants Commission												
Outcome 1	8,175	-	-	-	-	-	-	-	-	-	-	8,175
	8,138	-	-	-	-	-	-	-	-	-	-	8,138
Total	8,175	-	-	-	-	-	-	-	-	-	-	8,175
	8,138	-	-	-	-	-	-	-	-	-	-	8,138
Inspector-General of Taxation												
Outcome 1	6,709	-	-	-	-	-	-	-	-	-	-	6,709
	6,516	-	-	-	-	-	-	-	-	-	-	6,516
Total	6,709	-	-	-	-	-	-	-	-	-	-	6,709
	6,516	-	-	-	-	-	-	-	-	-	-	6,516
National Competition Council												
Outcome 1	1,727	-	-	-	-	-	-	-	-	-	-	1,727
	1,683	-	-	-	-	-	-	-	-	-	-	1,683
Total	1,727	-	-	-	-	-	-	-	-	-	-	1,727
	1,683	-	-	-	-	-	-	-	-	-	-	1,683

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	Total
Office of the Auditing and Assurance Standards Board												
Outcome 1	2,432	-	-	-	-	-	-	-	-	-	-	2,432
	2,577	-	-	-	-	-	-	-	-	-	-	2,577
Total	2,432	-	-	-	-	-	-	-	-	-	-	2,432
	2,577	-	-	-	-	-	-	-	-	-	-	2,577
Office of the Australian Accounting Standards Board												
Outcome 1	3,684	-	1,050	-	-	-	-	-	-	-	-	4,734
	4,563	-	1,153	-	-	-	-	-	-	-	-	5,716
Total	3,684	-	1,050	-	-	-	-	-	-	-	-	4,734
	4,563	-	1,153	-	-	-	-	-	-	-	-	5,716
Productivity Commission												
Outcome 1	37,874	-	10	-	-	-	-	-	-	-	-	37,884
	37,938	-	10	-	-	-	-	-	-	-	-	37,948
Total	37,874	-	10	-	-	-	-	-	-	-	-	37,884
	37,938	-	10	-	-	-	-	-	-	-	-	37,948

TREASURY

Agency Resourcing – 2023-2024

Estimated Actual – 2022-2023

Entity/Outcome/ Non-operating	Departmental						Administered					
	Appropriation Bill No. 1		Appropriation Bill No. 2		External Revenue(a)	Special Appropriation	Special Accounts(b)		Appropriation Bill No. 1	SPPs	Other(c)	Special Appropriation
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Royal Australian Mint												
Outcome 1	-	-	-	-	-	222,368	-	-	-	-	222,368	
	-	-	-	-	-	203,623	-	-	-	-	203,623	
Total	-	-	-	-	-	222,368	-	-	-	-	222,368	
	-	-	-	-	-	203,623	-	-	-	-	203,623	
PORTFOLIO	5,844,710	36,689	343,269	-	3,643,360	134,298	-	-	465,325,787	475,328,113		
TOTAL	5,646,998	45,893	354,493	-	2,498,530	98,851	-	171,153	359,179,588	367,995,506		

a) Receipts that were not appropriated to the entity by an annual Appropriation Act or another Act. Excludes amounts credited to a special account.

b) Amounts credited to a special account that were not appropriated to the entity by an annual Appropriation Act or another Act.

c) Includes *New Administered Outcomes* and *Administered Assets and Liabilities* items, within the meaning of Appropriation Bill No.2.

Special Appropriations Table

Overview of the Special Appropriations Table

The Special Appropriations Table lists Acts that contain one or more special appropriations. Acts are listed by portfolio and responsible agency, consistent with the most recent AAO.

Special appropriations are those appropriations contained in Acts other than the annual Appropriation Acts. Special appropriations account for around 3 quarters of total GGS expenditure.

Special appropriations can be limited or unlimited in terms of amount or time. A small number of Acts may also stipulate a maximum amount appropriated for the particular purpose. Expenditure funded by a special appropriation is often triggered by legislative eligibility criteria and conditions. An example of expenditure that is met using a special appropriation is aged pensions paid under the *Social Security (Administration) Act 1999*.

The Summary of Special Appropriations Table presents total portfolio resourcing that is supported by special appropriations. Only those special appropriations that have been established in law at the time of publication are included in the Special Appropriations Table and Summary of Special Appropriations Table.

The detailed Special Appropriations Table presents estimated resourcing required for each agency by Act that is supported by special appropriations. For each agency, the aggregated total for all Acts in the Special Appropriations Table can be matched with the total *Special Appropriation* amount in the Agency Resourcing Table. For an example of this matching, see Figure 3 of the *Guide to Resourcing Tables* section. Where no resourcing is expected to be required during the Budget or comparator year, the relevant Acts have not been included in the Special Appropriations Table.

A complete list of Acts with provisions containing special appropriations can be found in the *Chart of Special Appropriations*, which is available on the Finance website.

Summary of special appropriations table

Portfolio	Estimated Actual 2022-2023	Budget Estimate 2023-2024
	('\$'000)	('\$'000)
Agriculture, Fisheries and Forestry	1,102,636	1,071,384
Attorney-General's	12,347	11,780
Climate Change, Energy, the Environment and Water	624	8,620
Defence	14,440,181	15,404,935
Education	56,047,532	60,716,895
Employment and Workplace Relations	1,017,341	1,061,756
Finance	8,792,997	9,213,761
Foreign Affairs and Trade	343,535	369,960
Health and Aged Care	31,153,941	37,056,421
Home Affairs	2,256,749	700,000
Industry, Science and Resources	44,790	51,513
Infrastructure, Transport, Regional Development, Communications and the Arts	1,870,654	4,383,450
Prime Minister and Cabinet	81,082	85,420
Social Services	127,815,613	138,575,546
Treasury	359,179,588	465,325,787
Total : Special appropriations	604,159,610	734,037,228

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
AGRICULTURE, FISHERIES AND FORESTRY PORTFOLIO		
Department of Agriculture, Fisheries and Forestry		
<i>Agricultural and Veterinary Chemicals (Administration) Act 1992</i>	45,287	41,794
<i>Australian Animal Health Council (Live-stock Industries) Funding Act 1996</i>	8,919	9,437
<i>Australian Meat and Live-stock Industry Act 1997</i>	225,206	239,481
<i>Dairy Produce Act 1986</i>	54,473	51,541
<i>Egg Industry Service Provision Act 2002</i>	11,905	12,191
<i>Farm Household Support Act 2014</i>	77,361	49,136
<i>Forestry Marketing and Research and Development Services Act 2007</i>	14,161	15,494
<i>Horticulture Marketing and Research and Development Services Act 2000</i>	123,412	127,105
<i>Pig Industry Act 2001</i>	23,588	23,800
<i>Plant Health Australia (Plant Industries) Funding Act 2002</i>	13,545	13,521
<i>Primary Industries Research and Development Act 1989</i>	373,299	354,760
<i>Public Governance, Performance and Accountability Act 2013</i>	3,000	3,000
<i>Sugar Research and Development Services Act 2013</i>	31,214	31,807
<i>Wine Australia Act 2013</i>	30,266	24,317
<i>Wool Services Privatisation Act 2000</i>	67,000	74,000
Total: Department of Agriculture, Fisheries and Forestry	1,102,636	1,071,384

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
ATTORNEY-GENERAL'S PORTFOLIO		
Attorney-General's Department		
<i>High Court Justices (Long Leave Payments) Act 1979</i>	567	-
<i>Law Officers Act 1964</i>	310	310
<i>Public Governance, Performance and Accountability Act 2013</i>	20	20
Total: Attorney-General's Department	897	330
Administrative Appeals Tribunal		
<i>Public Governance, Performance and Accountability Act 2013</i>	7,500	7,500
Total: Administrative Appeals Tribunal	7,500	7,500
Australian Federal Police		
<i>Public Governance, Performance and Accountability Act 2013</i>	50	50
Total: Australian Federal Police	50	50
Australian Financial Security Authority		
<i>Bankruptcy Act 1966</i>	1,500	1,500
<i>Public Governance, Performance and Accountability Act 2013</i>	1,500	1,500
Total: Australian Financial Security Authority	3,000	3,000
Federal Court of Australia		
<i>Public Governance, Performance and Accountability Act 2013</i>	900	900
Total: Federal Court of Australia	900	900

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER PORTFOLIO		
Department of Climate Change, Energy, the Environment and Water		
<i>Fuel Security Act 2021</i>	nfp	nfp
<i>Public Governance, Performance and Accountability Act 2013</i>	101	111
Total: Department of Climate Change, Energy, the Environment and Water	101	111
 Clean Energy Regulator		
<i>Renewable Energy (Electricity) Act 2000</i>	523	509
Total: Clean Energy Regulator	523	509
 Great Barrier Reef Marine Park Authority		
<i>Great Barrier Reef Marine Park Act 1975</i>	-	8,000
Total: Great Barrier Reef Marine Park Authority	-	8,000
 DEFENCE PORTFOLIO		
Department of Defence		
<i>Australian Defence Force Cover Act 2015</i>	80,000	128,641
<i>Defence Force Retirement and Death Benefits Act 1973</i>	1,740,000	1,832,577
<i>Defence Forces Retirement Benefits Act 1948</i>	30,612	28,636
<i>Defence Home Ownership Assistance Scheme Act 2008</i>	160,753	174,203
<i>Military Superannuation and Benefits Act 1991</i>	1,660,000	1,837,732
Total: Department of Defence	3,671,365	4,001,789

	Estimated Actual 2022-2023	Budget Estimate 2023-2024
	(\$'000)	(\$'000)
Department of Veterans' Affairs		
<i>Australian Participants in British Nuclear Tests and British Commonwealth Occupation Force (Treatment) Act 2006</i>	11,733	12,371
<i>Compensation (Japanese Internment) Act 2001</i>	25	25
<i>Military Rehabilitation and Compensation Act 2004</i>	2,196,095	2,695,832
<i>Papua New Guinea (Members of the Forces Benefits) Act 1957</i>	28	28
<i>Public Governance, Performance and Accountability Act 2013</i>	5	5
<i>Safety, Rehabilitation and Compensation (Defence-related Claims) Act 1988</i>	457,416	564,468
<i>Treatment Benefits (Special Access) Act 2019</i>	4,432	4,432
<i>Veterans' Entitlements Act 1986</i>	8,099,082	8,125,985
Total: Department of Veterans' Affairs	10,768,816	11,403,146

EDUCATION PORTFOLIO

Department of Education

<i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	10,727,560	12,663,081
<i>Australian Education Act 2013</i>	26,742,988	28,147,165
<i>Higher Education Support Act 2003</i>	17,745,190	19,006,929
Total: Department of Education	55,215,738	59,817,175

Australian Research Council

<i>Australian Research Council Act 2001</i>	831,594	899,520
Total: Australian Research Council	831,594	899,520

Tertiary Education Quality and Standards Agency

<i>Public Governance, Performance and Accountability Act 2013</i>	200	200
Total: Tertiary Education Quality and Standards Agency	200	200

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO		
Department of Employment and Workplace Relations		
<i>Asbestos-related Claims (Management of Commonwealth Liabilities) Act 2005</i>	26,041	25,497
<i>Coal Mining Industry (Long Service Leave) Administration Act 1992</i>	156,468	163,056
<i>Fair Entitlements Guarantee Act 2012</i>	203,825	283,463
<i>Public Governance, Performance and Accountability Act 2013</i>	50	50
<i>Safety, Rehabilitation and Compensation Act 1988</i>	24,564	24,789
<i>Trade Support Loans Act 2014</i>	269,462	288,022
<i>VET Student Loans Act 2016</i>	335,424	275,372
Total: Department of Employment and Workplace Relations	1,015,834	1,060,249
Australian Skills Quality Authority		
<i>Public Governance, Performance and Accountability Act 2013</i>	357	357
Total: Australian Skills Quality Authority	357	357
Fair Work Commission		
<i>Public Governance, Performance and Accountability Act 2013</i>	500	500
Total: Fair Work Commission	500	500
Office of the Fair Work Ombudsman		
<i>Fair Work Act 2009</i>	550	650
<i>Public Governance, Performance and Accountability Act 2013</i>	100	-
Total: Office of the Fair Work Ombudsman	650	650

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
FINANCE PORTFOLIO		
Department of Finance		
<i>Commonwealth of Australia Constitution Act</i>	5,518	5,605
<i>Federal Circuit and Family Court of Australia Act 2021</i>	145	271
<i>Governance of Australian Government Superannuation Schemes Act 2011</i>	1,000	1,000
<i>Governor-General Act 1974</i>	1,291	1,283
<i>Judges' Pensions Act 1968</i>	60,361	63,147
<i>Medibank Private Sale Act 2006</i>	50	50
<i>Parliamentary Business Resources Act 2017</i>	243,657	243,691
<i>Parliamentary Contributory Superannuation Act 1948</i>	46,132	46,659
<i>Parliamentary Superannuation Act 2004</i>	8,582	8,925
<i>Public Governance, Performance and Accountability Act 2013</i>	2,000	2,032
<i>Same-Sex Relationships (Equal Treatment in Commonwealth Laws – Superannuation) Act 2008</i>	67	69
<i>Superannuation Act 1922</i>	46,950	43,813
<i>Superannuation Act 1976</i>	4,778,136	5,036,496
<i>Superannuation Act 1990</i>	3,550,126	3,710,681
Total: Department of Finance	8,744,015	9,163,722
Australian Electoral Commission		
<i>Commonwealth Electoral Act 1918</i>	14,900	14,900
Total: Australian Electoral Commission	14,900	14,900
Independent Parliamentary Expenses Authority		
<i>Parliamentary Business Resources Act 2017</i>	33,473	34,510
<i>Parliamentary Retirement Travel Act 2002</i>	609	629
Total: Independent Parliamentary Expenses Authority	34,082	35,139
FOREIGN AFFAIRS AND TRADE PORTFOLIO		
Department of Foreign Affairs and Trade		
<i>Official Development Assistance Multilateral Replenishment Obligations (Special Appropriation) Act 2020</i>	341,335	367,760
<i>Public Governance, Performance and Accountability Act 2013</i>	2,200	2,200
Total: Department of Foreign Affairs and Trade	343,535	369,960

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
HEALTH AND AGED CARE PORTFOLIO		
Department of Health and Aged Care		
<i>Aged Care Act 1997</i>	21,948,271	27,530,336
<i>Dental Benefits Act 2008</i>	343,788	349,835
<i>Medical Indemnity Act 2002</i>	106,328	104,764
<i>Midwife Professional Indemnity (Commonwealth Contribution) Scheme Act 2010</i>	1,309	1,294
<i>National Health Act 1953</i>	2,033,452	2,182,813
<i>Private Health Insurance Act 2007</i>	6,718,793	6,885,379
<i>Public Governance, Performance and Accountability Act 2013</i>	2,000	2,000
Total: Department of Health and Aged Care	31,153,941	37,056,421
HOME AFFAIRS PORTFOLIO		
Department of Home Affairs		
<i>Customs Act 1901</i>	600	600
<i>Public Governance, Performance and Accountability Act 2013</i>	744,400	699,400
Total: Department of Home Affairs	745,000	700,000
National Emergency Management Agency		
<i>Social Security (Administration) Act 1999</i>	1,511,749	-
Total: National Emergency Management Agency	1,511,749	-
INDUSTRY, SCIENCE AND RESOURCES PORTFOLIO		
Department of Industry, Science and Resources		
<i>Offshore Minerals Act 1994</i>	60	60
<i>Offshore Petroleum and Greenhouse Gas Storage Act 2006</i>	41,610	51,453
<i>Public Governance, Performance and Accountability Act 2013</i>	3,120	-
Total: Department of Industry, Science and Resources	44,790	51,513

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS PORTFOLIO		
Department of Infrastructure, Transport, Regional Development, Communications and the Arts		
<i>Australian Maritime Safety Authority Act 1990</i>	133,146	136,407
<i>Aviation Fuel Revenues (Special Appropriation) Act 1988</i>	113,232	88,844
<i>Civil Aviation Act 1988</i>	1,832	1,000
<i>Local Government (Financial Assistance) Act 1995</i>	833,499	3,106,446
<i>Northern Australia Infrastructure Facility Act 2016</i>	763,470	1,041,278
<i>Protection of the Sea (Oil Pollution Compensation Fund) Act 1993</i>	600	600
<i>Public Governance, Performance and Accountability Act 2013</i>	550	550
Total: Department of Infrastructure, Transport, Regional Development, Communications and the Arts	1,846,329	4,375,125
Australian Communications and Media Authority		
<i>Public Governance, Performance and Accountability Act 2013</i>	24,000	8,000
<i>Telecommunications Act 1997</i>	300	300
Total: Australian Communications and Media Authority	24,300	8,300
National Capital Authority		
<i>Public Governance, Performance and Accountability Act 2013</i>	25	25
Total: National Capital Authority	25	25
PRIME MINISTER AND CABINET PORTFOLIO		
Department of the Prime Minister and Cabinet		
<i>Public Governance, Performance and Accountability Act 2013</i>	10	10
Total: Department of the Prime Minister and Cabinet	10	10
Australian National Audit Office		
<i>Auditor-General Act 1997</i>	778	778
Total: Australian National Audit Office	778	778
Australian Public Service Commission		
<i>Remuneration Tribunal Act 1973</i>	4,444	4,537
Total: Australian Public Service Commission	4,444	4,537

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
National Indigenous Australians Agency		
<i>Aboriginal Land Rights (Northern Territory) Act 1976</i>	1,096	1,118
<i>Higher Education Support Act 2003</i>	74,249	78,472
<i>Public Governance, Performance and Accountability Act 2013</i>	10	10
Total: National Indigenous Australians Agency	75,355	79,600
Office of the Official Secretary to the Governor-General		
<i>Governor-General Act 1974</i>	495	495
Total: Office of the Official Secretary to the Governor-General	495	495
SOCIAL SERVICES PORTFOLIO		
Department of Social Services		
<i>A New Tax System (Family Assistance) (Administration) Act 1999</i>	16,927,314	18,320,780
<i>National Redress Scheme for Institutional Child Sexual Abuse Act 2018</i>	370,358	540,360
<i>Paid Parental Leave Act 2010</i>	2,775,147	3,042,381
<i>Public Governance, Performance and Accountability Act 2013</i>	823	823
<i>Social Security (Administration) Act 1999</i>	107,317,514	116,215,954
<i>Student Assistance Act 1973</i>	413,717	454,648
Total: Department of Social Services	127,804,873	138,574,946
Services Australia		
<i>Public Governance, Performance and Accountability Act 2013</i>	10,740	600
Total: Services Australia	10,740	600

	Estimated Actual 2022-2023 (\$'000)	Budget Estimate 2023-2024 (\$'000)
TREASURY PORTFOLIO		
Department of the Treasury		
<i>Australian Business Growth Fund (Coronavirus Economic Response Package) Act 2020</i>	11,111	-
<i>Federal Financial Relations Act 2009</i>	118,923,586	123,776,957
<i>Guarantee of Lending to Small and Medium Enterprises (Coronavirus Economic Response Package) Act 2020</i>	44,516	32,050
<i>International Finance Corporation Act 1955</i>	30,259	30,157
<i>International Monetary Agreements Act 1947</i>	1,300,050	628,555
<i>National Housing Finance and Investment Corporation Act 2018</i>	202	1,203
Total: Department of the Treasury	120,309,724	124,468,922
Australian Competition and Consumer Commission		
<i>Public Governance, Performance and Accountability Act 2013</i>	20	20
Total: Australian Competition and Consumer Commission	20	20
Australian Office of Financial Management		
<i>Commonwealth Inscribed Stock Act 1911</i>	224,570,999	324,987,495
<i>Financial Agreement Act 1994</i>	6	4
Total: Australian Office of Financial Management	224,571,005	324,987,499
Australian Securities and Investments Commission		
<i>Banking Act 1959</i>	78,242	88,143
<i>Life Insurance Act 1995</i>	10,707	5,576
<i>Public Governance, Performance and Accountability Act 2013</i>	53,228	52,750
Total: Australian Securities and Investments Commission	142,177	146,469
Australian Taxation Office		
<i>Product Grants and Benefits Administration Act 2000</i>	82,600	87,278
<i>Public Governance, Performance and Accountability Act 2013</i>	120,000	120,000
<i>Superannuation Guarantee (Administration) Act 1992</i>	723,000	642,900
<i>Taxation Administration Act 1953</i>	13,231,062	14,872,699
Total: Australian Taxation Office	14,156,662	15,722,877
Total Special Appropriations	604,159,610	734,037,228

Special Accounts Table

Overview of the Special Accounts Table

A special account is an appropriation mechanism that sets aside an amount within the CRF for specific expenditure purposes. Special accounts can be used to appropriate for expenditure that is resourced from contributions from other parties, such as other governments, contributions from industry or members of the community. Special accounts can also be credited with amounts from annual appropriations and special appropriations (including other special accounts), if those amounts were appropriated for the same purpose as the special account. Special accounts can be credited with amounts held on trust – these amounts are not shown in the Special Accounts Table as they are not considered resourcing available to the agency.

The Summary of Special Accounts Table presents total portfolio resourcing that is expected to be provided by other agencies, individuals and non-government bodies.

The Special Accounts Table lists special accounts by portfolio and responsible agency. For each special account, the Special Accounts Table shows the estimated opening balance for the Budget and comparator years, estimated cash inflows and outflows (receipts and payments) during the year, and estimated closing balance at the end of the Budget and comparator years. Estimated resources for the comparator year are printed in italics. Where responsibility for managing a special account is moved between agencies during the year, the part year impact for each agency is shown.

The column headed *Receipts (Non-Appropriated)* shows estimated amounts to be credited to a special account, which are received from other agencies, individuals, and non-government bodies. The column headed *Receipts (Appropriated)* shows amounts estimated to be credited to a special account, which are appropriated to the agency in an annual Appropriation Act or another Act containing a special appropriation (including other special accounts).

Amounts for an agency in the Special Accounts Table column headed *Receipts (Non-Appropriated)* can be matched with the Agency Resourcing Table column headed *Special Accounts*. Amounts in the Special Accounts Table column headed *Receipts (Appropriated)* are included in the Agency Resourcing Table in the column(s) headed *Appropriation Bill No. 1, Appropriation Bill No. 2 and/or Special Appropriation*. Further detail on matching amounts between these 2 tables is in Figure 4 of the *Guide to Resourcing Tables* section.

Special accounts which had no balance, receipts or payments during the Budget or comparator years are not included in the Special Accounts Table. A list of current special accounts can be found in the *Chart of Special Accounts*, which is available on the Finance website.

Portfolio	Estimated Actual Receipts (Non-Appropriated)	Budget Estimate Receipts (Non-Appropriated)
	2022-2023	2023-2024
	(\$'000)	(\$'000)
Agriculture, Fisheries and Forestry	592,775	608,729
Attorney-General's	240,739	221,804
Climate Change, Energy, the Environment and Water	550,067	441,485
Defence	401,112	496,183
Education	7,550	10,685
Employment and Workplace Relations	14,662	15,711
Finance	51,284,659	52,995,422
Foreign Affairs and Trade	62,596	49,114
Health and Aged Care	1,804,107	1,966,620
Home Affairs	4,321	-
Industry, Science and Resources	279,805	292,770
Infrastructure, Transport, Regional Development, Communications and the Arts	23,998	24,114
Prime Minister and Cabinet	1,674,371	1,534,945
Social Services	2,196,841	2,267,787
Treasury	2,498,530	3,643,360
Total : Special accounts	61,636,133	64,568,729

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
AGRICULTURE, FISHERIES AND FORESTRY PORTFOLIO						
Department of Agriculture, Fisheries and Forestry						
Agriculture Future Drought Resilience Special Account	13,792	100,000	-	-109,000	-	4,792
	67,873	100,000	-	-154,081	-	13,792
Biosecurity, Imported Food and Export Certification Special Account 2020	40,675	461,280	92,124	-553,404	-	40,675
	40,675	446,923	104,881	-551,804	-	40,675
Environmental Water Holdings Special Account (a)	-	-	-	-	-	-
	97,308	-	-	-	-97,308	-
National Cattle Disease Eradication Account	15	-	-	-	-	15
	15	-	-	-	-	15
National Environment Protection Council Special Account (a)	-	-	-	-	-	-
	5,308	-	-	-	-5,308	-
National Residue Survey Account	2,611	28,207	-	-28,207	-	2,611
	2,611	28,692	-	-28,692	-	2,611
Natural Heritage Trust of Australia Account (a)	-	-	-	-	-	-
	451,451	-	-	-	-451,451	-
Ozone Protection and SGG Account (a)	-	-	-	-	-	-
	40,516	-	-	-	-40,516	-

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Reef Trust Special Account 2014 (a)	-	-	-	-	-	-
	40,812	-	-	-	-40,812	-
Water for the Environment Special Account (a)	-	-	-	-	-	-
	1,489,185	-	-	-	-1,489,185	-
Water Resources Special Account 2016 (a)	-	-	-	-	-	-
	2,171	-	-	-	-2,171	-
WELS Account (a)	-	-	-	-	-	-
	4,446	-	-	-	-4,446	-
Total: Department of Agriculture, Fisheries and Forestry	57,093	589,487	92,124	-690,611	-	48,093
	2,242,371	575,615	104,881	-734,577	-2,131,197	57,093
Australian Fisheries Management Authority						
AFMA Special Account	13,672	19,242	28,097	-47,639	-	13,372
	14,054	17,160	26,788	-44,330	-	13,672
Total: Australian Fisheries Management Authority	13,672	19,242	28,097	-47,639	-	13,372
	14,054	17,160	26,788	-44,330	-	13,672

a) The 2022–23 amounts relate to functions under the control of the former Department of Agriculture, Water and the Environment up until 1 July 2022. These functions have since transferred to the Department of Climate Change, Energy, the Environment and Water.

		Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>				
		Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)
ATTORNEY-GENERAL'S PORTFOLIO						
Attorney-General's Department						
Attorney-General's Department SOETM Special Account 2021		1,643	1,039	-	-1,039	-
1,633		1,049	-	-1,039	-	1,643
POCA Programs Special Account 2018		1,525	8,752	-	-8,752	-
-		34,235	-	-34,235	1,525	1,525
Total: Attorney-General's Department		3,168	9,791	-	-9,791	-
		1,633	35,284	-	-35,274	1,525
						3,168
Australian Criminal Intelligence Commission						
National Policing Information Systems and Services Special Account		120,189	140,711	17,040	-182,784	-
146,320		135,324	24,398	-185,853	-	95,156
Total: Australian Criminal Intelligence Commission		120,189	140,711	17,040	-182,784	-
		146,320	135,324	24,398	-185,853	95,156
						120,189
Australian Federal Police						
Australian Federal Police SOETM Special Account 2021		16,918	11,488	1,600	-50,115	37,027
16,918		11,167	5,275	-53,790	37,348	16,918
Total: Australian Federal Police		16,918	11,488	1,600	-50,115	37,027
		16,918	11,167	5,275	-53,790	37,348
						16,918

		Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
		Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Australian Financial Security Authority							
Common Investment Fund Equalisation Account		42	318	-	-318	-	42
		42	312	-	-312	-	42
Confiscated Assets Account		153,064	58,884	-	-62,641	-	149,307
		159,356	57,670	-	-63,962	-	153,064
Confiscated Assets Special Account		-	11	-	-11	-	-
		-	11	-	-11	-	-
Total: Australian Financial Security Authority		153,106	59,213	-	-62,970	-	149,349
		159,398	57,993	-	-64,285	-	153,106
Australian Institute of Criminology							
Criminology Research Special Account		3,153	601	-	-830	-	2,924
		4,716	970	-	-2,533	-	3,153
Total: Australian Institute of Criminology		3,153	601	-	-830	-	2,924
		4,716	970	-	-2,533	-	3,153
Australian Law Reform Commission							
Law Reform Special Account		1,347	-	2,663	-2,663	-	1,347
		1,347	1	2,614	-2,615	-	1,347
Total: Australian Law Reform Commission		1,347	-	2,663	-2,663	-	1,347
		1,347	1	2,614	-2,615	-	1,347

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
CLIMATE CHANGE, ENERGY, THE ENVIRONMENT AND WATER PORTFOLIO						
Department of Climate Change, Energy, the Environment and Water						
Clean Energy Finance Corporation Special Account	16,054,001	400,000	8,070,000	-1,408,000	-	23,116,001
	-	500,000	11,500,000	-519,999	4,574,000	16,054,001
Energy Special Account 2015	5,973	-	11,627	-11,627	-	5,973
	-	8,932	4,741	-20,218	12,518	5,973
Environmental Water Holdings Special Account	82,634	-	46,548	-46,548	-	82,634
	-	-	45,322	-59,996	97,308	82,634
National Environment Protection Council Special Account	5,308	-	574	-574	-	5,308
	-	-	444	-444	5,308	5,308
Natural Heritage Trust of Australia Account	447,057	-	178,720	-190,102	-	435,675
	-	-	168,623	-173,017	451,451	447,057
Ozone Protection and SGG Account	39,823	12,635	-	-13,295	-	39,163
	-	12,341	-	-13,034	40,516	39,823
Reef Trust Special Account 2014	25,904	1,511	48,130	-64,016	-	11,529
	-	1,474	41,800	-58,182	40,812	25,904
Water for the Environment Special Account	829,605	-	-	-845,138	30,000	14,467
	-	-	-	-719,580	1,549,185	829,605

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Water Resources Special Account 2016	1,262	755	515	-1,649	-	883
	-	675	970	-2,554	2,171	1,262
WELS Account	2,630	2,061	229	-2,289	-	2,631
	-	1,983	221	-4,020	4,446	2,630
Total: Department of Climate Change, Energy, the Environment and Water	17,494,197	416,962	8,356,343	-2,583,238	30,000	23,714,264
	-	525,405	11,762,121	-1,571,044	6,777,715	17,494,197
Clean Energy Regulator						
Renewable Energy Special Account	14,581	3,500	-	-3,500	-	14,581
	14,581	3,500	-	-3,500	-	14,581
Total: Clean Energy Regulator	14,581	3,500	-	-3,500	-	14,581
	14,581	3,500	-	-3,500	-	14,581
Great Barrier Reef Marine Park Authority						
Great Barrier Reef Field Management Special Account	16,937	21,023	19,059	-53,476	-	3,543
	30,221	21,162	18,990	-53,436	-	16,937
Total: Great Barrier Reef Marine Park Authority	16,937	21,023	19,059	-53,476	-	3,543
	30,221	21,162	18,990	-53,436	-	16,937

							Budget Estimate – 2023-2024
							<i>Estimated Actual – 2022-2023</i>
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)	
DEFENCE PORTFOLIO							
Department of Defence							
Defence Endowments, Bequests and Other Trust Moneys Special Account 2019	347,932 292,565	388,714 297,131	-	-327,736 -304,822	- 63,058	408,910 347,932	
Total: Department of Defence	347,932 292,565	388,714 297,131	-	-327,736 -304,822	- 63,058	408,910 347,932	
Australian Signals Directorate							
ASD Trust and Other Moneys Special Account 2018	18,526 18,526	- -	-	-	-	18,526 18,526	
Total: Australian Signals Directorate	18,526 18,526	- -	-	-	-	18,526 18,526	
Department of Veterans' Affairs							
Defence Service Homes Insurance Account	4,631 8,540	107,434 103,961	120	-107,460 -107,990	- -	4,725 4,631	
Department of Veterans' Affairs SOETM Special Account 2022#	142 -	35 20	-	-35 -20	- 142	142 142	
Services for Other Entities and Trust Moneys Special Account – Department of Veterans' Affairs*	- 142	- -	-	- -	- -142	- -	
Total: Department of Veterans' Affairs	4,773 8,682	107,469 103,981	120	-107,495 -108,010	- -	4,867 4,773	

*Denotes a special account which ceased.

#Denotes a special account which commenced.

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
EDUCATION PORTFOLIO						
Department of Education						
Early Years Quality Fund Special Account	42,135	-	-	-	-	42,135
	42,135	-	-	-	-	42,135
Education SOETM Special Account 2018	522	750	230	-980	-	522
	1,540	750	232	-2,000	-	522
Higher Education Tuition Protection Fund	8,675	5,935	-	-3,390	-815	10,405
	7,208	3,600	1,000	-3,133	-	8,675
Overseas Students Tuition Fund	44,042	4,000	-	-3,985	-	44,057
	44,651	3,200	-	-3,809	-	44,042
Student Identifiers Special Account (a)	-	-	-	-	-	-
	6,892	-	-	-	-6,892	-
VSL Tuition Protection Fund (a)	-	-	-	-	-	-
	7,884	-	-	-	-7,884	-
Total: Department of Education	95,374	10,685	230	-8,355	-815	97,119
	110,310	7,550	1,232	-8,942	-14,776	95,374
Australian Research Council						
ARC Research Endowment Account	2,252	-	-	-	-	2,252
	2,252	-	-	-	-	2,252
Total: Australian Research Council	2,252	-	-	-	-	2,252
	2,252	-	-	-	-	2,252

- a) The 2022–23 amounts relate to functions under the control of the former Department of Education, Employment and Workplace Relations up until 1 July 2022. These functions have since transferred to the Department of Employment and Workplace Relations.

Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>						
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
EMPLOYMENT AND WORKPLACE RELATIONS PORTFOLIO						
Office of the Fair Work Ombudsman						
Registered Organisations Commission Special Account*	-	-	-	-	-	-
	2,192	-	3,541	-3,541	-2,192	-
Total: Office of the Fair Work Ombudsman	-	-	-	-	-	-
	2,192	-	3,541	-3,541	-2,192	-
Department of Employment and Workplace Relations						
Student Identifiers Special Account	4,692	-	8,331	-8,331	-	4,692
	-	-	8,660	-10,860	6,892	4,692
VSL Tuition Protection Fund	9,495	3,168	531	-2,580	-472	10,142
	-	3,058	1,031	-2,478	7,884	9,495
Total: Department of Employment and Workplace Relations	14,187	3,168	8,862	-10,911	-472	14,834
	-	3,058	9,691	-13,338	14,776	14,187
Safe Work Australia						
Safe Work Australia Special Account	23,459	12,233	12,227	-24,460	-	23,459
	23,569	11,146	11,278	-22,534	-	23,459
Total: Safe Work Australia	23,459	12,233	12,227	-24,460	-	23,459
	23,569	11,146	11,278	-22,534	-	23,459

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Seafarers Safety, Rehabilitation and Compensation Authority						
Seafarers Special Account 2018	1,573	310	-	-170	-	1,713
	1,291	458	-	-176	-	1,573
Total: Seafarers Safety, Rehabilitation and Compensation Authority	1,573	310	-	-170	-	1,713
	1,291	458	-	-176	-	1,573

*Denotes a special account which ceased.

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
FINANCE PORTFOLIO						
Department of Finance						
Aboriginal and Torres Strait Islander Land and Sea Future Fund Special Account	-	2,307,648	-	-2,307,648	-	-
Comcover Special Account 2018	727,218	200,586	30,040	-221,183	-	736,661
	1,132,068	182,552	21,760	-609,162	-	727,218
Coordinated Procurement Contracting Special Account 2018	38,598	38,609	-	-46,944	-	30,263
	37,636	24,163	1,846	-25,047	-	38,598
DHA Borrowings Special Account 2020	456,428	12,611	-	-172,324	-	296,715
	540,334	1,272	-	-85,178	-	456,428
DisabilityCare Australia Fund Special Account	-	16,234,444	5,477,500	-21,711,944	-	-
	-	15,706,830	5,240,000	-20,946,830	-	-
Disaster Ready Fund Special Account	-	4,808,512	-	-4,808,512	-	-
	-	4,721,387	-	-4,721,387	-	-
Future Drought Fund Special Account	-	4,964,225	-	-4,964,225	-	-
	-	4,765,230	-	-4,765,230	-	-
Medical Research Future Fund Special Account	-	23,145,016	-	-23,145,016	-	-
	-	22,520,366	-	-22,520,366	-	-

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Property Special Account 2014	106,179	75,057	167,744	-234,983	-57,143	56,854
	419,139	77,280	87,009	-413,762	-63,487	106,179
SDO Special Account 2018	13,553	30,928	-	-40,928	-	3,553
	19,828	24,392	5,800	-36,467	-	13,553
Total: Department of Finance	1,341,976	51,817,636	5,675,284	-57,653,707	-57,143	1,124,046
	2,149,005	50,251,459	5,356,415	-56,351,416	-63,487	1,341,976
Commonwealth Superannuation Corporation						
CSC Special Account	36,200	159,988	-	-166,651	-	29,537
	43,226	154,766	-	-161,792	-	36,200
Total: Commonwealth Superannuation Corporation	36,200	159,988	-	-166,651	-	29,537
	43,226	154,766	-	-161,792	-	36,200
Digital Transformation Agency						
ICT Coordinated Procurement Special Account 2017	162,109	414,444	-	-405,713	-	170,840
	140,125	420,484	-	-398,500	-	162,109
Total: Digital Transformation Agency	162,109	414,444	-	-405,713	-	170,840
	140,125	420,484	-	-398,500	-	162,109

		Budget Estimate – 2023-2024					
		<i>Estimated Actual – 2022-2023</i>					
		Opening Balance (\$'000)	Receipts (Non- Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Future Fund Management Agency							
Future Fund Special Account		-	603,354	-	-603,354	-	-
		-	457,950	-	-457,950	-	-
Total: Future Fund Management Agency		-	603,354	-	-603,354	-	-
		-	457,950	-	-457,950	-	-

		Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
		Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
FOREIGN AFFAIRS AND TRADE PORTFOLIO							
Department of Foreign Affairs and Trade							
DFAT SOETM Special Account 2019		84,798	1,000	-	-29,714	-	56,084
		325	1,000	89,088	-5,615	-	84,798
Overseas Property Special Account 2017		269,055	39,309	86,750	-177,726	-	217,388
		413,898	53,126	87,012	-284,981	-	269,055
Total: Department of Foreign Affairs and Trade		353,853	40,309	86,750	-207,440	-	273,472
		414,223	54,126	176,100	-290,596	-	353,853
Australian Centre for International Agricultural Research							
Australian Centre for International Agricultural Research Account		9,488	8,805	-	-10,430	-	7,863
		15,172	8,470	-	-14,154	-	9,488
Total: Australian Centre for International Agricultural Research		9,488	8,805	-	-10,430	-	7,863
		15,172	8,470	-	-14,154	-	9,488

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
HEALTH AND AGED CARE PORTFOLIO						
Department of Health and Aged Care						
Australian Immunisation Register Special Account 2016	8,842	3,853	7,133	-9,819	-	10,009
	7,675	3,853	7,133	-9,819	-	8,842
Gene Technology Account	9,419	139	10,942	-11,081	-	9,419
	9,419	136	8,576	-8,712	-	9,419
Health SOETM Special Account 2021	58,894	-	10,931	-10,931	-	58,894
	58,894	-	10,410	-10,410	-	58,894
Industrial Chemicals Special Account	32,861	34,032	753	-23,858	-	43,788
	31,861	24,157	34	-23,191	-	32,861
Medicare Guarantee Fund (Health) Special Account	3,271,473	-	-	-47,521,044	47,521,044	3,271,473
	3,271,473	-	-	-45,664,691	45,664,691	3,271,473
MRFF Health Special Account	2,031	-	-	-650,000	650,000	2,031
	2,031	-	-	-598,000	598,000	2,031
Sport and Recreation Special Account 2016	182	-	-	-	-	182
	182	-	-	-	-	182
Therapeutic Goods Administration Account	75,020	191,793	34,933	-228,983	-	72,763
	91,026	195,526	22,526	-234,058	-	75,020
Total: Department of Health and Aged Care	3,458,722	229,817	64,692	-48,455,716	48,171,044	3,468,559
	3,472,561	223,672	48,679	-46,548,881	46,262,691	3,458,722

		Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>				
		Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)
Australian National Preventive Health Agency						
ANPHA Special Account		12,383	-	-	-	-
Total: Australian National Preventive Health Agency		12,383	-	-	-	-
		12,383	-	-	-	-
Australian Radiation Protection and Nuclear Safety Agency						
ARPANSA Account		5,182	13,424	19,962	-33,386	-
		5,182	12,939	17,242	-30,181	-
Total: Australian Radiation Protection and Nuclear Safety Agency		5,182	13,424	19,962	-33,386	-
		5,182	12,939	17,242	-30,181	-
National Blood Authority						
National Blood Account		187,108	1,702,707	12,135	-1,704,008	-
		188,176	1,546,824	6,314	-1,554,206	-
NMF Blood and Blood Products Special Account 2017		1,170	10,672	-	-10,672	-
		1,170	10,672	-	-10,672	-
Total: National Blood Authority		188,278	1,713,379	12,135	-1,714,680	-
		189,346	1,557,496	6,314	-1,564,878	-
National Health and Medical Research Council						
Medical Research Endowment Account		263,853	10,000	910,652	-945,880	-
		274,238	10,000	877,952	-898,337	-
Total: National Health and Medical Research Council		263,853	10,000	910,652	-945,880	-
		274,238	10,000	877,952	-898,337	-
		263,853	10,000	910,652	-945,880	-
		274,238	10,000	877,952	-898,337	-
		263,853	10,000	910,652	-945,880	-
		274,238	10,000	877,952	-898,337	-
		263,853	10,000	910,652	-945,880	-
		274,238	10,000	877,952	-898,337	-

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
HOME AFFAIRS PORTFOLIO						
Department of Home Affairs						
Home Affairs SOETM Special Account 2018	1,434	-	-	-	-	1,434
	1,434	-	-	-	-	1,434
POCA Programs Special Account 2018 (a)	-	-	-	-	-	-
	1,525	4,321	-	-4,321	-1,525	-
Total: Department of Home Affairs	1,434	-	-	-	-	1,434
	2,959	4,321	-	-4,321	-1,525	1,434

- a) The 2022–23 amounts relate to functions under the control of the Department of Home Affairs up until 1 July 2022. These functions have since transferred to the Attorney-General's Department.

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
INDUSTRY, SCIENCE AND RESOURCES PORTFOLIO						
Department of Industry, Science and Resources						
ABCB Special Account 2019	8,538	5,412	4,000	-9,412	-	8,538
	9,838	5,412	4,000	-10,712	-	8,538
Clean Energy Finance Corporation Special Account (a)	-	-	-	-	-	-
	4,574,000	-	-	-	-4,574,000	-
Energy Special Account 2015 (a)	-	-	-	-	-	-
	12,518	-	-	-	-12,518	-
Industry, Science and Resources SOETM Special Account 2021	147	35	-	-	-	182
	8,916	35	-	-5,282	-3,522	147
Innovation, Science and Technology – Donations, Bequests and Sponsorship Special Account 2016	37	-	-	-24	-	13
	1,170	891	-	-2,024	-	37
National Offshore Petroleum Titles Administrator Special Account	11,317	18,347	540	-21,601	-	8,603
	8,910	17,278	2,945	-17,816	-	11,317
National Reconstruction Fund Corporation Special Account (b)	-	-	-	-550,000	5,000,000	4,450,000
Offshore Infrastructure Registrar Special Account	2,400	10,826	664	-5,980	-	7,910
	-	2,400	-	-	-	2,400

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Ranger Rehabilitation Special Account 2017	485,294	6,746	-	-	-	492,040
	535,250	7,044	-	-57,000	-	485,294
Total: Department of Industry, Science and Resources	507,733	41,366	5,204	-587,017	5,000,000	4,967,286
	5,150,602	33,060	6,945	-92,834	-4,590,040	507,733
IP Australia						
Intellectual Property Special Account 2017	64,965	251,404	371	-259,149	-	57,591
	79,924	246,745	360	-262,064	-	64,965
Total: IP Australia	64,965	251,404	371	-259,149	-	57,591
	79,924	246,745	360	-262,064	-	64,965

- a) The 2022–23 amounts relate to functions under the control of the former Department of Industry, Science, Energy and Resources up until 1 July 2022. These functions have since transferred to the Department of Climate Change, Energy, the Environment and Water.
- b) The National Reconstruction Fund Corporation Special Account will commence in July 2023 on the commencement of the *National Reconstruction Fund Corporation Act 2023*.

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
INFRASTRUCTURE, TRANSPORT, REGIONAL DEVELOPMENT, COMMUNICATIONS AND THE ARTS PORTFOLIO						
Department of Infrastructure, Transport, Regional Development, Communications and the Arts						
Art Rental Special Account 2016	3,624	3,680	-	-2,982	-	4,322
	2,973	3,633	-	-2,982	-	3,624
Christmas Island Phosphate Mining Rehabilitation Special Account 2016	2,534	1,200	-	-1,200	-	2,534
	2,534	1,200	-	-1,200	-	2,534
Indian Ocean Territories Special Account 2014	4,892	17,769	-	-17,769	-	4,892
	4,892	17,515	-	-17,515	-	4,892
Indigenous Repatriation Special Account 2016	2,656	-	706	-706	-	2,656
	3,815	-	701	-1,860	-	2,656
Infrastructure, Transport, Regional Development and Communications SOETM Special Account 2021	461	196	198	-394	-	461
	252	196	194	-181	-	461
Jervis Bay Territory Special Account 2014	1,247	1,219	-	-1,219	-	1,247
	1,247	1,219	-	-1,219	-	1,247
Melbourne Airport New Runway Land Acquisition Special Account	47	-	-	-	-	47
	47	-	-	-	-	47

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
National Cultural Heritage Account	-	-	500	-500	-	-
	-	-	500	-500	-	-
Public Interest Telecommunications Services Special Account	49,371	-	331,269	-316,296	-	64,344
	40,346	-	340,294	-331,269	-	49,371
Regional Broadband Scheme Special Account	-	-	-	-24,669	24,669	-
	-	-	-	-23,817	23,817	-
Total: Department of Infrastructure, Transport, Regional Development, Communications and the Arts	64,832	24,064	332,673	-365,735	24,669	80,503
	56,106	23,763	341,689	-380,543	23,817	64,832
Australian Communications and Media Authority						
Australian Communications and Media Authority SOETM Special Account 2022#	212	50	-	-50	-	212
	-	50	-	-50	212	212
Online Safety Special Account	12,513	-	37,340	-37,340	-	12,513
	12,513	-	41,462	-41,462	-	12,513
Services for Other Entities and Trust Moneys Special Account – Australian Communication and Media Authority*	-	-	-	-	-	-
	211	185	-	-184	-212	-
Total: Australian Communications and Media Authority	12,725	50	37,340	-37,390	-	12,725
	12,724	235	41,462	-41,696	-	12,725

*Denotes a special account which ceased.

#Denotes a special account which commenced.

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
PRIME MINISTER AND CABINET PORTFOLIO						
National Indigenous Australians Agency						
Aboriginal and Torres Strait Islander Corporations	1,039	27	-	-12	-	1,054
Unclaimed Money Account	1,024	27	-	-12	-	1,039
Aboriginals Benefit Account	16,720	1,472,573	-	-1,847,858	373,485	14,920
	12,197	1,615,968	-	-1,990,867	379,422	16,720
Indigenous Land and Sea Corporation Funding Special Account	-	62,245	-	-62,245	-	-
	-	58,176	-	-58,176	-	-
IRSD Special Account 2020	36,224	-	7,000	-15,421	-	27,803
	38,713	-	7,000	-9,489	-	36,224
NIAA SOETM Special Account 2020	1,223	100	-	-100	-	1,223
	1,123	200	-	-100	-	1,223
Total: National Indigenous Australians Agency	55,206	1,534,945	7,000	-1,925,636	373,485	45,000
	53,057	1,674,371	7,000	-2,058,644	379,422	55,206

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
SOCIAL SERVICES PORTFOLIO						
Department of Social Services						
Social Services SOETM Special Account 2021	1,038	3,903	-	-4,120	-	821
	6,132	3,903	-	-8,997	-	1,038
Total: Department of Social Services	1,038	3,903	-	-4,120	-	821
	6,132	3,903	-	-8,997	-	1,038
Services Australia						
Child Support Account	66,721	1,811,866	1,230	-1,858,844	45,748	66,721
	66,721	1,758,270	1,195	-1,803,860	44,395	66,721
Recovery of Compensation for Health Care and Other Services Special Account 2015	179,178	451,118	-	-451,118	-	179,178
	179,178	433,768	-	-433,768	-	179,178
Services Australia SOETM Special Account 2020	165	900	-	-900	-	165
	165	900	-	-900	-	165
Total: Services Australia	246,064	2,263,884	1,230	-2,310,862	45,748	246,064
	246,064	2,192,938	1,195	-2,238,528	44,395	246,064

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
TREASURY PORTFOLIO						
Department of the Treasury						
COAG Reform Fund	75,000	2,242,581	-	-27,939,592	25,697,011	75,000
	200,000	1,324,658	-	-19,554,276	18,104,618	75,000
Medicare Guarantee Fund (Treasury) Special Account	-	-	-	-47,521,044	47,521,044	-
	-	-	-	-45,664,691	45,664,691	-
National Housing Finance and Investment Corporation Special Account	919,807	290,670	-	-319,546	50,000	940,931
	965,521	-	-	-45,714	-	919,807
Total: Department of the Treasury	994,807	2,533,251	-	-75,780,182	73,268,055	1,015,931
	1,165,521	1,324,658	-	-65,264,681	63,769,309	994,807
Australian Office of Financial Management						
Australian Business Securitisation Fund Special Account	976,581	210,370	-	-519,005	500,000	1,167,946
	892,446	131,544	-	-547,409	500,000	976,581
Structured Finance Support (Coronavirus Economic Response) Fund Special Account	14,718,150	272,129	-	-	-	14,990,279
	14,397,201	430,412	-	-109,463	-	14,718,150
Total: Australian Office of Financial Management	15,694,731	482,499	-	-519,005	500,000	16,158,225
	15,289,647	561,956	-	-656,872	500,000	15,694,731

	Budget Estimate – 2023-2024 <i>Estimated Actual – 2022-2023</i>					
	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Australian Prudential Regulation Authority						
Australian Prudential Regulation Authority Special Account	63,307	5,242	9,364	-228,387	223,152	72,678
	75,700	5,293	2,973	-231,267	210,608	63,307
Financial Claims Scheme Special Account	970	-	-	-	-	970
	970	-	-	-	-	970
Private Health Insurance Risk Equalisation Special Account	-	400,000	-	-400,000	-	-
	-	400,000	-	-400,000	-	-
Total: Australian Prudential Regulation Authority	64,277	405,242	9,364	-628,387	223,152	73,648
	76,670	405,293	2,973	-631,267	210,608	64,277
Australian Securities and Investments Commission						
Enforcement Special Account 2016	71,137	-	56,504	-56,504	-	71,137
	71,137	3,000	55,246	-58,246	-	71,137
Total: Australian Securities and Investments Commission	71,137	-	56,504	-56,504	-	71,137
	71,137	3,000	55,246	-58,246	-	71,137
Australian Taxation Office						
Australian Charities and Not-for-profits Commission Special Account	13,229	-	18,277	-18,277	-	13,229
	13,229	-	18,277	-18,277	-	13,229
Superannuation Holding Accounts Special Account	82,533	-	20,100	-10,100	-	92,533
	78,333	-	21,900	-17,700	-	82,533
Total: Australian Taxation Office	95,762	-	38,377	-28,377	-	105,762
	91,562	-	40,177	-35,977	-	95,762

Budget Estimate – 2023-2024
Estimated Actual – 2022-2023

	Opening Balance (\$'000)	Receipts (Non-Appropriated) (\$'000)	Receipts (Appropriated) (\$'000)	Payments (\$'000)	Adjustments (\$'000)	Closing Balance (\$'000)
Royal Australian Mint						
Royal Australian Mint Special Account						
	117,748	222,368	-	-235,759	-	104,357
	111,900	203,623	-	-197,775	-	117,748
Total: Royal Australian Mint						
	117,748	222,368	-	-235,759	-	104,357
	111,900	203,623	-	-197,775	-	117,748

Part 2: Staffing of Agencies

Estimates of Average Staffing Levels of Agencies in the Australian General Government Sector

This Part reports on Average Staffing Levels (ASL) at the portfolio and agency level. Data is presented for 2 years – the Budget year (2023–24) and the preceding year (2022–23). The ASL reported is updated from the 2022–23 October Budget.

Data for 2022–23 reported in Table 2.2 represents the updated estimated actual ASL outcomes for general government sector (GGS) agencies. Caution should be taken when comparing actuals with estimates from other years (either in this Budget or previous budgets). On average, actual ASL outcomes realised by agencies are typically lower than earlier estimates provided by agencies. This often reflects slower than anticipated recruitment or higher natural attrition.

Data for 2023–24 represents estimates of ASL provided by GGS agencies. ASL figures reflect the average number of employees receiving salary or wages over the financial year, with adjustments for casual and part-time staff to show the full time equivalent. It also includes uniformed staff and overseas personnel. The ASL figures exclude external labour. Any minor discrepancies in totals are due to rounding of partial ASL.

The staffing of agencies in 2022–23 and 2023–24

At the 2023–24 Budget, across the GGS (excluding military and reserves):

- the estimated ASL figure for 2022–23 is 181,062 which is 60 below the estimated level (181,122) at the time of the 2022–23 October Budget.
- the estimated ASL figure for 2023–24 is 191,861. This change in estimated ASL compared to the 2022–23 ASL actual estimate reflects the Government’s decisions in the 2023–24 Budget to ensure critical government services are effectively delivered and election commitments are implemented, as well as the conversion of external labour hire to ASL positions.

ASL data for 2023–24 shows that in this Budget, the Government has funded a number of legacy pressures and programs which were due to terminate in 2022–23, many of which required the provision of ASL to support ongoing program delivery. For example, the Government has invested in a sustainable biosecurity system, the emergency response capabilities of Services Australia, and the Australian Taxation Office’s role in ensuring GST compliance.

In this Budget, the Government has also made funding commitments to support the ongoing delivery of critical services, including for the Department of Home Affairs for their visa processing functions, the National Disability Insurance Agency to enhance its capacity to deliver necessary services, and the Department of Veterans’ Affairs to ensure that services provided to veterans keep pace with demand. There is also significant funding for national and strategic interests, including the AUKUS agreement and cyber security initiatives.

Reducing reliance on contractors, consultants and external labour hire

In this Budget, the Government has continued to reduce reliance on contractors, consultants and external labour hire (collectively known as external labour). Consistent with the election commitment, the Government has converted more than 3,000 roles undertaken by external labour to ASL. This represents an important rebalancing of the APS workforce to reduce the reliance on external labour where work can appropriately be done by APS staff.

Table 2.1: Estimates of external labour conversions to ASL of agencies in the Australian Government General Government Sector

Portfolio	Estimates of external labour conversion to ASL in 2023-24 ^a
Agriculture, Fisheries and Forestry	611
Attorney-General's	232
Climate Change, Energy, the Environment and Water	280
Defence	1,029
Education	28
Employment and Workplace Relations	251
Finance	106
Foreign Affairs and Trade	173
Health and Aged Care	394
Home Affairs	30
Industry, Science and Resources	0
Infrastructure, Transport, Regional Development, Communications and the Arts	98
Parliamentary Departments	0
Prime Minister and Cabinet	37
Social Services	33
Treasury	13
Total	3,314

- a) External labour conversions to ASL in this table represent only new ASL. This data is included in the updated estimates for 2023–24 in Table 2.2 below. It does not include conversions that have occurred within the existing ASL resources of entities.

Table 2.2: Estimates of ASL of agencies in the Australian Government General Government Sector

Agriculture, Fisheries and Forestry	2022-23	2023-24
	ASL	ASL
Department of Agriculture, Fisheries and Forestry	5,387	5,795
Australian Fisheries Management Authority	177	177
Australian Pesticides and Veterinary Medicines Authority	185	190
Cotton Research and Development Corporation	16	21
Fisheries Research and Development Corporation	25	40
Grain Research and Development Corporation	79	130
Regional Investment Corporation	57	58
Rural Industries Research and Development Corporation	25	76
Wine Australia	53	53
Total	6,004	6,539

Attorney-General's	2022-23	2023-24
	ASL	ASL
Attorney-General's Department	1,815	1,813
Administrative Appeals Tribunal	628	806
Australian Commission for Law Enforcement Integrity ^a	122	0
Australian Criminal Intelligence Commission	762	848
Australian Federal Police	7,355	7,643
Australian Financial Security Authority	360	462
Australian Human Rights Commission	151	180
Australian Institute of Criminology	24	40
Australian Law Reform Commission	12	10
Australian Transaction Reports and Analysis Centre	471	508
Federal Court of Australia	1,286	1,379
High Court of Australia	75	76
National Anti-Corruption Commission ^a	0	239
Office of the Australian Information Commissioner	145	192
Office of the Commonwealth Ombudsman	283	309
Office of the Director of Public Prosecutions	426	472
Office of the Inspector-General of Intelligence and Security	45	60
Office of Parliamentary Counsel	120	120
Office of the Special Investigator	158	162
Total	14,237	15,319

- a) The Government agreed that the Australian Commission for Law Enforcement Integrity will merge into the National Anti-Corruption Commission, which will commence in 2023-24.

Climate Change, Energy, the Environment and Water		
	2022-23 ASL	2023-24 ASL
Department of Climate Change, Energy, the Environment and Water	2,414	3,895
Australian Institute of Marine Science	299	348
Australian Renewable Energy Agency	2	2
Bureau of Meteorology	1,627	1,754
Clean Energy Finance Corporation	156	190
Clean Energy Regulator	337	388
Climate Change Authority	38	65
Director of National Parks	332	396
Great Barrier Reef Marine Park Authority	255	272
Murray-Darling Basin Authority	267	368
North Queensland Water Infrastructure Authority ^a	4	1
Sydney Harbour Federation Trust	63	66
Total	5,794	7,745

- a) The North Queensland Water Infrastructure Authority will be abolished in 2023-24, with its functions transferred to the Department of Climate Change, Energy, the Environment and Water.

Defence		
	2022-23 ASL	2023-24 ASL
Department of Defence – Civilian	16,991	17,947
Department of Defence – Military	58,473	59,673
Department of Defence – Reserves	21,430	21,390
Department of Veterans' Affairs	2,727	3,129
Australian War Memorial	299	292
Defence Housing Australia	544	643
Total	100,464	103,074

Education	2022-23 ASL	2023-24 ASL
Department of Education	1,292	1,431
Australian Curriculum, Assessment and Reporting Authority	101	102
Australian Institute for Teaching and School Leadership Ltd	69	70
Australian Research Council	140	140
Tertiary Education Quality and Standards Agency	102	107
Total	1,704	1,851

Employment and Workplace Relations	2022-23 ASL	2023-24 ASL
Department of Employment and Workplace Relations	3,016	3,593
Asbestos Safety and Eradication Agency	16	20
Australian Skills Quality Authority	192	199
Comcare	608	633
Fair Work Commission	361	396
Office of the Fair Work Ombudsman ^a	901	938
Safe Work Australia	101	101
Total	5,194	5,881

a) The Office of the Fair Work Ombudsman was previously known as the Fair Work Ombudsman and Registered Organisations Commission Entity.

Finance	2022-23 ASL	2023-24 ASL
Department of Finance	1,396	1,569
Australian Electoral Commission	811	923
Commonwealth Superannuation Corporation	459	535
Digital Transformation Agency	226	250
Future Fund Management Agency	233	278
Independent Parliamentary Expenses Authority	65	52
Total	3,190	3,607

Foreign Affairs and Trade		2022-23	2023-24
		ASL	ASL
Department of Foreign Affairs and Trade	6,475	6,482	
Australian Centre for International Agricultural Research	81	86	
Australian Trade and Investment Commission	1,258	1,136	
Tourism Australia	207	207	
Total	8,021	7,911	

Health and Aged Care		2022-23	2023-24
		ASL	ASL
Department of Health and Aged Care	5,233	5,568	
Aged Care Quality and Safety Commission	1,143	1,438	
Australian Commission on Safety and Quality in Health Care	108	133	
Australian Digital Health Agency	411	464	
Australian Institute of Health and Welfare	453	530	
Australian Radiation Protection and Nuclear Safety Agency	146	178	
Australian Sports Commission	494	500	
Australian Sports Foundation Ltd	21	11	
Cancer Australia	71	79	
Food Standards Australia New Zealand	120	120	
Independent Health and Aged Care Pricing Authority ^a	1	1	
National Blood Authority	52	52	
National Health and Medical Research Council	195	195	
National Health Funding Body	28	28	
National Mental Health Commission	45	47	
Organ and Tissue Authority	30	30	
Professional Services Review	33	33	
Sport Integrity Australia	156	156	
Total	8,740	9,564	

a) The Independent Health and Aged Care Pricing Authority was previously known as the Independent Hospital Pricing Authority.

Home Affairs	2022-23	2023-24
	ASL	ASL
Department of Home Affairs	14,179	14,430
National Emergency Management Agency	334	394
Total	14,513	14,824

Industry, Science and Resources	2022-23	2023-24
	ASL	ASL
Department of Industry, Science and Resources	2,881	3,063
Australian Nuclear Science and Technology Organisation	1,307	1,421
Commonwealth Scientific and Industrial Research Organisation	5,514	5,764
Geoscience Australia	603	627
IP Australia	1,090	1,100
National Offshore Petroleum Safety and Environmental Management Authority	144	191
National Reconstruction Fund Corporation ^a	0	31
Total	11,539	12,196

a) The National Reconstruction Fund Corporation will commence in 2023-24.

Infrastructure, Transport, Regional Development, Communications and the Arts	2022-23	2023-24
	ASL	ASL
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	1,818	2,004
Australia Council	104	143
Australian Broadcasting Corporation	4,213	4,213
Australian Communications and Media Authority	525	602
Australian Film, Television and Radio School	140	145
Australian Maritime Safety Authority	448	448
Australian National Maritime Museum	125	141
Australian Transport Safety Bureau	95	110
Bundanon Trust	34	50
Civil Aviation Safety Authority	852	832
Creative Partnerships Australia Ltd	18	0
Infrastructure Australia	33	38
National Archives of Australia	344	376
National Capital Authority	61	61
National Faster Rail Agency	2	0
National Film and Sound Archive of Australia	182	187
National Gallery of Australia	217	217
National Library of Australia	350	408
National Museum of Australia	228	220
National Portrait Gallery of Australia	52	55
National Transport Commission	43	43
Northern Australia Infrastructure Facility	1	1
Old Parliament House	73	73
Screen Australia	98	105
Special Broadcasting Service Corporation	1,352	1,352
Total	11,407	11,822

Parliamentary Departments	2022-23	2023-24
	ASL	ASL
Department of Parliamentary Services	968	975
Department of the House of Representatives	155	168
Department of the Senate	160	173
Parliamentary Budget Office	44	44
Total	1,327	1,360

Prime Minister and Cabinet	2022-23	2023-24
	ASL	ASL
Department of the Prime Minister and Cabinet	1,136	1,373
Aboriginal Hostels Ltd	325	367
Australian Institute of Aboriginal and Torres Strait Islander Studies	142	141
Australian National Audit Office	379	398
Australian Public Service Commission	359	351
Indigenous Business Australia	229	229
Indigenous Land and Sea Corporation	195	195
National Australia Day Council Ltd	12	12
National Indigenous Australians Agency	1,294	1,414
Northern Territory Aboriginal Investment Corporation ^a	12	37
Office of National Intelligence	278	421
Office of the Official Secretary to the Governor-General	87	96
Outback Stores Pty Ltd	167	172
Torres Strait Regional Authority	154	159
Workplace Gender Equality Agency	51	59
Total	4,819	5,423

a) The Northern Territory Aboriginal Investment Corporation commenced in 2022-23.

Social Services		2022-23	2023-24
		ASL	ASL
Department of Social Services		2,623	2,776
Australian Institute of Family Studies		88	84
Domestic, Family and Sexual Violence Commission ^a		6	22
National Disability Insurance Agency		4,976	5,698
NDIS Quality and Safeguards Commission		431	683
Services Australia		28,560	26,692
Total		36,685	35,956

a) The Domestic, Family and Sexual Violence Commission commenced in 2022-23.

Treasury		2022-23	2023-24
		ASL	ASL
Department of the Treasury		1,438	1,401
Australian Bureau of Statistics		2,865	2,843
Australian Competition and Consumer Commission		1,339	1,453
Australian Office of Financial Management		42	56
Australian Prudential Regulation Authority		853	855
Australian Securities and Investments Commission		1,846	1,810
Australian Taxation Office		18,402	20,774
Commonwealth Grants Commission		34	34
Inspector-General of Taxation		35	35
National Competition Council		1	1
National Housing Finance and Investment Corporation		26	133
Office of the Auditing and Assurance Standards Board		8	8
Office of the Australian Accounting Standards Board		25	22
Productivity Commission		173	187
Royal Australian Mint		239	239
Total		27,326	29,851

Note: The ASL for the Australian Secret Intelligence Service, Australian Security Intelligence Organisation and Australian Signals Directorate have not previously been included in ASL collections for national security reasons, and will no longer be included in the tables.

Historical Estimates of Average Staffing Levels of Agencies in the Australian General Government Sector

Table 2.3: Estimates^(a) of the total ASL in the General Government Sector

	ASL excluding military and reserves	Military and reserves	Total ASL
2006-07	167,596	71,026	238,622
2007-08	175,531	72,686	248,217
2008-09	175,422	75,144	250,566
2009-10	178,970	79,351	258,321
2010-11	181,018	80,873	261,891
2011-12	182,505	79,132	261,637
2012-13	179,953	76,678	256,631
2013-14	177,258	76,595	253,853
2014-15	166,261	76,874	243,135
2015-16	165,648	77,399	243,047
2016-17	166,181	78,314	244,495
2017-18	165,276	78,497	243,773
2018-19	165,491	78,815	244,306
2019-20	166,762	80,540	247,302
2020-21	168,912	81,671	250,583
2021-22	173,142	80,635	253,777
2022-23	181,122	83,703	264,825
2023-24	191,861	81,063	272,924

a) The estimates of ASL reflect expected outcomes at the time the Budget Papers were published. To provide continuity with previous years, estimates of ASL in 2021–22 are as published in the 2022–23 March Budget Papers.

Part 3: Expenses and Net Capital Investment

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Part 3: Expenses and Net Capital Investment

This part reports on departmental expenses and net capital investment, by agency. The data is presented on the same basis as data in Statement 6 of Budget Paper No. 1. Both sets of data are presented on the basis of external accounting and financial reporting standards. These standards present information in terms of accrued expenses and accrued revenue.

The external standards used for budget reporting purposes are:

- the Australian Bureau of Statistics' Government Finance Statistics (GFS) accrual publication, *Australian System of Government Finance Statistics: Concepts, Sources and Methods, 2015* (cat no. 5514.0), which is based on the International Monetary Fund (IMF) accrual GFS framework
- the Australian Accounting Standards, issued by the Australian Accounting Standards Board (AASB), which includes International Financial Reporting Standards as adopted in Australia for use by the not-for-profit sector and specific standards such as AASB 1049 *Whole of Government and General Government Sector Financial Reporting* (AASB 1049).

Machinery of government changes have implications for how information is presented in the tables in this part. For example, if an agency was abolished in a particular year, it will have estimated expenses reflecting expenditure in part of that year. If an agency was created in a particular year, it will have estimated expenses for both that year and forward years.

Departmental Expenses Table

Table 3.1 presents departmental expenses by agency. Departmental expenses reduce the net worth of agencies. It includes expenses controlled by agencies such as payment of wages and purchases of goods and services. It excludes administered expenses – not controlled by agencies – paid on behalf of government such as social benefits and grants to the States. It also excludes net capital investment, which does not reduce net worth.

Table 3.1: Departmental Expenses Table

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	1,304	1,237	1,249	1,208	1,182
Total	1,304	1,237	1,249	1,208	1,182
Attorney-General's					
Attorney-General's Department	430	465	430	375	386
Australian Federal Police	1,799	1,819	1,800	1,780	1,789
High Court of Australia	28	29	29	29	30
Total	2,257	2,313	2,259	2,185	2,204
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	537	528	527	530	547
Clean Energy Finance Corporation	206	931	5,076	802	2,493
Clean Energy Regulator	117	122	107	92	92
Department of Climate Change, Energy, the Environment and Water	943	1,106	1,018	854	810
Total	1,803	2,687	6,728	2,279	3,942
Defence					
Australian Signals Directorate	1,484	1,818	2,092	2,276	2,404
Australian War Memorial	59	59	63	65	66
Defence Housing Australia	752	818	1,001	916	941
Department of Defence	42,281	44,709	46,252	51,077	50,375
Department of Veterans' Affairs	600	637	532	531	540
Total	45,176	48,041	49,941	54,864	54,326
Education					
Australian Research Council	29	25	25	26	26
Department of Education	298	344	324	320	314
Total	328	369	350	346	340
Employment and Workplace Relations					
Comcare	284	306	301	294	289
Department of Employment and Workplace Relations	866	838	801	790	822
Total	1,151	1,144	1,102	1,084	1,110
Finance					
Department of Finance	727	780	743	751	763
Future Fund Management Agency	159	178	193	207	217
Total	885	958	936	957	980

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	2,284	2,304	2,271	2,257	2,369
Total	2,284	2,304	2,271	2,257	2,369
Health and Aged Care					
Department of Health and Aged Care	1,360	1,499	1,235	1,096	1,091
National Blood Authority	10	11	11	11	12
National Health and Medical Research Council	59	57	58	58	59
Total	1,429	1,567	1,304	1,166	1,161
Home Affairs					
Australian Security Intelligence Organisation	672	656	657	659	677
Department of Home Affairs	3,635	3,579	3,303	3,298	3,322
Total	4,306	4,234	3,960	3,957	3,999
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	438	489	488	510	502
Commonwealth Scientific and Industrial Research Organisation	1,559	1,680	1,602	1,622	1,633
Department of Industry, Science and Resources	718	722	644	627	583
Geoscience Australia	436	400	340	341	310
Total	3,151	3,292	3,073	3,100	3,027
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	1,203	1,226	1,283	1,315	1,306
Australian Communications and Media Authority	135	144	145	147	142
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	459	488	433	408	387
National Archives of Australia	101	108	108	101	103
National Capital Authority	14	17	15	15	15
National Gallery of Australia	83	102	107	108	112
National Library of Australia	89	98	96	94	95
Total	2,084	2,183	2,187	2,188	2,159
Parliament					
Department of Parliamentary Services	197	210	216	218	219
Total	197	210	216	218	219
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	279	337	228	205	208
Indigenous Business Australia	262	286	303	317	327
National Indigenous Australians Agency	372	372	323	316	301
Total	913	995	853	839	836

Table 3.1: Departmental Expenses Table (continued)

	Estimates				
	2022–23 \$m	2023–24 \$m	2024–25 \$m	2025–26 \$m	2026–27 \$m
Social Services					
Department of Social Services	545	581	479	465	457
National Disability Insurance Agency (NDIA)(c)	36,932	42,133	46,995	52,029	56,076
NDIA administered in nature	35,100	39,977	45,315	50,348	54,376
NDIA departmental in nature	1,832	2,156	1,680	1,682	1,701
Services Australia	5,327	4,957	4,345	4,224	4,257
Total	42,803	47,670	51,819	56,719	60,790
Treasury					
Australian Bureau of Statistics	478	511	506	547	625
Australian Office of Financial Management	15	19	17	17	17
Australian Prudential Regulation Authority	229	239	240	243	243
Australian Securities and Investments Commission	470	499	484	481	489
Australian Taxation Office	4,292	4,360	4,344	4,397	3,849
Department of the Treasury	369	364	325	298	301
National Housing Finance and Investment Corporation	26	92	115	102	97
Total	5,878	6,084	6,031	6,086	5,620
Small agencies	9,613	10,521	10,217	9,616	9,518
Whole of government and inter-agency amounts(a)	-2,816	-2,089	-1,134	-1,011	-1,207
Agency expenses considered other economic flows(b)	-1,467	-1,605	-1,937	-1,581	-2,028
Total departmental expenses	121,280	132,114	141,424	146,475	150,547
Less: NDIA administered in nature(c)	35,100	39,977	45,315	50,348	54,376
Total excluding NDIA administered in nature	86,179	92,137	96,109	96,128	96,171

- a) Estimates of inter-agency transactions are included in the whole-of-government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.
- b) Agency estimates include net write down and impairment of assets and fair value losses. For Australian government reporting these are considered other economic flows.
- c) The National Disability Insurance Agency, (NDIA) is a corporate Commonwealth entity and as such is not required to report expenses separately as *administered* or *departmental*. However, the NDIA's expenses incurred in the provision of reasonable and necessary support to clients (*administered* in nature) will be significant over the forward estimates compared to other corporate Commonwealth entities. Additionally, these expenses are jointly funded by the Commonwealth and participating states and territories. To provide a better view of these NDIA expenses, Table 3.1 shows the split between expenses that are *departmental* or *administered* in nature and provides a total excluding NDIA that are *administered* in nature.

Net Capital Investment Table

Table 3.2 presents net capital investment by agency. Net capital investment represents net expenditure by agencies on non-financial assets. It includes expenditure on assets such as defence equipment. It excludes any investment in financial assets such as loans.

Table 3.2: Net Capital Investment Table

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Agriculture, Fisheries and Forestry					
Department of Agriculture, Fisheries and Forestry	-5,609	38	23	-8	-19
Total	-5,609	38	23	-8	-19
Attorney-General's					
Attorney-General's Department	-50	-13	-22	-12	-30
Australian Federal Police	36	14	0	-12	-4
High Court of Australia	-3	1	-1	-4	-4
Total	-16	1	-23	-28	-38
Climate Change, Energy, the Environment and Water					
Bureau of Meteorology	121	119	30	23	17
Clean Energy Finance Corporation	8	-3	-3	5	-3
Clean Energy Regulator	1	5	-6	-9	-9
Department of Climate Change, Energy, the Environment and Water	6,001	366	-3	-31	-28
Total	6,131	487	19	-11	-23
Defence					
Australian Signals Directorate	203	621	383	-18	-214
Australian War Memorial	117	136	113	65	14
Defence Housing Australia	231	283	79	122	92
Department of Defence	7,125	7,654	7,846	5,815	9,690
Department of Veterans' Affairs	35	-18	-26	-20	-19
Total	7,710	8,677	8,396	5,964	9,564
Education					
Australian Research Council	-5	-1	-3	-2	-1
Department of Education	-614	39	46	44	15
Total	-619	38	43	43	14
Employment and Workplace Relations					
Comcare	-4	-8	-7	0	-7
Department of Employment and Workplace Relations	548	35	-81	-2	-106
Total	544	27	-88	-3	-113
Finance					
Department of Finance	116	49	148	202	493
Future Fund Management Agency	-8	-8	-8	-4	-4
Total	109	42	140	198	489

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Foreign Affairs and Trade					
Department of Foreign Affairs and Trade	180	139	129	36	-4
Total	180	139	129	36	-4
Health and Aged Care					
Department of Health and Aged Care	-514	-456	-52	-71	-74
National Blood Authority	7	-1	-1	-1	-2
National Health and Medical Research Council	-7	-5	-5	-5	-5
Total	-513	-463	-59	-78	-81
Home Affairs					
Australian Security Intelligence Organisation	-40	17	-17	2	-19
Department of Home Affairs	-283	-333	-437	-402	-490
Total	-324	-316	-455	-400	-509
Industry, Science and Resources					
Australian Nuclear Science and Technology Organisation	70	105	91	56	-37
Commonwealth Scientific and Industrial Research Organisation	30	28	45	-172	40
Department of Industry, Science and Resources	-59	9	-2	-21	-24
Geoscience Australia	-21	-17	-29	-22	-29
Total	21	125	106	-158	-51
Infrastructure, Transport, Regional Development, Communications and the Arts					
Australian Broadcasting Corporation	-61	-23	-65	-59	-59
Australian Communications and Media Authority	-7	2	-1	-3	-4
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	-5	38	-1	-7	-53
National Archives of Australia	-2	-11	-10	-16	-16
National Capital Authority	16	114	-1	-13	-11
National Gallery of Australia	24	48	40	19	7
National Library of Australia	13	14	27	5	5
Total	-22	183	-11	-75	-130
Parliament					
Department of Parliamentary Services	24	62	-15	-16	-15
Total	24	62	-15	-16	-15
Prime Minister and Cabinet					
Department of the Prime Minister and Cabinet	-2	-6	-12	-11	-11
Indigenous Business Australia	-7	-3	-8	-8	-9
National Indigenous Australians Agency	-15	-18	-18	-18	-18
Total	-24	-26	-38	-37	-38

Table 3.2: Net Capital Investment Table (continued)

	Estimates				
	2022–23	2023–24	2024–25	2025–26	2026–27
	\$m	\$m	\$m	\$m	\$m
Social Services					
Department of Social Services	-59	-22	-15	-12	-74
National Disability Insurance Agency	8	5	7	8	7
Services Australia	241	-44	-117	-429	-399
Total	191	-61	-125	-434	-466
Treasury					
Australian Bureau of Statistics	-23	-22	-11	-1	-17
Australian Office of Financial Management	0	0	0	0	0
Australian Prudential Regulation Authority	-10	-6	32	-15	-15
Australian Securities and Investments Commission	1	-38	-43	-34	-39
Australian Taxation Office	38	-144	248	-263	-45
Department of the Treasury	-11	-18	-18	-17	-16
National Housing Finance and Investment Corporation	0	0	0	0	0
Total	-5	-228	208	-329	-132
Small agencies	175	375	180	-25	-44
Whole of government and inter-agency amounts(a)	903	969	581	609	593
Adjustments to agency movements in non-financial assets(b)	1,586	363	-1,782	201	273
Total net capital investment	10,441	10,431	7,229	5,449	9,271

a) Estimates of inter-agency transactions are included in the whole-of-government and inter-agency amounts. The entry for each portfolio does not include eliminations for inter-agency transactions within that portfolio.

b) Agency estimates include net write-down and impairment of non-financial assets and assets recognised for the first time. For Australian Government reporting these are considered other economic flows.

Appendix A: Agency Outcome Statements

This appendix provides a table of the Outcomes managed by each agency. It assists users to understand the Agency Resourcing Table.

The Outcome statements are listed by portfolio, in the order of: portfolio department(s) of state, corporate Commonwealth entities (*) and Commonwealth companies (#), and then other agencies. Within these categories, agencies are listed alphabetically by official name. This is the same order as displayed in the annual Appropriation Bills and the Agency Resourcing Table.

Outcome statements articulate Government objectives and serve 3 main purposes:

- to explain the purposes for which annual appropriations are approved by the Parliament for use by agencies
- to provide a basis for budgeting and reporting against the use of funds
- to measure and assess non-financial performance in contributing to Government policy objectives.

This appendix contains approved Outcome statements for GGS agencies. It does not include agencies that are not within the GGS, such as Public Financial Corporations or Public Non-Financial Corporations.

Further information on the nature and structure of these agencies can be found in the *Flipchart of PGPA Act Commonwealth entities and companies*, which is available on the Finance website.

Agency Outcome Statements

Parliament		
Entity	Outcome	Description
Department of the Senate	1	Advisory and administrative support services to enable the Senate and Senators to fulfil their representative and legislative duties
Department of the House of Representatives	1	Advisory and administrative services support the House of Representatives to fulfil its representative and legislative role
Department of Parliamentary Services	1	Support the functions of Parliament and parliamentarians through the provision of professional services, advice and facilities and maintain Australian Parliament House
Parliamentary Budget Office	1	Inform the Parliament by providing independent and non-partisan analysis of the budget cycle, fiscal policy and the financial implications of proposals

Agriculture, Fisheries and Forestry		
Entity	Outcome	Description
Department of Agriculture, Fisheries and Forestry	1	More sustainable, productive, internationally competitive and profitable Australian agricultural, food and fibre industries through policies and initiatives that promote better resource management practices, innovation, self-reliance and improved access to international markets
Department of Agriculture, Fisheries and Forestry	2	Safeguard Australia's animal and plant health status to maintain overseas markets and protect the economy and environment from the impact of exotic pests and diseases, through risk assessment, inspection and certification, and the implementation of emergency response arrangements for Australian agricultural, food and fibre industries
Australian Pesticides and Veterinary Medicines Authority*	1	Protection of the health and safety of people, animals, the environment, and agricultural and livestock industries through regulation of pesticides and veterinary medicines
Cotton Research and Development Corporation*	1	Adoption of innovation that leads to increased productivity, competitiveness and environmental sustainability through investment in research and development that benefits the Australian cotton industry and the wider community
Fisheries Research and Development Corporation*	1	Increased economic, social and environmental benefits for Australian fishing and aquaculture, and the wider community, by investing in knowledge, innovation, and marketing
Grains Research and Development Corporation*	1	New information and products that enhance the productivity, competitiveness and environmental sustainability of Australian grain growers and benefit the industry and wider community, through planning, managing and implementing investments in grains research and development
Regional Investment Corporation*	1	Encourage growth, investment and resilience in Australian farm businesses and rural and regional communities by delivering the Commonwealth's farm business concessional loans

Agriculture, Fisheries and Forestry		
Entity	Outcome	Description
Rural Industries Research and Development Corporation*	1	Growth in the long-term prosperity of Australian rural industries by investing, through partnerships with industry, in research, development, extension, and commercialisation that fosters sustainable and profitable existing and emerging rural industries, and cross sector opportunities and challenges
Wine Australia*	1	Foster and enable a competitive Australian wine industry by investing in research and development, building markets, disseminating knowledge and ensuring compliance
Australian Fisheries Management Authority	1	Ecologically sustainable and economically efficient Commonwealth fisheries, through understanding and monitoring Australia's marine living resources and regulating and monitoring commercial fishing, including domestic licensing and deterrence of illegal foreign fishing

Attorney-General's		
Entity	Outcome	Description
Attorney-General's Department	1	A just and secure society through the maintenance and improvement of Australia's law, justice, security and integrity frameworks
Australian Human Rights Commission*	1	An Australian society in which human rights are respected, protected, and promoted through independent investigation and resolution of complaints, contributions to law and policy reforms, research, education, partnerships, and monitoring and reporting on human rights
Administrative Appeals Tribunal	1	Provide correct or preferable decisions through a mechanism of independent review of administrative decisions that is accessible, fair, just, economical, informal, quick and proportionate
Australian Commission for Law Enforcement Integrity	1	Independent assurance to the Australian Government that Commonwealth law enforcement agencies and their staff act with integrity by detecting, investigating and preventing corruption
Australian Criminal Intelligence Commission	1	To protect Australia from criminal threats through coordinating a strategic response and the collection, assessment and dissemination of intelligence and policing information
Australian Federal Police	1	Reduce criminal and national security threats to Australia's collective economic and societal interests through cooperative national and international policing services, primarily focused on the prevention, detection, disruption, investigation and prosecution of criminal activity
Australian Federal Police	2	A safe and secure environment through policing activities on behalf of the Australian Capital Territory Government
Australian Federal Police	3	Safeguarding Australians and Australian interests through the delivery of policing services primarily focused on protective services, aviation policing and international missions
Australian Financial Security Authority	1	Maintain confidence in Australia's personal insolvency and personal property securities systems by delivering fair, efficient and effective regulatory, trustee, registry and information services

Attorney-General's		
Entity	Outcome	Description
Australian Institute of Criminology	1	Informed crime and justice policy and practice in Australia by undertaking, funding and disseminating policy-relevant research of national significance
Australian Law Reform Commission	1	Informed government decisions about the development, reform and harmonisation of Australian laws and related processes through research, analysis, reports and community consultation and education
Australian Transaction Reports and Analysis Centre	1	The protection of the financial system from criminal abuse through actionable financial intelligence, risk-based regulation, and collaboration with domestic and international partners
Federal Court of Australia	1	Apply and uphold the rule of law for litigants in the Federal Court of Australia and parties in the National Native Title Tribunal through the resolution of matters according to law and through the effective management of the administrative affairs of the Court and Tribunal
Federal Court of Australia	2	Apply and uphold the rule of law for litigants in the Federal Circuit and Family Court of Australia (Division 1) through the just, safe, efficient and timely resolution of family law matters, particularly more complex family law matters including appeals, according to law, through the encouragement of appropriate dispute resolution processes and through the effective management of the administrative affairs of the Court
Federal Court of Australia	3	Apply and uphold the rule of law for litigants in the Federal Circuit and Family Court of Australia (Division 2) through the just, safe, efficient and timely resolution of family law and general federal law matters according to law, through the encouragement of appropriate dispute resolution processes and through the effective management of the administrative affairs of the Court
Federal Court of Australia	4	Improved administration and support of the resolution of matters according to law for litigants in the Federal Court of Australia, the Federal Circuit and Family Court of Australia, and parties in the National Native Title Tribunal, through efficient and effective provision of shared corporate and registry services
High Court of Australia	1	To interpret and uphold the Australian Constitution and perform the functions of the ultimate appellate Court in Australia
National Anti-Corruption Commission†	1	Independent assurance to the Australian community that corrupt conduct involving Commonwealth public officials is prevented, detected, investigated and responded to appropriately
Office of the Australian Information Commissioner	1	Provision of public access to Commonwealth Government information, protection of individuals' personal information, and performance of information commissioner, freedom of information and privacy functions
Office of the Commonwealth Ombudsman	1	Fair and accountable administrative action by Australian Government entities and prescribed private sector organisations, by investigating complaints, reviewing administrative action and statutory compliance inspections and reporting
Office of the Director of Public Prosecutions	1	Contribute to a fair, safe and just society by delivering an effective, independent prosecution service in accordance with the Prosecution Policy of the Commonwealth

Attorney-General's		
Entity	Outcome	Description
Office of the Inspector-General of Intelligence and Security	1	Independent assurance for the Prime Minister, senior ministers and Parliament as to whether Australia's intelligence and security agencies act legally and with propriety by inspecting, inquiring into and reporting on their activities
Office of Parliamentary Counsel	1	A body of Commonwealth laws and instruments that give effect to intended policy, and that are coherent, readable and readily accessible, through the drafting and publication of those laws and instruments
Office of the Special Investigator	1	Ensure Australian law and principles of justice are upheld through investigating activities of Australian Defence Force personnel in Afghanistan from 2005 to 2016, and referring alleged criminal offences including breaches of the Laws of Armed Conflict for prosecution

Climate Change, Energy, the Environment and Water		
Entity	Outcome	Description
Department of Climate Change, Energy, the Environment and Water	1	Support the transition of Australia's economy to net-zero emissions by 2050; transition energy to support net zero while maintaining security, reliability and affordability; support actions to promote adaptation and strengthen resilience of Australia's economy, society and environment; and take a leadership role internationally in responding to climate change
Department of Climate Change, Energy, the Environment and Water	2	Conserve, protect and sustainably manage our natural resources including through a nature positive approach; protect and conserve our natural and cultural heritage; reduce and regulate the use of pollutants and hazardous substances; and take a leadership role on these issues internationally
Department of Climate Change, Energy, the Environment and Water	3	Advance Australia's environmental, scientific, strategic and economic interests in the Antarctic region by protecting, researching and administering the region, including through international engagement
Department of Climate Change, Energy, the Environment and Water	4	Improve the health of rivers and wetlands and enhance the sustainable, efficient and productive use of Australia's water resources
Australian Institute of Marine Science*	1	Growth of knowledge to support protection and sustainable development of Australia's marine resources through innovative marine science and technology
Australian Renewable Energy Agency*	1	Support improvements in the competitiveness of renewable energy and related technologies and the supply of renewable energy by administering financial assistance, developing analysis and advice about, and sharing information and knowledge with regard to, renewable energy and related technologies
Clean Energy Finance Corporation*	1	Facilitate increased flows of finance into Australia's clean energy sector and facilitate the achievement of Australia's greenhouse gas emissions reduction targets, by investing in renewable energy (including finance to upgrade, expand and modernise Australia's electricity grid), low emissions and energy efficiency technologies, building industry capacity, and disseminating information to industry stakeholders

Climate Change, Energy, the Environment and Water		
Entity	Outcome	Description
Director of National Parks*	1	Management of Commonwealth reserves as outstanding natural places that enhance Australia's well-being through the protection and conservation of their natural and cultural values, supporting the aspirations of Aboriginal and Torres Strait Islander people in managing their traditional land and sea country, and offering world class natural and cultural visitor experiences
Murray-Darling Basin Authority*	1	Equitable and sustainable use of the Murray-Darling Basin by governments and the community including through development and implementation of a Basin Plan, operation of the River Murray system, shared natural resource management programs, research, information and advice
Sydney Harbour Federation Trust*	1	Enhanced appreciation and understanding of the natural and cultural values of Sydney Harbour and its contribution to the national story and world's heritage for all visitors, through the remediation, conservation and adaptive re-use of, and access to, Trust lands on Sydney Harbour
Bureau of Meteorology	1	Enabling a safe, prosperous, secure and healthy Australia through the provision of weather, water, climate, ocean and space weather services
Clean Energy Regulator	1	Contribute to a reduction in Australia's net greenhouse gas emissions, including through the administration of market based mechanisms that incentivise reduction in emissions and the promotion of additional renewable electricity generation
Clean Energy Regulator	2	Contribute to the sustainable management of Australia's biodiversity through the administration of market based mechanisms that incentivise the preservation and improvement of diverse ecosystems
Climate Change Authority	1	Provide expert advice to the Australian Government on climate change initiatives, including through conducting regular and specifically commissioned reviews and through undertaking climate change research
Great Barrier Reef Marine Park Authority	1	The long-term protection, ecologically sustainable use, understanding and enjoyment of the Great Barrier Reef for all Australians and the international community, through the care and development of the Marine Park
North Queensland Water Infrastructure Authority	1	Progress the development of water resource projects in North Queensland, through strategic planning and coordination of information sharing among relevant regulatory authorities and stakeholders

Defence		
Entity	Outcome	Description
Department of Defence	1	Defend Australia and its national interests through the conduct of operations and provision of support for the Australian community and civilian authorities in accordance with Government direction
Department of Defence	2	Protect and advance Australia's strategic interests through the provision of strategic policy, the development, delivery and sustainment of military, intelligence and enabling capabilities, and the promotion of regional and global security and stability as directed by Government

Defence		
Entity	Outcome	Description
Defence Housing Australia*	1	To contribute to the Defence outcome by providing total housing services that meet Defence operational and client needs through a strong customer and business focus
Australian Signals Directorate	1	Defend Australia from global threats and advance our national interests through the provision of foreign signals intelligence, cyber security and offensive cyber operations, as directed by Government
Department of Veterans' Affairs	1	Maintain and enhance the financial wellbeing and self-sufficiency of eligible persons and their dependants through access to income support, compensation, and other support services, including advice and information about entitlements
Department of Veterans' Affairs	2	Maintain and enhance the physical and mental wellbeing and quality of life of eligible persons and their dependants through health and other care services that promote early intervention, prevention and treatment, including advice and information about health service entitlements
Department of Veterans' Affairs	3	Acknowledgement and commemoration of those who served Australia and its allies in wars, conflicts and peace operations through promoting recognition of service and sacrifice, preservation of Australia's wartime heritage, and official commemorations
Australian War Memorial*	1	Australians remembering, interpreting and understanding the Australian experience of war and its enduring impact through maintaining and developing the national memorial, its collection and exhibition of historical material, commemorative ceremonies and research

Education		
Entity	Outcome	Description
Department of Education	1	Improved early learning, schooling, student educational outcomes and transitions to and from school through access to quality early childhood education and care, support, parent engagement, quality teaching and learning environments
Department of Education	2	Promote growth in economic productivity and social wellbeing through access to quality higher education, international education, and international quality research
Australian Curriculum, Assessment and Reporting Authority*	1	Improved quality and consistency of school education in Australia through a national curriculum, national assessment, data collection, and performance reporting system
Australian Institute for Teaching and School Leadership Limited#	1	Enhance the quality of teaching and school leadership through developing standards, recognising teaching excellence, providing professional development opportunities, and supporting the teaching profession
Australian Research Council	1	Growth of knowledge and innovation through managing research funding schemes, measuring research excellence and providing advice

Education		
Entity	Outcome	Description
Tertiary Education Quality and Standards Agency	1	Contribute to a high-quality higher education sector through streamlined and nationally consistent higher education regulatory arrangements; registration of higher education providers; accreditation of higher education courses; and investigation, quality assurance and dissemination of higher education standards and performance

Employment and Workplace Relations		
Entity	Outcome	Description
Department of Employment and Workplace Relations	1	Foster a productive and competitive labour market through policies and programs that assist job seekers into work, including secure work, and meet employer and industry needs
Department of Employment and Workplace Relations	2	Promote growth in economic productivity and social wellbeing through access to quality skills and training
Department of Employment and Workplace Relations	3	Facilitate jobs growth, including secure work through policies and programs that promote fair, productive and safe workplaces
Comcare*	1	Promote and enable safe and healthy work
Asbestos Safety and Eradication Agency	1	Assist in the prevention of exposure to asbestos fibres and the elimination of asbestos-related disease in Australia through implementing the National Strategic Plan for Asbestos Awareness and Management in Australia
Australian Skills Quality Authority	1	Through our regulation and partnership with stakeholders, ensure quality vocational education and training so that students, employers, the community and governments have confidence in the integrity of national qualifications issued by training providers
Fair Work Commission	1	Simple, fair and flexible workplace relations for employees and employers through the exercise of powers to set and vary minimum wages and modern awards, facilitate collective bargaining, approve agreements, deal with disputes, and promote the financial transparency and effective governance of registered employee and employer organisations
Office of the Fair Work Ombudsman	1	Compliance with workplace relations legislation through advice, education and where necessary enforcement
Safe Work Australia	1	Healthier, safer and more productive workplaces through improvements to Australian work health and safety and workers' compensation arrangements
Seafarers Safety, Rehabilitation and Compensation Authority	1	Safe and healthy workplaces, and cost effective and fair compensation

Finance		
Entity	Outcome	Description
Department of Finance	1	Support sustainable Australian Government finances through providing high-quality policy advice and operational support to the government and Commonwealth entities to maintain effective and efficient use of public resources
Department of Finance	2	Support an efficient and high performing public sector through providing leadership to Commonwealth entities in ongoing improvements to public sector governance, including through systems, frameworks, policy advice, service delivery, and managing, acquiring and divesting government investments
Department of Finance	3	Support for Parliamentarians and others as required by the Australian Government through the delivery of, and advice on, work expenses and allowances, entitlements and targeted programs
Commonwealth Superannuation Corporation*	1	Retirement and insurance benefits for scheme members and beneficiaries, including past, present and future employees of the Australian Government and other eligible employers and members of the Australian Defence Force, through investment and administration of their superannuation funds and schemes
Australian Electoral Commission	1	Maintain an impartial and independent electoral system for eligible voters through active electoral roll management, efficient delivery of polling services, and targeted education and public awareness programs
Digital Transformation Agency	1	Support the government's digital transformation, and simplify processes, reduce costs and generate reuse opportunities, through strategic and policy leadership, advice, strategic coordination and oversight of digital and ICT investment, and management of whole-of-government digital and ICT procurement
Future Fund Management Agency	1	Strengthen the Commonwealth's financial position for the benefit of the Australian people, by managing the investment activities of the Future Fund and certain other Australian Government investment funds in line with their Investment Mandates
Independent Parliamentary Expenses Authority	1	Support for current and former Parliamentarians and others as required by the Australian Government through the delivery of, independent oversight and advice on, work resources and travel resources

Foreign Affairs and Trade		
Department of Foreign Affairs and Trade	1	The advancement of Australia's international strategic, security and economic interests including through bilateral, regional and multilateral engagement on Australian Government foreign, trade and international development policy priorities
Department of Foreign Affairs and Trade	2	The protection and welfare of Australians abroad and access to secure international travel documentation through timely and responsive travel advice and consular and passport services in Australia and overseas

Foreign Affairs and Trade		
Department of Foreign Affairs and Trade	3	A secure Australian Government presence overseas through the provision of security services and information and communications technology infrastructure, and the management of the Commonwealth's overseas property estate
Tourism Australia*	1	Grow demand and foster a competitive and sustainable Australian tourism industry through partnership marketing to targeted global consumers in key markets
Australian Centre for International Agricultural Research	1	To achieve more productive and sustainable agricultural systems for the benefit of developing countries and Australia through international agricultural research and training partnerships
Australian Secret Intelligence Service	1	Enhanced understanding for the Government of the overseas environment affecting Australia's interests through the provision of covert intelligence services about the capabilities, intentions or activities of people or organisations outside Australia
Australian Trade and Investment Commission	1	To contribute to Australia's economic prosperity by supporting Australian exporters to expand internationally, attracting productive international investment, and growing the visitor economy
Australian Trade and Investment Commission	2	The protection and welfare of Australians abroad through timely and responsive consular and passport services in specific locations overseas

Health and Aged Care		
Entity	Outcome	Description
Department of Health and Aged Care	1	Better equip Australia to meet current and future health needs of all Australians through the delivery of evidence-based health policies; improved access to comprehensive and coordinated health care; ensuring sustainable funding for health services, research and technologies; and protecting the health and safety of the Australian community
Department of Health and Aged Care	2	Ensuring improved access for all Australians to cost-effective and affordable medicines, medical, dental and hearing services; improved choice in healthcare services, through guaranteeing Medicare and the Pharmaceutical Benefits Scheme; supporting targeted assistance strategies and private health insurance
Department of Health and Aged Care	3	Improved wellbeing for older Australians through targeted support, access to appropriate, high-quality care, and related information services
Department of Health and Aged Care	4	Improved opportunities for community participation in sport and physical activity, excellence in high-performance athletes, and protecting the integrity of sport through investment in sport infrastructure, coordination of Commonwealth involvement in major sporting events, and research and international cooperation on sport issues
Australian Commission on Safety and Quality in Health Care*	1	Improved safety and quality in health care across the health system, including through the development, support for implementation, and monitoring of national clinical safety and quality guidelines and standards
Australian Digital Health Agency*	1	To deliver national digital healthcare systems to enable and support improvement in health outcomes for Australians

Health and Aged Care		
Entity	Outcome	Description
Australian Institute of Health and Welfare*	1	A robust evidence base for the health, housing and community sectors, including through developing and disseminating comparable health and welfare information and statistics
Australian Sports Commission*	1	Increased participation in organised sport and continued international sporting success including through leadership and development of a cohesive and effective sports sector, provision of targeted financial support, and the operation of the Australian Institute of Sport
Food Standards Australia New Zealand*	1	A safe food supply and well-informed consumers in Australia and New Zealand, including through the development of food regulatory measures and the promotion of their consistent implementation, coordination of food recall activities and the monitoring of consumer and industry food practices
Independent Health and Aged Care Pricing Authority*	1	Support public hospitals and aged care services to improve efficiency in, and access to, services through the provision of independent pricing determinations and advice and designing pricing systems that promote sustainable and high-quality care
Australian Sports Foundation Limited#	1	Improved Australian sporting infrastructure through assisting eligible organisations to raise funds for registered sporting projects
Aged Care Quality and Safety Commission	1	Protect and enhance the safety, health, wellbeing and quality of life of aged care consumers, including through effective engagement with them, regulation and education of Commonwealth-funded aged care service providers and resolution of aged care complaints
Australian National Preventive Health Agency	1	A reduction in the prevalence of preventable disease, including through research and evaluation to build the evidence base for future action, and by managing lifestyle education campaigns and developing partnerships with non-government sectors
Australian Organ and Tissue Donation and Transplantation Authority	1	Improved access to organ and tissue transplants, including through a nationally coordinated and consistent approach and system
Australian Radiation Protection and Nuclear Safety Agency	1	Protection of people and the environment through radiation protection and nuclear safety research, policy, advice, codes, standards, services and regulation
Cancer Australia	1	Minimised impacts of cancer, including through national leadership in cancer control with targeted research and clinical trials; evidence informed clinical practice; strengthened national data capacity; community and consumer information and support
National Blood Authority	1	Access to a secure supply of safe and affordable blood products, including through national supply arrangements and coordination of best practice standards within agreed funding policies under the national blood arrangements
National Health Funding Body	1	Improve transparency of public hospital funding in Australia by supporting the obligations and responsibilities of the Administrator of the National Health Funding Pool through best practice administration of public hospital funding

Health and Aged Care		
Entity	Outcome	Description
National Health and Medical Research Council	1	Improved health and medical knowledge, including through funding research, translating research findings into evidence-based clinical practice, administering legislation governing research, issuing guidelines and advice for ethics in health and the promotion of public health
National Mental Health Commission	1	Provide expert advice to the Australian Government and cross-sectoral leadership on the policy, programs, services and systems that support mental health in Australia, including through administering the Annual National Report Card on Mental Health and Suicide Prevention, undertaking performance monitoring and reporting, and engaging consumers and carers
Professional Services Review	1	A reduction of the risks to patients and costs to the Australian Government of inappropriate practice, including through investigating health services claimed under the Medicare and pharmaceutical benefits schemes
Sport Integrity Australia	1	Protection of the integrity of Australian sport and the health and welfare of those who participate in sport through the coordination of a national approach to all sports integrity matters

Home Affairs		
Entity	Outcome	Description
Department of Home Affairs	1	Protect Australia from national security and criminal threats, and support national resilience, through effective national coordination, policy and strategy development, and regional cooperation
Department of Home Affairs	2	Support a prosperous and united Australia through effective coordination and delivery of immigration and social cohesion policies and programs
Department of Home Affairs	3	Advance a prosperous and secure Australia through trade and travel facilitation and modernisation, and effective customs, immigration, maritime and enforcement activities across the border continuum
Australian Security Intelligence Organisation	1	To protect Australia, its people and its interests from threats to security through intelligence collection, assessment and advice to Government
National Emergency Management Agency	1	To develop, lead and coordinate the Commonwealth's approach to emergency management, including the support of activities relating to preparedness, response, relief, recovery, reconstruction, risk reduction and resilience for all-hazard emergencies and disasters

Industry, Science and Resources		
Entity	Outcome	Description
Department of Industry, Science and Resources	1	Support economic growth, productivity and job creation for all Australians by investing in science, technology and commercialisation, growing innovative and competitive businesses, industries and regions, and supporting resources
Australian Nuclear Science and Technology Organisation*	1	Improved knowledge, innovative capacity and healthcare through nuclear-based facilities, research, training, products, services and advice to Government, industry, the education sector and the Australian population

Industry, Science and Resources		
Entity	Outcome	Description
Commonwealth Scientific and Industrial Research Organisation*	1	Innovative scientific and technology solutions to national challenges and opportunities to benefit industry, the environment and the community, through scientific research and capability development, services and advice
National Offshore Petroleum Safety and Environmental Management Authority*	1	Promote and enforce the effective management of risks to the workforce, the environment and the structural integrity of facilities, wells and well-related equipment of the Australian offshore petroleum and greenhouse gas storage industries through regulatory oversight
National Reconstruction Fund Corporation†	1	Facilitate increased flows of finance into priority areas of the Australian economy, through targeted investments to diversify and transform Australian industry, create secure, well-paying jobs, and boost sovereign capability
Geoscience Australia	1	Informed government, industry and community decisions on the economic, social and environmental management of the nation's natural resources through enabling access to geoscientific and spatial information
IP Australia	1	Increased innovation, investment and trade in Australia, and by Australians overseas, through the administration of the registrable intellectual property rights system, promoting public awareness and industry engagement, and advising government

Infrastructure, Transport, Regional Development and Communications and the Arts		
Entity	Outcome	Description
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	1	Improved infrastructure across Australia through investment in and coordination of transport and other infrastructure
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	2	An efficient, sustainable, competitive, safe and secure transport system for all transport users through regulation, financial assistance and safety investigations
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	3	Strengthening the sustainability, capacity and diversity of Australia's cities and regions including northern Australia, including through facilitating local partnerships between all levels of government and local communities; through investment in infrastructure and measures that stimulate economic growth; and providing grants and financial assistance
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	4	Good governance and service delivery in the Australian territories including through the maintenance and improvement of the laws and services for non-self-governing territories, and the overarching legislative framework for self-governing territories
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	5	Promote an innovative and competitive communications sector, through policy development, advice and program delivery, so all Australians can realise the full potential of digital technologies and communications services
Department of Infrastructure, Transport, Regional Development, Communications and the Arts	6	Participation in, and access to, Australia's arts and culture through developing and supporting cultural expression

Infrastructure, Transport, Regional Development and Communications and the Arts		
Entity	Outcome	Description
Australia Council*	1	Supporting Australian artists and arts organisations to create and present excellent art that is accessed by audiences across Australia and abroad
Australian Broadcasting Corporation*	1	Informed, educated and entertained audiences – throughout Australia and overseas – through innovative and comprehensive media and related services
Australian Film, Television and Radio School*	1	Support the development of a professional screen arts and broadcast culture in Australia including through the provision of specialist industry-focused education, training, and research
Australian Maritime Safety Authority*	1	Minimise the risk of shipping incidents and pollution in Australian waters through ship safety and environment protection regulation and services and maximise people saved from maritime and aviation incidents through search and rescue coordination
Australian National Maritime Museum*	1	Increased knowledge, appreciation and enjoyment of Australia's maritime heritage by managing the National Maritime Collection and staging programs, exhibitions and events
Civil Aviation Safety Authority*	1	Maximise aviation safety through a regulatory regime, detailed technical material on safety standards, comprehensive aviation industry oversight, risk analysis, industry consultation, education and training
High Speed Rail Authority*†	1	Developing a high speed rail network between capital cities and key regional centres through policy development and planning, national coordination and strategic advice to enhance Australia's long-term rail investment
Infrastructure Australia*	1	Improve decision-making on matters relating to infrastructure; advise governments and others on matters relating to infrastructure, including better assessment of infrastructure needs and prioritisation of infrastructure projects; and promote best practice infrastructure planning, financing, delivery and operation
National Film and Sound Archive of Australia*	1	Increased engagement with Australia's audiovisual culture past and present through developing, preserving, maintaining and promoting the national audiovisual collection of historic and cultural significance
National Gallery of Australia*	1	Increased understanding, knowledge and enjoyment of the visual arts by providing access to, and information about, works of art locally, nationally and internationally
National Library of Australia*	1	Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material
National Museum of Australia*	1	Increased awareness and understanding of Australia's history and culture by managing the National Museum's collections and providing access through public programs and exhibitions
National Portrait Gallery of Australia*	1	Enhanced understanding and appreciation of Australian identity, culture and diversity through portraiture by engaging the public in education programs and exhibitions, and by developing and preserving the national portrait collection

Infrastructure, Transport, Regional Development and Communications and the Arts		
Entity	Outcome	Description
National Transport Commission*	1	Improved transport productivity, efficiency, safety and environmental performance and regulatory efficiency in Australia through developing, monitoring and maintaining nationally consistent regulatory and operational arrangements relating to road, rail and intermodal transport
Northern Australia Infrastructure Facility*	1	Enable economic growth in Northern Australia, by facilitating private sector investment in economic infrastructure, primarily through the provision of concessional financing delivered through the State and Territory Governments
Old Parliament House*	1	An enhanced appreciation and understanding of the political and social heritage of Australia for members of the public, through activities including the conservation and upkeep of, and the provision of access to, Old Parliament House and the development of its collections, exhibitions and educational programs
Screen Australia*	1	Promote engaged audiences and support a creative, innovative and commercially sustainable screen industry through the funding and promotion of diverse Australian screen product
Special Broadcasting Service Corporation*	1	Provide multilingual and multicultural services that inform, educate and entertain all Australians and in so doing reflect Australia's multicultural society
Creative Partnerships Australia Ltd [#]	1	A cultural environment that enriches the lives of all Australians
Australian Communications and Media Authority	1	A communications and media environment that balances the needs of the industry and the Australian community through regulation, education and advice
Australian Transport Safety Bureau	1	Improved transport safety in Australia including through: Independent 'no blame' investigation of transport accidents and other safety occurrences; safety data recording, analysis and research; and influencing safety action
National Archives of Australia	1	To promote the creation, management and preservation of authentic, reliable and usable Commonwealth records and to facilitate Australians' access to the archival resources of the Commonwealth
National Capital Authority	1	To shape Canberra as a capital that all Australians can be proud of by ensuring it is well planned, managed and promoted, consistent with its enduring national significance
National Faster Rail Agency	1	Improved rail infrastructure between our capital cities and their surrounding regional centres by providing coordination, strategic advice and the identification of investments that improve reliability and travel speeds

Prime Minister and Cabinet		
Entity	Outcome	Description
Department of the Prime Minister and Cabinet	1	Provide high-quality policy advice and support to the Prime Minister, the Cabinet, Portfolio Ministers and Assistant Ministers including through the coordination of government activities, policy development and program delivery

Prime Minister and Cabinet		
Entity	Outcome	Description
Department of the Prime Minister and Cabinet	2	Improve results for Indigenous Australians including in relation to school attendance, employment and community safety, through delivering services and programs, and through measures that recognise the special place that Indigenous people hold in this Nation
Australian Institute of Aboriginal and Torres Strait Islander Studies*	1	Further understanding of Australian Indigenous cultures, past and present through undertaking and publishing research, and providing access to print and audiovisual collections
Indigenous Business Australia*	1	Improved wealth acquisition to support the economic independence of Aboriginal and Torres Strait Islander peoples through commercial enterprise, asset acquisition, construction and access to concessional home and business loans
Indigenous Land and Sea Corporation*	1	Enhanced socio-economic development, maintenance of cultural identity and protection of the environment by Indigenous Australians through the acquisition and management of land, water and water-related rights
Northern Territory Aboriginal Investment Corporation*	1	Assist cultural maintenance and social well-being, economic self-sufficiency and self-management for the betterment of Aboriginal people living in the Northern Territory through investments, commercial enterprise, beneficial payments and other financial assistance
Torres Strait Regional Authority*	1	Progress towards closing the gap for Torres Strait Islander and Aboriginal people living in the Torres Strait Region through development planning, coordination, sustainable resource management, and preservation and promotion of Indigenous culture
Aboriginal Hostels Limited#	1	Improved access to education, employment, health and other services for Aboriginal and Torres Strait Islander people travelling or relocating through the operation of temporary hostel accommodation services
National Australia Day Council Limited#	1	A shared celebration of Australia and Australians through promoting the meaning of and participation in Australia Day and the Australian of the Year Awards
Australian National Audit Office	1	To improve public sector performance and accountability through independent reporting on Australian Government administration to Parliament, the Executive and the public
Australian Public Service Commission	1	Increased awareness and adoption of best practice public administration by the public service through leadership, promotion, advice and professional development, drawing on research and evaluation
National Indigenous Australians Agency	1	Lead the development and implementation of the Australian Government's agenda to support the self-determination and aspirations of Aboriginal and Torres Strait Islander peoples and communities through working in partnership and effectively delivering programs
Office of National Intelligence	1	Advancement of Australia's national interests through increased government awareness of international developments affecting Australia, and integration, coordination and evaluation of Australia's national intelligence capabilities

Prime Minister and Cabinet		
Entity	Outcome	Description
Office of the Official Secretary to the Governor-General	1	The performance of the Governor-General's role is facilitated through organisation and management of official duties, management and maintenance of the official household and property and administration of the Australian Honours and Awards system
Workplace Gender Equality Agency	1	Promote and improve gender equality in Australian workplaces including through the provision of advice and assistance to employers and the assessment and measurement of workplace gender data

Social Services		
Entity	Outcome	Description
Department of Social Services	1	A sustainable social security system that incentivises self-reliance and supports people who cannot fully support themselves by providing targeted payments and assistance
Department of Social Services	2	Contribute to stronger and more resilient individuals, children, families and communities by providing targeted supports
Department of Social Services	3	Supporting the independence of, and economic participation by, people with disability and carers by providing targeted supports
Department of Social Services	4	Supporting access to safe and secure housing for individuals, including social housing, and providing targeted supports for preventing and addressing homelessness
National Disability Insurance Agency*	1	To implement a National Disability Insurance Scheme that provides individual control and choice in the delivery of reasonable and necessary supports to improve independence, social and economic participation of eligible people with disability, their families and carers, and associated referral services and activities
Australian Institute of Family Studies	1	The creation and communication of knowledge for policy-makers, service providers and the broader community to improve the wellbeing of children, families and communities
Domestic, Family and Sexual Violence Commission	1	Amplifying the voices of people with lived experience of domestic, family and sexual violence, providing evidence-informed policy advice, and promoting coordination and accountability towards ending gender-based violence
NDIS Quality and Safeguards Commission	1	Promote the delivery of quality supports and services to people with disability under the NDIS and other prescribed supports and services, including through nationally consistent and responsive regulation, policy development, advice and education
Services Australia	1	Deliver high-quality, accessible services and payments to individuals, families, businesses and partner agencies on behalf of Government; with a focus on contemporary service delivery and customer experience

Treasury		
Entity	Outcome	Description
Department of the Treasury	1	Supporting and implementing informed decisions on policies for the good of the Australian people, including for achieving strong, sustainable economic growth, through the provision of advice to Treasury Ministers and the efficient administration of Treasury's functions
National Housing Finance and Investment Corporation*	1	Improved housing outcomes for Australians, including through financial and other assistance to improve the efficiency and scale of the community housing sector and increase the supply of social and affordable housing, as well as support for eligible home buyers to access the housing market sooner
Australian Bureau of Statistics	1	Decisions on important matters made by governments, business and the broader community are informed by objective, relevant and trusted official statistics produced through the collection and integration of data, its analysis, and the provision of statistical information
Australian Competition and Consumer Commission	1	Enhanced welfare of Australians through enforcing laws that promote competition and protect consumers, as well as taking other regulatory and related actions including monitoring and market analysis, public education, determining the terms of access to infrastructure services, and discharging regulatory responsibilities governing energy markets and networks
Australian Office of Financial Management	1	The advancement of macroeconomic growth and stability, and the effective operation of financial markets, through issuing debt, investing in financial assets and managing debt, investments and cash for the Australian Government
Australian Prudential Regulation Authority	1	Enhanced public confidence in Australia's financial institutions through a framework of prudential regulation which balances financial safety and efficiency, competition, contestability and competitive neutrality and, in balancing these objectives, promotes financial system stability in Australia
Australian Securities and Investments Commission	1	Improved confidence in Australia's financial markets through promoting informed investors and financial consumers, facilitating fair and efficient markets and delivering efficient registry systems
Australian Taxation Office	1	Confidence in the administration of aspects of Australia's taxation and superannuation systems, including through helping people understand their rights and obligations, improving ease of compliance and access to benefits, and managing non-compliance with the law; and in delivering effective and efficient business registry services
Commonwealth Grants Commission	1	Informed Government decisions on fiscal equalisation between the States and Territories through advice and recommendations on the distribution of GST revenue
Inspector-General of Taxation	1	Fair, accountable and improved administration and integrity of the taxation and superannuation systems for the benefit of the Australian community, through independent investigation and reporting
National Competition Council	1	Competition in markets that are dependent on access to nationally significant monopoly infrastructure, through recommendations and decisions promoting the efficient operation of, use of and investment in infrastructure

Treasury		
Entity	Outcome	Description
Office of the Auditing and Assurance Standards Board	1	The formulation and making of auditing and assurance standards that are used by auditors of Australian entity financial reports or for other auditing and assurance engagements
Office of the Australian Accounting Standards Board	1	Developing, issuing and maintaining accounting standards, and developing sustainability standards, and related reporting requirements that apply to Australian entities subject to a statutory or other obligation to prepare financial reports and other external reports that are integral to understanding the entities' financial and sustainability-related information
Productivity Commission	1	Well-informed policy decision-making and public understanding on matters relating to Australia's productivity and living standards, based on independent and transparent analysis from a community-wide perspective
Royal Australian Mint	1	The coinage needs of the Australian economy, collectors and foreign countries are met through the manufacture and sale of circulating coins, collector coins and other minted like products

- * Corporate Commonwealth entity as defined in section 11 of the *Public Governance, Performance and Accountability Act 2013*.
- # Commonwealth company as defined in section 89 of the *Public Governance, Performance and Accountability Act 2013*.
- † New entity will commence during 2023 after Budget 2023–24 is handed down.



Budget 2023–24

WOMEN'S BUDGET STATEMENT

Statement by

Senator the Honourable Katy Gallagher
Minister for Finance, Minister for Women,
Minister for the Public Service of the Commonwealth of Australia

and

The Honourable Jim Chalmers MP
Treasurer of the Commonwealth of Australia

For the information of honourable members
on the occasion of the Budget 2023–24

9 May 2023

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Support and note on data

Support

This Statement includes information that may be distressing for some readers. It outlines the often tragic impacts of violence against women, including sexual assault, as well as issues such as suicide and self-harm. The Government respectfully acknowledges and regrets the loss of those who have died and the harm caused to those who are affected by violence, suicide or self-harm.

Help is available. Lifeline provides 24-hour support in Australia for those experiencing a personal crisis and can be contacted by calling 13 11 14 or visiting lifeline.org.au. If you, or someone you know, is experiencing family, domestic or sexual violence, you can contact 1800RESPECT (1800 737 732) or visit 1800respect.org.au for support.

Note about data

This Statement endeavours to include data and analysis to demonstrate the outcomes experienced by different groups of women, including Aboriginal and Torres Strait Islander women, culturally and linguistically diverse communities, women with disability, women of different ages, and lesbian, gay, bisexual, transgender, queer, intersex, asexual or other sexually or gender diverse (LGBTQIA+) populations. There are, however, limitations to data in some cases, particularly small population or sample sizes. The Government is committed to ensuring data are available to help inform better outcomes for all Australians, noting that this needs to be culturally appropriate and protect the right to privacy.

This Statement uses unit record data from the Household, Income and Labour Dynamics in Australia (HILDA) Survey. The HILDA Project was initiated and is funded by the Australian Government Department of Social Services (DSS) and is managed by the Melbourne Institute of Applied Economic and Social Research (Melbourne Institute). The findings and views reported in this paper, however, are those of the authors and should not be attributed to either DSS or the Melbourne Institute.

The majority of the data collected and reported in this Statement relate to sex, not gender. *Sex* is based upon the person's sex characteristics, such as their chromosomes, hormones and reproductive organs. *Gender* is a social and cultural concept. It is about social and cultural differences in identity, expression and experience as a man, woman or non-binary person. This Statement uses the terms *women* and *men* in reference to both sex and gender, but the terms *female* and *male* are used when presenting data collected on the basis of sex.

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Foreword

Women's equality is at the heart of what we do as a Government. It is essential for strengthening our economy, our society and our nation.

A core test of the fairness of this country is whether we are a gender equal country. We will not achieve gender equality through a single budget, or single reform. Driving real change in the lives of women requires ongoing leadership and commitment. This Government will continue that work towards making Australia a more equal country.

Our budget investments are designed to create a fairer go for Australian women and a better country for all Australians. In everything from health to housing to safety to pay – the Albanese Labor government is determined to address inequality for women.

In the October Budget we introduced gender responsive budgeting, targeting key measures for gender impact assessment. This Budget we have gone further, applying an increased gender lens across many more Budget measures. Measures in this Budget have had to consider gender equality in the policy development process, with key measures subject to a more detailed gender impact assessment. From 2023-24 MYEFO, the Government will extend gender responsive budgeting across the budget. This delivers on our election commitment and is central to putting gender equality and impact on women at the centre of budget decision making.

This Budget has a particular focus on supporting women facing disadvantage, including single parents, and low-income workers across the care and support sector, including targeted and responsible cost of living relief for families to ease pressures on households.

The October 2022 Budget invested in cheaper child care, expanded Paid Parental Leave, a fair workplace relations system and in women's safety. In this Budget we are investing in women's economic equality, and continuing our investments in women's safety, and supporting women's health.

The Government is providing more support for single parents, the majority of whom are women, by expanding eligibility for Parenting Payment (Single) to single parents with dependent children aged under 14, 91.1 per cent of whom are women, increasing the base rate of payment for this group to \$922.10 per fortnight. The Government will also abolish the ParentsNext Program, removing compulsory aspects as soon as possible as an interim step to end the risk to parents of loss of payments, and introducing a replacement voluntary program from 1 July 2024.

The Government will permanently increase eligible working age and student income support payments, including the JobSeeker Payment and Youth Allowance, by \$40 per fortnight. The Government will also extend eligibility of the existing higher rate of JobSeeker Payment for single Australians aged 55 to 59 who have been on payment for 9 or more continuous months, to match that applying to those over 60, recognising that women are the majority of JobSeeker Payment recipients 55 and over.

The Government is making significant investments in housing to support the construction of more social and affordable dwellings and help people into home ownership. The government is also funding an increase to Commonwealth Rent Assistance, which will support the significant number of women, especially older women, experiencing housing stress.

The Government is also investing in a landmark package to tackle entrenched community disadvantage. Working differently across all levels of government and with philanthropy to partner with communities will help address the impact of concentrated disadvantage on communities, including for women and girls who can face compounding disadvantage.

The Government is committed to valuing work in the care and support economy, where the majority of workers are women. This Budget allocates funding to support the Fair Work Commission's interim decision in the Aged Care Work Value Case, and also invests in the professional development of early childhood educators.

Women cannot be equal and cannot reach their full potential if they are not safe. Violence against women and children is an urgent challenge in Australia, but we cannot accept it as inevitable. As a nation we can and should address the economic, social and cultural factors that underpin gender-based violence. The funding in this Budget builds on the Government's record investment to end violence against women. This Budget includes targeted investment in programs to address violence against First Nations women.

The Budget also tackles gender bias in the health system by building the women's health evidence base, investing in mental health supports, and providing tailored investments in women's health care.

There is much we can do as a government to strengthen equality between men and women – and we have taken strong action in our first year of Government. We have made long term plans and policies – which will have impacts over decades – to achieve gender equality. And we have made record investments to get there through our first 2 Budgets. As we make progress, we remain committed to listening, taking feedback and working with women across the country to make a real and positive difference in their lives.

The Honourable Anthony Albanese MP
Prime Minister

The Honourable Jim Chalmers MP
Treasurer

Senator the Hon Katy Gallagher
Minister for Finance
Minister for Women
Minister for the Public Service

A snapshot of women in Australia

<p>Median age Female: 39 years Male: 37 years</p>	<p>Female-to-male ratio 100.8 females for every 100 males</p>
<p>Share of women on ASX200 boards 35.7%</p>	<p>Proportion of 25–34 year olds with a Bachelor degree or above Women: 50.9% Men: 38.3%</p>
<p>Proportion of people who identify as lesbian, gay or bisexual Women: 4.6% Men: 3.0%</p>	<p>Proportion of people who were born overseas Women: 29.7% Men: 28.6%</p>
<p>Proportion of people with disability (2018) Women: 17.8% Men: 17.6%</p>	<p>Proportion of people who are Aboriginal and Torres Strait Islander Women: 3.9% Men: 4.0%</p>
<p>Average daily hours spent on unpaid domestic work, caring responsibilities and voluntary work Women: 4 hours, 31 minutes Men: 3 hours, 12 minutes</p>	<p>Gender pay gap (Nov 2022) 13.3% \$253.50 per week</p>

Overview

In 1984, the first Women’s Budget Statement (or women’s budget programme, as it was known) was introduced to Parliament. Driven by the leadership of Susan Ryan AO, the then Minister assisting Prime Minister Hawke for the Status of Women, Australia was the first country in the world to develop such a statement and paved the way for many countries to follow. In its foreword, the then Prime Minister Hawke promised that ‘*within the overall economic objectives of the government*’ important budget decisions would from then on be made ‘*with full knowledge of their impact on women*’.

Nearly 40 years on, it is important to reflect on and celebrate the impressive progress that has been made towards achieving gender equality. There is, however, still work to be done. This Government remains committed to improving economic inclusion, reducing disadvantage, and prioritising actions to expand women’s opportunities and choices.

The 2023–24 Women’s Budget Statement explores factors influencing women’s economic equality and outlines key measures to advance gender equality in Australia, focusing on achieving economic equality, ending violence against women, increasing women’s representation in leadership and decision-making, and improving women’s health and wellbeing.

These issues are interrelated and should be considered together. Poor health outcomes or family and domestic violence can significantly impact economic participation and, in turn, impact housing security and lifetime earnings. Underrepresentation of women in leadership and insufficient support for women with caring responsibilities can impact women’s workforce participation, career progression and life satisfaction. Further, gender inequality can be exacerbated by intersecting forms of discrimination and disadvantage, including racism, homophobia, ableism and ageism.

For this Budget, gender impact assessments have been conducted on a number of measures and a gender lens applied across a wider range of proposals than has been done previously. From the 2023–24 MYEFO, gender responsive budgeting will be further expanded to embed gender analysis across all Government budget decision-making.

Women’s economic equality

Achieving economic equality for women is a key priority for this Government. While the last 40 years have seen remarkable progress – across education, workforce participation and women in leadership – distinct challenges continue to impede women’s economic security across their lives. Gender stereotyping in relation to caring responsibilities, lower-paid work within typically female-dominated industries, and the impact of discrimination and bias on women’s professional lives contribute to a persistent gender pay gap. The Government’s investments in the October Budget to make early childhood education and care more affordable from July 2023, expand the Paid Parental Leave scheme and reform the workplace relations system were critical first steps to breaking down these barriers.

In this Budget, the Government builds on these strong foundations with responsible, sustainable increases to support those facing financial hardship. Increases to income support payments such as JobSeeker and Youth Allowance – as well as energy relief – will provide much needed assistance to help with cost-of-living pressures, including for women facing housing and/or financial insecurity.

To support single parents, the Government will also provide \$1.9 billion over 5 years from 2022–23 to expand eligibility for the Parenting Payment (Single) for single parents whose youngest child is under 14. Eligible primary carers will receive a payment of \$922.10 per fortnight, an increase of \$176.90 compared to the current JobSeeker Payment (single with dependent rate). This will expand access to the higher payment rates for more single parents, overwhelmingly women, while maintaining important supports to build their connections with the workforce. The Government will also abolish the ParentsNext program from 1 July 2024 and develop a replacement voluntary program, with interim changes to be considered as soon as possible to move ParentsNext to voluntary participation. This will ensure that parents get the support they need to re-enter the workforce, while removing the risk that parents lose important payments and ensuring that all parenting payment recipients with children under 6 are treated the same with respect to mutual obligations.

The Government will also extend eligibility for the existing higher rate of JobSeeker Payment to single Australians aged 55 to 59 who have been on payment for 9 or more continuous months, to match that applying to those over 60. In September, around 52,000 eligible single Australians aged 55 to 59 (of which 55 per cent are women) will receive the higher basic rate. This reflects that women make up the majority of older people who have been on JobSeeker for 9 or more continuous months and can face significant barriers to work, including age discrimination or poor health.

In recognition of the value of caring work the Government is allocating \$11.3 billion to support the Fair Work Commission's decision to provide an interim increase of 15 per cent to modern award minimum wages for many aged care workers.

The Government is also increasing efforts to expand opportunities for women to enter male-dominated sectors and occupations. National Cabinet has affirmed the importance of women's participation and gender equality within skills and training, and additional supports will be provided to women under the proposed National Skills Agreement. The Government's Australian Skills Guarantee aims to see the proportion of women apprentices and trainees on major government construction projects more than double by 2030 and the proportion in trades apprenticeships triple.

These investments responsibly balance support for the women that need it most, while giving regard to fiscal sustainability and broader economic objectives.

Ending violence against women and children

Violence against women and children in Australia is unacceptable. Violence has significant impacts on women, not just on their safety but also their health and wellbeing, economic

stability and social participation. Experiences of violence are diverse and some women face additional challenges when escaping from family, domestic and sexual violence. The importance of a holistic and intersectional approach is reflected in the *National Plan to End Violence against Women and Children 2022–2032*, which continues to underpin the efforts of all Australian governments to end violence against women and children in one generation.

The Government is building on its initial \$1.7 billion investment in women's safety in the October Budget with an additional \$589.3 million, which includes \$194 million for Australia's first dedicated Aboriginal and Torres Strait Islander Action Plan. The dedicated Action Plan is being developed in partnership with the Aboriginal and Torres Strait Islander Advisory Council on family, domestic and sexual violence to ensure the voices of First Nations people are at the centre of this work. The Government is also providing funding to support the development of a standalone First Nations National Plan for Family Safety. In addition, the Government is providing \$18.6 million to prevent and address sexual violence, and funding to support migrant women, including women on temporary visas, to escape violence. Funding is provided to extend the successful family law property pilot programs, and \$159 million to extend the National Partnership on Family, Domestic and Sexual Violence Responses with state and territory governments for a further 2 years.

Leadership and decision-making

The Government is committed to progressing women's representation, participation, and influence across the public, business, community and political spheres. Better representation of women in positions of leadership and in decision-making is essential to achieving gender equality across all facets of society. Though Australia has made progress, women remain underrepresented in leadership.

The Government is leading efforts to ensure women are at the centre of policy and decision making. For example, the Government established the Women's Economic Equality Taskforce to provide independent advice to Government, including their priorities and guidance on the National Strategy to Achieve Gender Equality.

Women's health and wellbeing

Gender and sex continue to influence experiences and outcomes in the health system. Building a better understanding of the impacts of gender in healthcare is fundamental to improving not only health and wellbeing, but also economic outcomes for women. To support this, the Government has committed \$26.4 million over 4 years to extend support for research and data collection activities that support women and girls' health outcomes, including the Australian Longitudinal Study on Women's Health.

Additional investments that will improve women's health and wellbeing include a new Medicare Benefits Schedule item for longer GP consultations, increased incentives for bulk billing, changes to the Pharmaceutical Benefits Scheme that will allow more than 300 medicines to be dispensed in greater amounts and investments to support children to build positive body image.

Women's economic equality

Women's workforce participation has increased significantly over the past 40 years and the gap in participation between women and men has narrowed. However, many women continue to face barriers to workforce participation, especially First Nations women, women with disability, and women with children, especially single mothers. Lower workforce participation rates and average hours worked have negative impacts on women's economic security, but women's caring responsibilities can make it more difficult to balance unpaid and paid work. This balance can be particularly challenging for single mothers.

One driver of the gender pay gap is the concentration of men in occupations or industries with higher earnings and women in occupations or industries with lower earnings. Industrial and occupational segregation can be explained in part by an undervaluing of many feminised jobs (particularly in the care and support economy), limited flexibility in male-dominated industries compared to female-dominated industries, the unequal division of unpaid care work within households, and education choices influenced by gender stereotypes. Women's lower workforce participation and lower pay per hour compound over a lifetime to leave older women more vulnerable to financial insecurity.

While gaps between women and men's economic outcomes continue to narrow, it is often the most disadvantaged who get left behind. The Government is providing responsible cost-of-living support for those most in need, which will particularly benefit women. The Budget provides \$4.9 billion over 5 years to increase rates of JobSeeker and other working-age and student payments, up to \$3 billion for energy bill relief in partnership with state and territory governments, \$2.7 billion to increase the maximum rates of Commonwealth Rent Assistance and, \$1.9 billion over 5 years to expand eligibility for the Parenting Payment (Single) to single principal carers whose youngest child is under 14. The Government will also abolish the ParentsNext program from 1 July 2024 and develop a replacement voluntary program, with interim changes to be considered as soon as possible to move ParentsNext to voluntary participation.

The Budget includes action to support wage equality. The Government is providing \$11.3 billion to support a wage increase for many aged care workers. The Government is also setting targets in the Australian Skills Guarantee to help reduce gender segregation across industries and occupations, which will contribute to closing the gender pay gap.

Women's economic equality – key statistics from 40 years ago to today

1984	Today
Labour force participation rate (Mar 1984) Women: 45.0% Men: 76.6% 31.7 ppt gap	Labour force participation rate (Mar 2023) Women: 62.5% Men: 71.1% 8.5 ppt gap
Gender pay gap (Nov 1984) 18.2%	Gender pay gap (Nov 2022) 13.3%
Attainment of bachelor's degree or above, 25–34 years old (1984) Women: 9.5% Men: 14.2% 4.7 ppt gap	Attainment of bachelor's degree or above, 25–34 years old (2022) Women: 50.9% Men: 38.3% -12.6 ppt gap
Proportion of people aged 15–74 with superannuation (1988) Women: 19.6% Men: 47.5% 27.9 ppt gap	Proportion of people aged 15–74 with superannuation (2019–20) Women: 74.7% Men: 80.9% 6.2 ppt gap

Women's workforce participation

Participation in the labour force supports both the financial security of women and Australia's long-term economic prosperity. The dramatic increase in women's workforce participation over the past 40 years reflects a range of trends including changing social attitudes, women's increased educational attainment and structural shifts such as caring work traditionally done unpaid in the home moving into the formal economy. Successive government policies over this period, including passage of the *Sex Discrimination Act 1984*, the introduction of a Government-funded Paid Parental Leave scheme in 2011 and investments to expand access to early childhood education and care have further reduced barriers to women's workforce participation.

The gap in workforce participation has narrowed

The gender gap in labour force participation has narrowed from 31.7 percentage points in March 1984 to 8.5 percentage points in March 2023 (Chart 1.1). Employed women tend to work fewer hours than employed men, reflecting the prevalence of part-time work among women (Chart 1.2). The gap in average weekly hours worked between employed men and employed women was just under 7 hours in 2022, down from almost 10 hours in 1984. The narrowing of this gap has been mainly driven by a fall in average hours worked by men. Women are also more commonly employed on a casual basis than men and are more commonly underemployed.

Chart 1.1: Participation rates

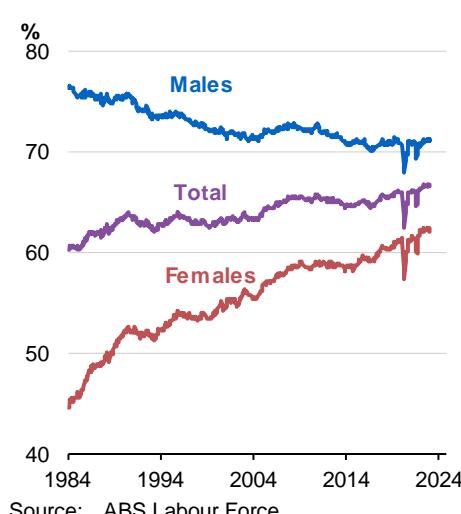
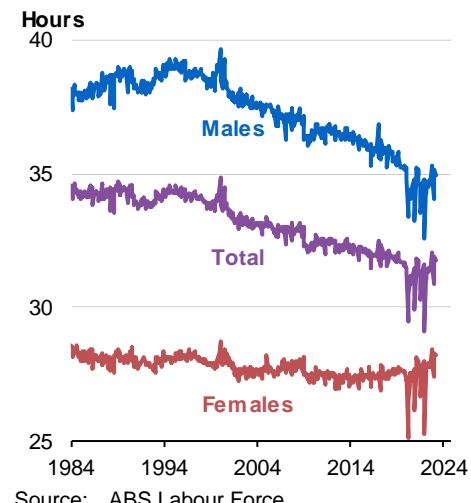


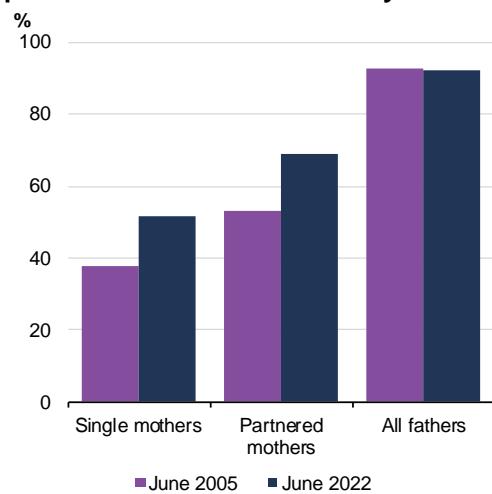
Chart 1.2: Average weekly hours worked per employed person



The participation gap between women and men is largest in their prime child-rearing years. While mothers' attachment to the workforce has been supported by the introduction of Government-funded Paid Parental Leave and the expansion of private sector schemes, their participation rates remain much lower than for fathers (Chart 1.3). Treasury research finds that a woman's likelihood of being employed drops by around 45 per cent in the year

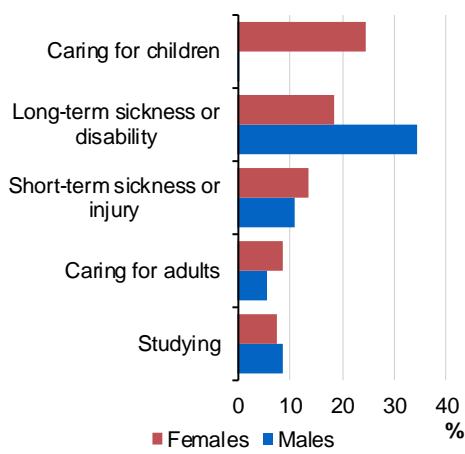
of their first child's arrival, with little recovery in the following 5 years, while fathers' employment is little changed.¹ In addition, surveys show that women report caring for children to be the main barrier to finding a job or increasing their hours in paid work (Chart 1.4), whereas for men it is long-term sickness or disability. While the unequal division of caring responsibilities and other unpaid work is largest among parents of young children, women without children also perform more unpaid work each day on average than men without children.

Chart 1.3: Participation rates of parents with children under 5 years



Source: Treasury analysis of ABS Labour Force Status of Families.

Chart 1.4: Main reason not available to start a job or more hours, 2020–21



Source: ABS Barriers and Incentives to Labour Force Participation.

The persistent differences in labour supply patterns between men and women suggest that the skills and knowledge of women are not being fully utilised in the labour market. Reducing barriers to women participating in paid work is crucial to unlocking women's labour supply and supporting more efficient matching of jobs to those best able to perform them. It will also give families more choice in how they balance work and care during the critical early years of a child's life. Importantly, addressing these barriers will have a lasting positive effect on women's economic equality and potential lifetime earnings.

Box 1: Government actions to support parents' workforce participation

Improving access to high-quality, affordable early childhood education and care is a key priority for the Government and makes it easier for parents and carers, particularly women, to participate in the workforce. In the October Budget, the Government committed \$4.6 billion to increase Child Care Subsidy rates. These changes will come into effect in July 2023 and make early childhood education and care more affordable for around 1.2 million families.

The Government is committed to identifying solutions that can chart the course for access to universal, affordable early childhood education and care. The Productivity Commission and the Australian Competition and Consumer Commission (ACCC) have both commenced inquiries in the early childhood education and care sector. The ACCC will report to Government in December 2023 on rising early childhood education and care fees and the Productivity Commission's complementary inquiry into the sector will report by 30 June 2024.

The Government has passed amendments to the *Paid Parental Leave Act 2010*, giving effect to the first stage of paid parental leave reforms announced in the October Budget. From 1 July 2023, Parental Leave Pay and Dad and Partner Pay will combine into a single 20-week payment that can be shared between parents. To improve flexibility and gender equality, either parent can claim Paid Parental Leave first, making it easier for fathers and partners to take time off work to be with their children, and the entitlement can be taken in multiple blocks, as small as one day, with periods of work in between. To encourage shared care, a proportion of weeks will be reserved for each parent on a 'use it or lose it' basis. Single parents will be able to receive the full 20 weeks, up from 18 weeks currently. A new family income limit of \$350,000 per annum will also see nearly 3,000 additional parents become eligible for the entitlement. The Government will introduce legislation to expand the scheme by 2 weeks each year from July 2024 until reaching 26 weeks in July 2026.

The experiences of women in the labour force are varied

Australian women are diverse and have distinct experiences in the labour force that can change over their life course. It is difficult to fully characterise the experiences of all groups of women, and a lack of quality and timely data remains a barrier to addressing entrenched labour market disadvantage for some cohorts. The Government is improving data collection for diverse cohorts, which will promote further research and public awareness of the experience of people in the labour force as well as facilitate more targeted and timely policy design.

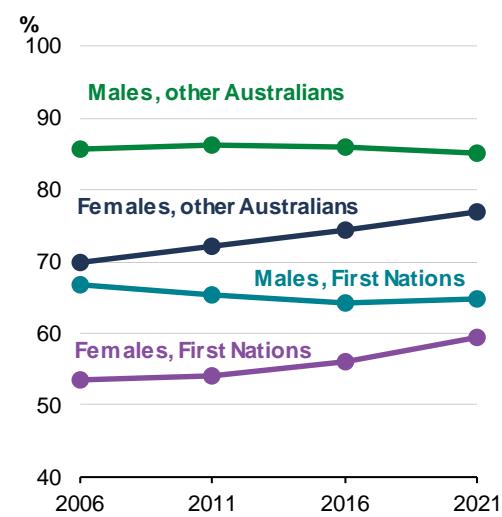
First Nations women have persistently lower workforce participation than other Australian women. Ongoing experiences of intergenerational trauma, racism and workplace discrimination for this cohort, alongside increased likelihood of being carers that provide care to multiple people, all impact the ability of First Nations women to participate in the workforce. Over the past decade, the Census suggests that the participation rate of First Nations women has been 18 percentage points below other Australian women (Chart 1.5). The participation rate of First Nations women has also been lower than First Nations men, although the gap was smaller than the national average.

The challenges intensify for First Nations women and men in rural and remote areas, with the participation rate lower in more remote geographic areas.

Women with disability also have persistently lower workforce participation than other women (Chart 1.6). The 2018 ABS Survey of Disability, Ageing and Carers found that women with disability had a participation rate nearly 30 percentage points lower than women with no reported disability. Women with disability also have lower rates of participation than men with disability.

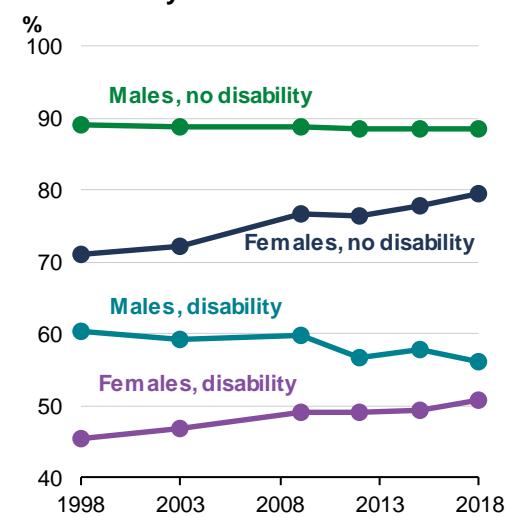
People with disability face unique and wide-ranging challenges that affect their ability to engage in the workforce. Women with disability who are employed are more likely than the national average to work part time and report higher rates of underemployment. More recent data suggest that a lack of suitable jobs in their locality or line of work is a key reason why people with disability struggle to find a job or more hours.

Chart 1.5: Participation rates by sex and First Nations status



Note: Persons aged 25–64 years.
Source: ABS Census.

Chart 1.6: Participation rates by sex and disability status



Note: Persons aged 15–64 years and living in households.
Source: ABS Survey of Disability, Ageing and Carers.

Women who identify with multiple groups can have more complicated experiences of the labour force. First Nations women and girls with disability, for example, can face compounding and intersectional discrimination and disadvantage. Disability is more prevalent among First Nations women compared to other Australian women (43.9 per cent and 28.6 per cent).

Improving economic inclusion for women experiencing disadvantage

The Government has a strong commitment to addressing disadvantage, promoting economic participation and ensuring no one is left behind. Supporting all members of the community to participate economically and socially to the full extent they can is vital for individual wellbeing and Australia's collective prosperity.

Sharp increases in the cost of living over the last 12 months have impacted everyone. However, the significant increases for non-discretionary items such as electricity and rent contribute disproportionately to these cost pressures for income support recipients, and those in low-paid, casualised or insecure work.

The Government's aim is that payments and supports provide a safety net for those most vulnerable in the community, while giving regard to fiscal constraints.

Cost of living relief

This Budget delivers a cost-of-living package that provides urgent relief to those experiencing the most acute pressures. This includes an increase to eligible working age and student payments, energy relief, increases to the maximum rates of Commonwealth Rent Assistance and expanding eligibility for Parenting Payment (Single).

The Budget also provides \$3.5 billion to triple the bulk billing incentive benefits for consultations for Commonwealth concession card holders and patients aged under 16 years old. This will support eligible patients to receive the care they need, without any out-of-pocket costs.

This cost-of-living package provides additional support to help keep pace with increases in the cost-of-living and reduce barriers to participation in society.

Increase to income support payments

The Government will provide \$4.9 billion over 5 years from 2022–23 to increase the rate of income support payments for around 1.1 million Australians. The basic rate of eligible working age and student income support payments such as JobSeeker Payment, Youth Allowance and Austudy will permanently increase by \$40 per fortnight in September, following the passage of legislation.

The changes to working age and student payments, along with the expanded eligibility for Parenting Payment (Single), will increase income support payments for approximately

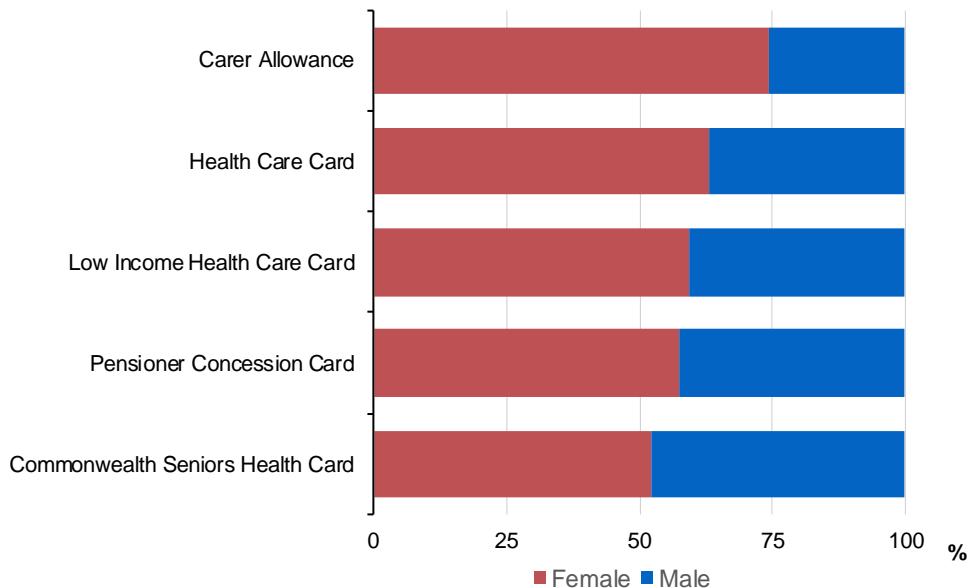
638,000 women. Women represent over half (approximately 53 per cent) of recipients whose payment will increase.

Energy relief

The Government has acted to shield households and businesses from the worst impacts of price increases through the Energy Price Relief Plan to deliver responsible and targeted relief. Following these actions, retail electricity price increases in 2023–24 are now expected to be around 25 percentage points smaller and retail gas price increases around 16 percentage points smaller than expected prior to the Government's interventions. As part of the Plan, the Government is partnering with states and territories to deliver up to \$3 billion of on bill rebates to concession card holders, those who receive family and carers payments and recipients of electricity concessions under existing state and territory schemes. As can be seen in Chart 1.7, a majority of each of these payments are targeted at women.

In particular, the Government is extending this support to Carer Allowance recipients and Family Tax Benefit A and B recipients. The majority of this support will flow to women who make up over 70 per cent of Carer Allowance recipients. Additionally, single parents receive about half of all Family Tax Benefit payments, of which approximately 90 per cent are women.

Chart 1.7: Household Energy Relief Plan payment recipients, by sex



Source: DSS Demographics information, December 2022.

Helping renters by increasing Commonwealth Rent Assistance

Stable and affordable housing is a key enabler of meaningful economic and social participation. The Government provides Commonwealth Rent Assistance (CRA) to renting income support recipients to assist with the cost of housing. Single women make up 49 per cent of CRA recipients, whilst single men make up 30 per cent.

CRA has not kept pace relative to the growth of rents over time and different measures of rental stress show more CRA recipients experiencing rental stress now than in 2002. As at June 2022, 63 per cent of CRA recipients were paying more than 30 per cent of their income (including CRA) on rent. 23 per cent paid more than half of their income on rent.

Budget highlights: Commonwealth Rent Assistance increase

The Government is providing an additional \$2.7 billion over 5 years to support Commonwealth Rent Assistance (CRA) recipients. From 20 September 2023, the maximum rate payable will increase by 15 per cent. Around 1.1 million households receiving the maximum CRA rate will receive an up to around \$31 per fortnight, helping CRA recipients keep up with cost-of-living pressures. This is the largest increase in more than 30 years.

CRA recipient households on the maximum rate will receive an increase of between \$15.73 to \$31.36 per fortnight depending on the household type (such as the number of children in the household) and amount of rent paid.

The boost to CRA will combine with targeted increases across other payments to make a difference to those Australians most in need, including older Australians, single parents and those who face significant barriers to work who rent. For Australians facing – or at risk of – extreme rental stress, the combined effect of the additional support could make the difference in preventing homelessness.

Housing insecurity

Single women who do not own their home are at greatest risk of poverty in retirement. Women make up the majority of all occupants, and older occupants, in public and community housing. During 2019–20, women accounted for 55 per cent of social housing occupants.² For women who are unable to save a deposit over their lifetime, housing insecurity presents a key concern as they go into retirement. Addressing the availability and price of housing in Australia will alleviate a significant concern for many older women.

Box 2: Improving housing security and affordability

The Government is working with states and territories to increase the supply of housing. This extends its existing ambitious housing agenda.

Helping to increase the supply of new housing by accelerating tax deductions for build-to-rent developments and reducing the tax rate for foreign investors investing in build-to-rent through managed investment trusts. This builds on the National Housing Accord announced by the Government in the October Budget. The Accord has brought together states and territories, the Australian Local Government Association, investors and the construction sector to set an aspirational target of one million new, well-located homes over 5 years from mid-2024.

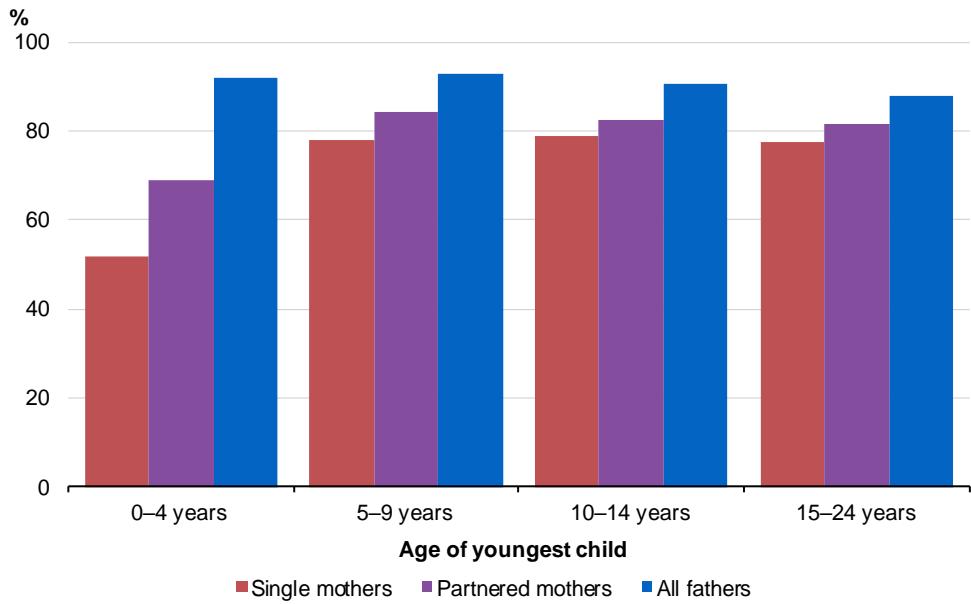
Helping people into home ownership by broadening eligibility for the Home Guarantee Scheme. From 1 July 2023, the First Home Guarantee and Regional First Home Buyer Guarantee couple requirement will be expanded to allow any 2 eligible borrowers as well as non-first home buyers who have not owned a property interest in Australia in the previous 10 years. Australian Permanent Residents, in addition to Australian citizens will be eligible for the Home Guarantee Scheme. This will provide a pathway to those who have fallen out of home ownership to overcome the deposit hurdle and re-enter the property market.

Supporting single legal guardians to access the Family Home Guarantee, in addition to single parents. Women represented 84 per cent of Family Home Guarantees in 2021–22.

Single parents face additional barriers to work

Single parents, overwhelmingly women (over 80 per cent), can face significant challenges and hardship when balancing the need to provide significant and essential care for children with paid employment, without the support of a partner.

In June 2022, the labour force participation rate of single mothers with a child under 5 years was 17 percentage points lower than partnered mothers and 40 percentage points lower than all fathers (Chart 1.8). While this gap narrows as children age, single mothers still report a lower participation rate than partnered mothers and all fathers when their children are older. Single fathers also tend to report lower participation rates than partnered fathers, although small sample sizes mean data for this group is volatile.

Chart 1.8: Participation rates of parents by age of youngest child, June 2022

Reduced opportunities to participate in paid work, coupled with the costs associated with raising children, make single mother households more vulnerable to economic insecurity. Single parents are at least twice as likely to experience financial stress than partnered parents and have considerably higher rates of reliance on income support than other family types.³ Single mothers, in particular, face greater risk of financial hardship and 60 per cent of women who are now single mothers have experienced violence by a previous partner.⁴

Parenting Payment (Single) currently provides a basic payment rate of \$922.10 per fortnight to single principal carers, whose youngest child is under 8 years of age. Currently, Parenting Payment (Single) supports 231,000 recipients, 95.5 per cent of whom are women.

Budget highlights: Expanding support for single parents

Expanding access to Parenting Payment (Single): The Government is providing \$1.9 billion over 5 years to expand eligibility for Parenting Payment (Single) to single parents who are principal carers and whose youngest child is aged from 8 to under 14 years old, of whom 91.1 per cent are women.

In September, around 57,000 eligible single parents will transition to Parenting Payment (Single) and receive a higher basic rate of \$922.10 per fortnight until their child turns 14. This is an extra \$176.90 per fortnight compared to the current JobSeeker Payment (single with dependent rate). This will also benefit around 110,000 children in these eligible families. Indexation will continue to apply.

Eligible recipients will also benefit from more generous income free areas, which apply to the Parenting Payment (Single), compared to JobSeeker. This means they can earn more before their payment reduces or stops altogether. Parenting Payment (Single) recipients with one child can earn \$202.60 per fortnight per child (and an additional \$24.60 per fortnight per child) before losing any of their payment.

Compared to the income free area of \$150 per fortnight for the JobSeeker Payment (single with dependent rate), eligible single parents can now earn at least \$52.60 more per fortnight before losing any of their payment. Parenting Payment (Single) recipients can earn at least \$2,622.35 per fortnight (and an additional \$24.60 per fortnight per child) before receiving no payment, a \$569.10 per fortnight increase compared to JobSeeker settings. These income settings will ensure Parenting Payment (Single) recipients are encouraged to remain connected to the workforce and better support those who wish to increase their hours in paid employment as their children become more independent.

Mutual obligation requirements will be maintained from when a recipient's youngest child turns 6 to support single parents to maintain connections with the labour force or develop their skills. Supporting single mothers to build or maintain a connection to the workforce is critical to their financial and economic security.

Eligible single parents on low incomes will generally continue to receive Family Tax Benefit Part B until their child completes or leaves secondary school or claims Youth Allowance (once aged 18).

The higher Parenting Payment (Single) rate will provide greater assistance to single principal carers to help them balance caring responsibilities for their children during later primary school years and during the critical transition to high school. As eligible single principal carers are predominantly women, the measure will support women's economic equality by helping to improve earnings and financial security.

Supporting parents to be ready to transition to work

The Government will abolish the ParentsNext program from 1 July 2024 and finalise design work on a replacement voluntary program, with interim changes to be considered as soon as possible to move ParentsNext to voluntary participation, with final policy parameters to be announced.

This will end the risk to participants of suspension or loss of payments and remove undue stress and anxiety from participants, the majority of whom are women and single parents.

There have been strong calls from stakeholders through the Women's Economic Equality Taskforce, as well as the House of Representatives Select Committee on Workforce Australia Employment Services' inquiry and the Economic Inclusion Advisory Committee, to abolish the program and replace it with a more supportive service. These calls reflect concerns about the punitive nature of compliance arrangements and the impact of payment suspensions and penalties on parents and their young children. The most disadvantaged Parenting Payment recipients with young children are required to participate in ParentsNext, whereas less disadvantaged recipients do not have any requirements and do not face the possibility of payment suspensions or penalties.

In 2021–22, 25,920 or 22 per cent of ParentsNext participants had their payment suspended (put on hold) and 6 participants received a financial penalty, due to a failure to meet the obligations of the program. The Select Committee heard that the compliance regime had caused stress and harm to participants, including preventing participants from meeting their own and their children's basic needs.

Budget highlights: Abolishing ParentsNext

The Government will abolish the ParentsNext program. The Government will finalise the approach to a new voluntary program that better meets the needs of parents and sets them up for success, to commence at the earliest opportunity.

To support parents' agency and ensure that those currently on ParentsNext do not face loss of payment, the Government will move to an interim voluntary participation model as quickly as possible prior to abolishing the program. This will remove the punitive component of the program while maintaining access to support to help complete education, meet family needs and prepare for the workforce while a replacement program is developed. The Government will also ensure that participants in the interim program can continue to access up to 36 hours per fortnight of subsidised early childhood education and care through the Child Care Subsidy.

Child support reforms

Child support payments can make an important contribution to household income for single parents, helping avoid financial hardship. Of all parents receiving child support, around 84 per cent are women.

The child support system recognises that it is both parents' responsibility to financially support their child to the extent they can. Accurate child support assessments, which are crucial to a fair scheme, depend on timely lodgement of tax returns. Where tax returns are delayed or not lodged by an absentee child support provider, it may affect calculations of parents' entitlements, including accuracy of Family Tax Benefit payments, and reduce Services Australia's ability to intercept tax refunds to meet outstanding child support debts. This can effectively see child support payments withheld and, in some circumstances, former partners may do this intentionally to inflict financial abuse on women.⁵

Budget highlights: Improvements to the child support system

To further support single parents and make the child support system fairer, the Government has introduced legislation to improve the timely collection of child support owed to parents and help prevent future debt among low-income parents. The *Social Services Legislation Amendment (Child Support Measures) Bill 2023* proposes key changes including extending the circumstances in which Services Australia can deduct child support from a parent's wages, tightening departure prohibition orders and improving income accuracy for low-income parents who are not required to lodge a tax return.

The Bill is a first step to make the scheme better for those parents with sole caring responsibility and children. To improve the scheme over the longer-term, the Government has committed \$5.1 million over 5 years to implement key recommendations made by the Joint Select Committee on Australia's Family Law System:

- establish a Child Support Stakeholder Consultation Group to provide a strong voice to Government on issues impacting families
- commission expert research on the costs of raising children in Australia and consider whether changes are needed to the child support formula to ensure child support payments provide children with an adequate level of financial support
- review compliance in the child support scheme, with a focus on collection and enforcement
- review the interaction between the child support scheme and Family Tax Benefit to ensure vulnerable single parent families are financially supported after separation
- undertake an evaluation of separated families to understand what can be done to support parents with caring responsibilities where private collect arrangements have broken down.

Addressing challenges faced by older women

Lower workforce participation combined with lower levels of pay for women results in significantly lower lifetime earnings and lower superannuation balances upon retirement. For many older women, particularly older single women, this increases their risks of experiencing financial hardship and housing insecurity and makes them more likely to rely on government supports later in life.

Older women have increased their workforce participation

Older women's patterns of workforce participation have changed markedly over the past 4 decades. Since the first Women's Budget Statement in 1984, the labour force participation rate of women aged 55 to 59 years has increased from 30 per cent to 72 per cent in March 2023. Over the same period, the participation rate of women aged 60 to 64 years increased from 12 per cent to 56 per cent. Improved health and education outcomes, the availability of less physically demanding jobs, part-time hours and flexible work have all enabled the rising participation of older women and men in the labour force.

Certain barriers affecting younger women's workforce participation continue to impact older women. Caring responsibilities (for their own children, grandchildren, and/or ageing parents), for example, may also continue to impact some older women's ability to participate in the labour force through the later decades of their working lives. In 2021, 12.8 per cent of people aged 55 to 74 reported caring for other peoples' children. Two-thirds of these carers were women. Significantly more women than men aged 55 and over reported that caring responsibilities were the main reason they were not available to start a job or work more hours. More than double the number of women in that cohort also cited caring for a person with a disability, a person with an illness or an older person as the reason for retirement.

Older women face discrimination in the workplace

Older women who participate in the labour force face different barriers in the workplace, which may include age discrimination, stereotypes or myths associated with age. Nearly one third of employers reported they have an age above which they are reluctant to recruit workers, with many indicating an unwillingness to hire workers over the age of 50.⁶

Women and men, however, have different experiences of age discrimination in the workforce.⁷ A 2015 Australian Human Rights Commission survey of participants aged 50 and older found that of those who experienced discrimination, 51 per cent of women reported being more likely to be perceived by peers as having outdated skills, being slow to learn new things or as someone who would deliver an unsatisfactory job. This was compared to 38 per cent of men. Additionally, women were more likely than men (68 per cent compared to 52 per cent) to report age discrimination affecting their self-esteem, mental health or had caused them stress in the workplace.

As older women's participation rates increase, women experiencing menopause are increasingly likely to be in the workforce and may experience additional associated challenges. While there is limited research on the full extent of its potential impact, the

range of symptoms associated with menopause can impact women's needs in the workplace and experiences of work. Where supports are not adequate, older women may revert to part-time work, forgo leadership opportunities, or pursue early retirement.

Increases to income support payments for those aged 55 and over

The Government recognises the additional barriers older Australians face engaging with work, and the importance of the social safety net to ensure older Australians can live with dignity.

Among Australians aged 55 and over, a moderately larger share of income support recipients are women. In March 2023, women accounted for 56 per cent of all JobSeeker Payments for those aged 55 to 64, and 57 per cent for those aged 65 and over. Men, however, account for a higher portion of income support recipients for younger age groups.

The Government recognises that older Australians can face additional, persistent barriers to work and may become stuck on JobSeeker Payment for long periods of time.

In recognition of this, single JobSeeker Payment recipients aged 60 years or older who have been receiving the payment for 9 or more continuous months already benefit from a higher rate of payment than other JobSeeker Payment recipients, who are not principal carers. Currently the higher basic rate is \$745.20 per fortnight. Of the 82,000 recipients of this higher payment, women make up 58 per cent.

In this Budget, the Government will extend eligibility for this higher rate of JobSeeker Payment to those aged 55 to 59 years who have been on payment for 9 or more continuous months.

Budget highlights: Extending eligibility for existing higher JobSeeker basic rate for those aged 55 and above

The Government is extending eligibility for the existing higher rate of JobSeeker Payment for older Australians.

In September, eligibility for the higher rate of payment will be extended to single Australians aged 55 to 59 who have been on the payment for 9 or more continuous months. This will benefit around 52,000 recipients, 55 per cent of whom are women. This acknowledges the additional barriers these recipients have to re-entering the workforce, including age discrimination or poor health.

JobSeeker recipients aged 60 years and older will also benefit from the \$40 increase per fortnight to their basic payment rate.

Targeting entrenched community disadvantage

There are communities in Australia where disadvantage is concentrated, which can have devastating and intergenerational impacts, including for women and girls who can face compounding disadvantage.

Budget highlights: Partnering to achieve long-term positive change

The Government is investing \$199.8 million in an integrated package to target entrenched community disadvantage. The package takes a long-term approach to working in partnership with communities to make a difference in the lives of disadvantaged Australians, including through place-based approaches and social impact investing initiatives. This package will see the Government working in partnership with state and territory governments, communities, and other key stakeholders including through a new strategy to partner with philanthropy.

As part of this package, the Government will develop a new strategy through the Investment Dialogue for Australia's Children to partner with philanthropic organisations to better coordinate investments, share data, and improve outcomes, including for women, children, and families.

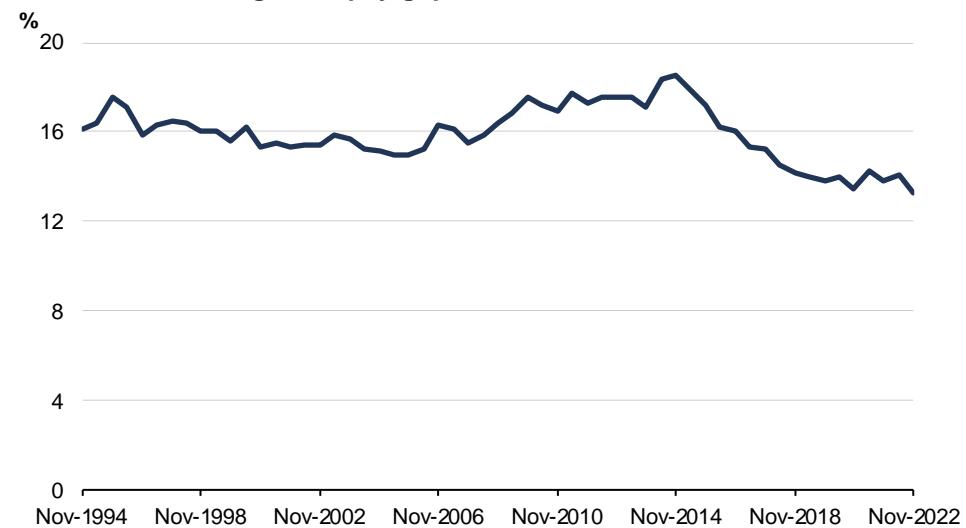
The gender pay gap

Despite progress made in the last 40 years, the gender pay gap persists. The gap is driven by a range of factors, such as the effect of caring for family on workforce participation, differences in gender representation and remuneration across occupations and industries, and gender discrimination and bias. These factors are complex and interrelated and can often compound over a woman's life.

The following sections build on the analysis undertaken in the 2022–23 Women's Budget Statement by more closely examining patterns of occupational and industrial segregation. This includes discussing the undervaluing of 'women's work', unpacking the role of flexibility offered by employers, and exploring the role of education choices. The Government is committed to supporting women's economic equality and to closing the gender pay gap. Reforms to the workplace relations system via the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022* have put gender equality and pay equity at the heart of the *Fair Work Act 2009*.

The national gender pay gap, which measures the difference in base salary earnings between women and men in full-time work, has fallen to a record low of 13.3 per cent. This is lower than the previous gender pay gap of 14.1 per cent in May 2022, and marginally lower than the previous record low of 13.4 per cent in November 2020. While this is progress, the gender pay gap has remained relatively persistent over decades, falling only 2.9 percentage points in 28 years (Chart 1.9).

Chart 1.9: National gender pay gap 1994 to 2022



Note: Data are full-time adult ordinary time earnings, original series. November 1994 to November 2022.

Source: ABS Average Weekly Earnings, Australia.

Women in full-time work earn a base salary of around \$1,654 each week on average, while men's full-time earnings are around \$1,907. This means a woman working full-time earns, on average, \$253 less than a man working full-time every week. Over the course of a year, that adds up to \$13,156. Furthermore, a gender pay gap persists across all industries. Since 1994, the gap has declined across most industries, but it has increased in administrative and support services, health care and social assistance, and arts and recreation services.

The Workplace Gender Equality Agency (WGEA) uses a different method to calculate the gender gap in earnings. Drawing from its annual employer census of non-public sector employers with 100 or more employees, WGEA estimates the gap to be 22.8 per cent.⁸ This measure of the gender pay gap covers additional factors to measure the difference between women and men's total remuneration, including superannuation, overtime, and bonuses, and includes full-time, part-time and casual employees (converted into standardised full-time equivalent earnings).

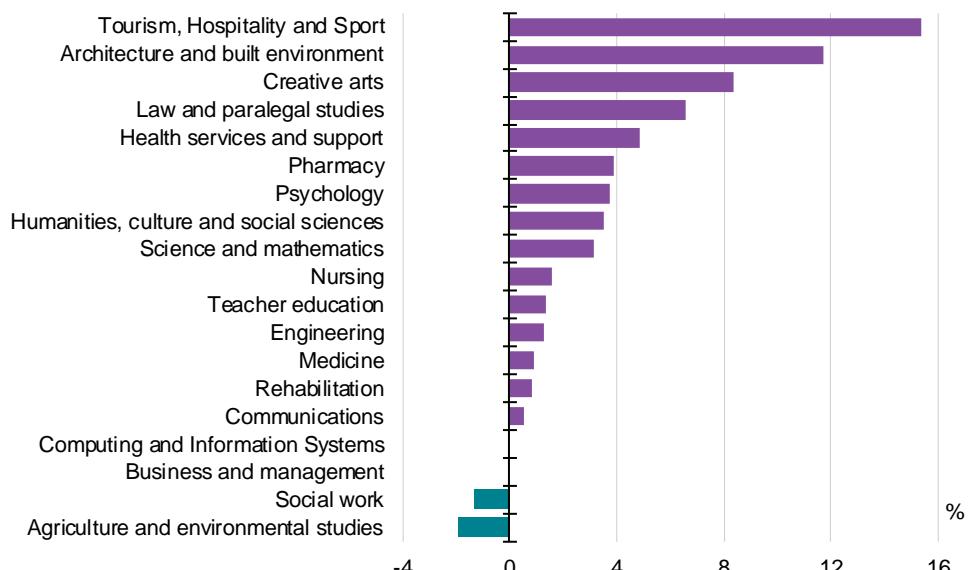
The gender pay gap varies significantly across Australia. Western Australia has the widest gender pay gap of 32.1 per cent and Tasmania the smallest of 10.4 per cent.⁹ Western Australia also has a larger share of people working in mining than other states, and the industry has high average earnings and a low representation of women.

Working in more remote locations can also impact the gender pay gap. Women in remote areas face a remoteness penalty. That is, the difference between women and men's average base salaries is larger in more remote workplaces.¹⁰ Insights from WGEA data show a gender pay gap remains even when the comparison is between women and men with similar characteristics, such as industry, occupation, age and employment status. This suggests that part of the gender pay gap in remote locations is driven by fundamental gender biases.

From the start of their careers, women earn less than men

The gender pay gap is apparent from the start of women's careers. In 2022, the gender pay gap was 2.9 per cent among undergraduates who started full-time work after graduating (referred to as graduates). Women earnt a median annual salary of \$67,400 and men earnt \$69,400, despite similar levels of education.¹¹ While this gender gap in starting salaries is partly affected by men joining industries and occupations with typically higher levels of remuneration, a gender pay gap remains evident even within fields of study. Women graduates earn lower starting salaries than men in 15 out of 19 study areas (Chart 1.10). This suggests there are factors beyond subject choice driving the graduate pay gap.

Chart 1.10: Gender pay gap between graduates by study area



Note: Median full-time salary within 4 months of graduation. No data available for men in veterinary science and dentistry.

Source: Quality Indicators for Learning and Teaching – 2022 Graduate outcomes survey, February 2023

Government action to introduce gender pay gap reporting improves transparency and gives employees the knowledge needed when applying to and choosing employers and may assist in negotiating pay increases.

Box 3: Government action to improve pay transparency and reduce the gender pay gap

The Government has passed reforms to the *Workplace Gender Equality Act 2012* to improve the transparency of gender pay gaps. From early 2024, WGEA will publish the gender pay gaps of employers with 100 or more employees.

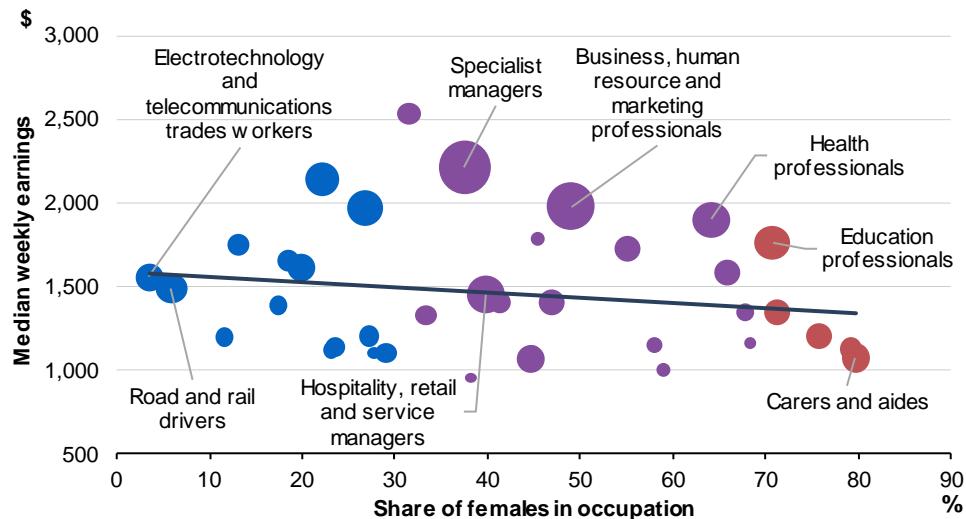
The changes deliver on the Government's commitment to introduce gender pay gap reporting at employer level and implement recommendations of the Review of the Workplace Gender Equality Act 2012. International experience suggests that publishing employer gender pay gaps can motivate companies to prioritise gender equality and may result in a lowering of employer gender pay gaps.¹² The United Kingdom began requiring companies with 250 or more employees to report their gender pay gaps in 2017 and has since seen a narrowing of the wage gap between women and men.¹³

Following these changes, WGEA will publish gender pay gaps at an employer level, in addition to publishing the gender pay gap at a national, industry and occupational level. The first set of private sector employer gender pay gaps will be published in early 2024, and Commonwealth public sector employer gender pay gaps will be published in late 2024 or early 2025. If they choose to, employers will be able to provide additional context and information related to their gender pay gap and the actions they are taking to address it, to be available with their gender pay gap.

Industrial and occupational segregation is an important driver of the gender pay gap

Industrial and occupational segregation in the Australian labour market has remained persistent for several decades. Industrial and occupational segregation contributes to the gender pay gap through the concentration of men in occupations or industries with higher earnings and women in occupations or industries with lower earnings. This segregation is not unique to Australia, with similar patterns observed in the United Kingdom and across OECD member countries.¹⁴

Data on full-time median weekly earnings suggest that female-dominated occupations (Chart 1.11, red dots) are paid less on average than male-dominated occupations (Chart 1.11, blue dots). A similar pattern is also observed by industry.

Chart 1.11: Gender segregation and earnings by occupation, full-time workers

Notes: Colour of points indicates whether occupations are male-dominated (less than 30 per cent female – blue), female-dominated (more than 70 per cent female – red) or balanced (purple). Size of points corresponds to number of full-time workers in occupation. Some occupations with small sample sizes excluded. Median earnings for main job only.

Source: ABS Characteristics of Employment Survey, August 2022.

Gender segregation, combined with the influence of gender stereotypes in society, can restrict the ability of women and men to choose the career that best suits them or move between jobs. This can mean that workers' skills are not used to their full potential, which risks dampening economic growth and reducing productivity.

A heavily gendered workforce may artificially constrain potential labour supply, which increases the likelihood of a skills shortage in an occupation or industry. This is particularly pertinent in the highly feminised care and support economy, which is experiencing growing demand, driven by an ageing population, transition from informal to formal care and increased citizen expectations of government. Around 65 per cent of occupations in shortage on the Skills Priority List have workforces that are over 80 per cent men or women.¹⁵

Gender segregation can have negative effects on firm performance, especially if women are not represented in leadership positions. Research from WGEA and the Bankwest Curtin Economics Centre has found an increase of 10 percentage points or more in the share of women key management personnel is associated with a 6.6 per cent increase in the market value of ASX-listed companies.¹⁶ This is worth the equivalent of \$104.7 million for the average company. Increasing the share of women's representation on boards by 10 percentage points was also associated with a 6 per cent increase in the likelihood of a firm outperforming its peers.¹⁷ While the gender composition of management personnel tends to be skewed to men, this is starker in male-dominated industries.

Trends in industry and occupational segregation are slow moving. Over the past few decades, there has been some progress to improve gender balance in some previously male-dominated professional and managerial roles such as accountants, solicitors, and general managers. However, over the past 35 years women's employment in aggregate has become more concentrated in female-dominated occupations, partly reflecting rapid growth in the highly feminised care and support economy. Addressing segregation requires a focus not only on getting more women into traditionally male-dominated industries and occupations, but also attracting men into traditionally female-dominated roles.

Valuing the work done by women

The reasons why some highly feminised industries and occupations attract below-average pay are complex, but there is evidence to suggest that gender segregation itself plays a role.^{18,19} This is likely driven by longstanding gender stereotypes around what are considered women's jobs and men's jobs, and perceptions about the value of these jobs in society.

The care and support economy is one example of a highly feminised workforce where wages and conditions may not reflect the true value of the work performed. Many caring roles were once performed for free by family members, mainly women. As these roles have transitioned to the formal economy, many have attracted below-average pay. The fact that these roles were once part of the informal economy can disguise the level of skill and experience required to perform them, as well as the additional qualifications that are now mandatory for some roles. Satisfaction with wages is particularly low for aged care workers compared to other industries.²⁰ Having access to or being covered by enterprise bargaining agreements can help workers to negotiate higher pay and better work conditions.

This Government understands and places value on the important role of caring. This is reflected through the development of a National Strategy for the Care and Support Economy, the Government's submission to the Aged Care Work Value Case and the creation of the Care and Community Sector Expert Panel in the Fair Work Commission as part of the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Act 2022* reforms. The Government acknowledges the shifting preferences from informal to formal care. Improved options for formal care can reduce barriers to women's workforce participation, improving their economic security and financial independence. These changes can also support productivity to the extent that formal care arrangements allow for better matching between jobs and skills, and through economies of scale as the workforce expands.

The Senate Select Committee on Work and Care has examined the challenges many Australians experience trying to combine caring responsibilities with paid employment across the course of their lives. The low wages of many of those employed in care and support industries creates additional financial difficulties for those performing essential care services at home and in the community. The Committee tabled its final report on 9 March 2023 and the Government is considering its findings and recommendations.

Budget highlights: Valuing the care and support economy

The Government is committed to a sustainable and productive care and support economy that delivers quality care and decent jobs. The Government recognises and values the delivery of essential services to some of the most vulnerable people in society. Formal aged care, disability care and support, veterans' care, and early childhood education and care enable workforce participation, particularly for women, who would otherwise be unable to work due to caring responsibilities. The Government values the contribution these sectors make to our society and will continue to examine opportunities to support the professionalisation and recognition of these workforces.

Aged Care Work Value Case: The Government supports continuing to improve wages and conditions for aged care workers. Low wages for aged care workers undervalue their work, contribute to the gender pay gap and are a barrier to growing the workforce. Aged care workers provide care and support to many of the most vulnerable in our community. Despite this, Australia's 370,000 aged care workers can experience low wages and poor conditions. The Government delivered on its commitment to make a submission on the Aged Care Work Value Case to the Fair Work Commission and will provide funding to support resulting increases to award wages.

This Budget allocates \$11.3 billion to support the Fair Work Commission's decision to provide an interim increase of 15 per cent to modern award minimum wages for many aged care workers.

This pay rise will help aged care providers retain their skilled workforce, attract more people to the sector and stop paying high agency rates to fill the current gaps. It is Government's expectation that funding for the wage rise will be passed on directly to staff. The purpose of this pay rise is to ensure staff are remunerated fairly for their work.

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Budget highlights: Valuing the care and support economy (continued)

Care and Support Economy Strategy: The Government is developing a National Strategy for the Care and Support Economy to set out a road map to a sustainable and productive care and support economy that delivers quality care and decent jobs. The strategy will set a long-term vision across the care and support economy sectors, including aged care, disability care and support, veterans' care and early childhood education and care.

The impact on women will be two-fold. Firstly, women perform a disproportionate share of unpaid care and support labour. Well-functioning formal care and support systems help free up women to participate in the broader workforce and have economic autonomy. Secondly, the majority of workers in the care and support economy are women, so ensuring that they have decent, safe, and well-paying jobs will boost women's economic security and help narrow the gender pay gap.

NDIS Workforce Strategy: The Government has committed to develop a comprehensive NDIS workforce strategy to ensure NDIS participants can access the supports they need. An independent NDIS Review is underway and is examining ways to build a sustainable workforce, consulting widely with participants, providers and the community. The Review will provide a report to Disability Reform Ministers by October 2023.

Early Childhood Education and Care Workforce: The Government is investing \$72.4 million to support, build and retain the early childhood education and care workforce. The investment will improve access to professional development opportunities for early childhood educators and teachers and provide financial assistance to educators to complete the practicum required for a Bachelor or Master's degree in Early Childhood Education.

Removing gender bias through Fair Work reforms

The Government has passed amendments to the *Fair Work Act 2009* that target gender-based undervaluation of work, which most impacts workers in low-paid, feminised workforces. The changes require that the Fair Work Commission's consideration of work value be free of gender-based assumptions and include consideration of whether the work has been historically undervalued based on gender. This change is relevant to work value cases, in which the Commission determines whether modern award minimum wages should be varied on work value grounds.

The changes also address issues with the previous framework for equal remuneration orders that made it difficult to establish a pay equity claim in the Commission. There has been only one successful case where the Commission issued an equal remuneration order. The previous provisions were interpreted as requiring a male comparator group performing work of equal or comparable value to the applicants. This was often unobtainable given Australia's highly gender-segregated workforce. The amendments ensure comparison between occupations and industries does not require a male

comparator group. The Commission also does not need to find discrimination on the basis of gender to establish the work has been undervalued. These changes will contribute to ensuring that all workers are paid equally for labour of equal or comparable value, regardless of their gender.

Two new expert panels for pay equity and the care and community sector have been established in the Commission to hear and decide these types of cases. This ensures the Commission has the expertise to appropriately address gender-based undervaluation and help improve pay and conditions in low-paid, feminised workforces.

Box 4: Government action to address work value

Annual Wage Review – supporting the wages of low-paid workers

The Government's submission to the Fair Work Commission's 2022–23 Annual Wage Review once again recommended that the Commission ensures the real wages of Australia's low-paid workers do not go backwards. Last year, the Fair Work Commission decision resulted in a 5.2 per cent increase in the national minimum wage and at least a \$40 per week increase to award pay rates for fulltime workers.

Award-reliant workers are more likely to be low-paid, women, young and employed on a casual basis. Of the 2.7 million award-reliant employees, 1.6 million (or 59 per cent) are women. Of all women employees, 27 per cent are on an award wage compared to 19 per cent of men.

High award coverage in female-dominated industries such as health care and social assistance (including child care), hospitality and retail trade, explain the imbalance in the award reliant population. As women are disproportionately represented in low-paid and award-reliant jobs, increases in the minimum and award wages are likely to help decrease the gender pay gap.

Review of modern awards

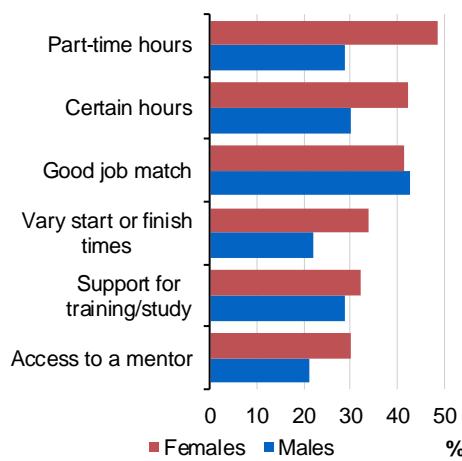
The Government is delivering on outcomes from the 2022 Jobs and Skills Summit by supporting the Fair Work Commission to conduct a review of modern awards. The targeted review, informed by stakeholder priorities, will consider whether modern awards provide a fair and relevant safety net in the context of the new job security and gender equality objects in the *Fair Work Act 2009*, and the updated modern awards and minimum wages objectives. The review will also include research on the impact of modern awards on work and care.

Balancing work and care – the case for flexibility

The unequal division of unpaid care work within Australian households also contributes to industrial and occupational segregation. Women tend to take on a larger share of unpaid work in households, and this gap widens when children arrive in the household. This not only contributes to lower workforce participation by women, but it may deter them from higher intensity and better paid occupations and industries.

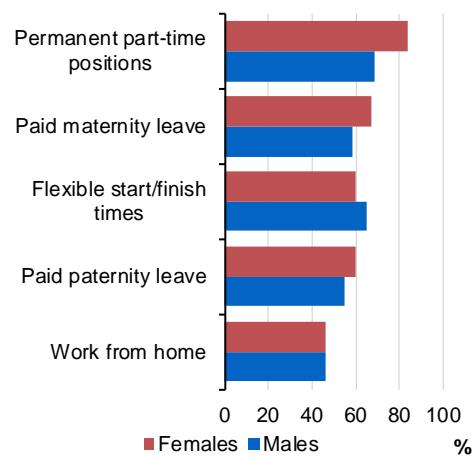
As a result, women are more likely than men to report flexibility and non-standard work arrangements as incentives for labour force participation, and to work in organisations that offer this flexibility. For example, almost 50 per cent of women report that the ability to work part-time hours is a very important incentive to increase participation, and over 80 per cent of employed women report that their organisation offers permanent part-time positions (Chart 1.12 and Chart 1.13). Treasury analysis suggests that many types of workplace flexibility, such as part-time work, flexible start and finish times, and the ability to work from home, are positively associated with job satisfaction for both women and men, even after accounting for job and individual characteristics.

Chart 1.12: Incentives to increase participation, 2020–21



Notes: Share of people that rated the incentives as 'very important'.
Source: ABS Barriers and Incentives to Labour Force Participation.

Chart 1.13: Share of employees with workplace entitlements, 2021



Notes: Share of employees reporting that they could access entitlement.
Source: Treasury analysis of HILDA Release 21.0.

Research finds that firms are often willing to pay a premium to those who can work long and inflexible hours. Treasury analysis suggests that less flexible occupations pay on average about 30 per cent more than flexible occupations.²¹ The prominence of these higher paid but more inflexible jobs in many industries and occupations favours those who have few unpaid responsibilities (often men) and penalises those juggling non-negotiable caring responsibilities (often women). Australian research has found that occupations where there are high rewards for working long and inflexible hours tend to have the largest gender pay gaps.²² These occupations are also more likely to be male-dominated.

The presence of these inflexible but highly paid jobs makes it more costly for couples to choose to equally share the unpaid and paid work of their household. That is, equally sharing unpaid work within the household may preclude both partners from holding a highly paid but inflexible job. The effects of tax and transfer systems can compound this problem by reducing the financial incentive for a secondary earner (often a woman) to take on extra hours in paid work.

Gender stereotypes and the presence of inflexible jobs also disadvantage fathers who wish to take a more active role in the raising of their children. Men are more reluctant to request flexible working conditions than women because of perceived or actual negative effects on their career progression or because they do not believe it will be granted.²³ This is reflected in the availability and take up of paid parental leave. WGEA data reveal that paid parental leave for primary carers offered by employers is more common in female-dominated industries than male-dominated industries, and only 12 per cent of this leave is taken by men.²⁴ When men do request flexibility, they frequently face discrimination from managers or colleagues.²⁵ This ‘flexibility stigma’ perpetuates gender stereotypes and negatively impacts families.

Organisational policies can support families who desire to share paid work and caring responsibilities more equally. For example, firms can offer flexible working conditions and encourage its use by all employees. Men in senior roles can also model the use of flexible work policies, to demonstrate they are not just for use by women and their use will not be detrimental to career prospects. The evidence that job flexibility allows women (particularly mothers) to remain in the workforce suggests a role for reforming workplace settings and more considered job design to address gender inequality.

Box 5: Government action to improve workplace conditions and flexibility

The Government is committed to an improved workplace relations system that delivers more secure jobs and flexibility for all workers.

In December 2022, the Government legislated a range of reforms to improve job and income security and gender equality. Further reforms will come into effect later this year, including to strengthen the right to request flexible working arrangements and to request an extension of unpaid parental leave, and limits to fixed-term contract durations.

The *Fair Work Legislation Amendment (Protecting Worker Entitlements) Bill 2023* also includes proposed amendments to unpaid parental leave to complement recent amendments to the Government's Paid Parental Leave scheme and help families share work and caring responsibilities.

More work is underway to deliver better outcomes for all workers. The Government is consulting on further changes, including standing up for casual employees and improving fairness for workers such as gig workers and labour hire workers. This will support better pay and conditions while ensuring that the system is sustainable and promotes wellbeing.

A safe workplace for everyone

Gender bias and discrimination is prevalent in some male-dominated industries and can influence hiring decisions. Discrimination, harassment and inflexible work conditions can also discourage women from pursuing careers in these sectors. Many workplaces are making active changes to improve workplace culture for all employees, to increase their candidate pool and create a better working environment. Still, workplace harassment remains a barrier to women's full participation in some sectors. The Government is committed to eliminating sexual harassment in the workplace, because everyone deserves to feel safe at work. The successful implementation of the Respect@Work recommendations (discussed further in the Ending violence against women and children chapter) will contribute to ensuring all workplaces are safe for women.

Gender differences in education and workforce outcomes

Australian women are highly educated

Education and training are critical for employment and career prospects and play a key role in progressing women's economic equality. Australian women are now more educated than ever before and, increasingly, more educated than men. Four decades ago, women were less likely to attain degrees or participate in higher education than men. This trend flipped by the 1990s, and women now have higher levels of educational attainment.

Strong education performance of women emerges from early in school. Girls tend to outperform boys in all National Assessment Program – Literacy and Numeracy (NAPLAN)

domains across all year levels (Years 3, 5, 7 and 9), except in numeracy where boys slightly outperform girls. These gaps have remained relatively consistent since NAPLAN was introduced in 2008. This strong performance continues through to Year 12 or equivalent (Certificate III or above) attainment rates (92.7 per cent for women compared to 87.6 per cent for men between the ages of 20–24 years in 2022). University figures show around 50.9 per cent of women aged 25–34 having a bachelor's degree or above as their highest qualification, compared to 38.3 per cent of men, in 2022.

Despite educational efforts, there remain significant gaps in student outcomes for First Nations' girls, and girls with disability. In 2021, 71.7 per cent of First Nations women aged 20–24 years had attained Year 12 or equivalent, or Certificate III or above.²⁶ In 2018, only 68 per cent of students with disability completed secondary education, compared to 85 per cent of students without disability. The completion rate was higher for women with disability than men.

There are gender differences in course and subject enrolments that emerge early

Gender differences in education and training choices become apparent in secondary school. They continue to be observed in higher education and influence the industries and roles women and men are employed in after study. These decisions can be influenced by parents, role models, and peers, as well as gender stereotypes.

In Year 12, a higher proportion of boys study maths and technology, and more girls study English and science. Within science subjects, however, there are gender differences. More girls study biology and more boys study chemistry and physics. In addition, research shows that girls are more likely to report having lower confidence in their economics proficiency than other students, leading to lower participation in the subject.²⁷ These negative perceptions persist even after accounting for observed proficiency, indicating a confidence gap.

Similarly in universities, 2021 domestic undergraduate enrolment data show women continue to dominate enrolments in fields such as health (77 per cent), education (76 per cent), society and culture (67 per cent), creative arts (60 per cent), agriculture, environment and related studies (60 per cent), and natural and physical sciences (54 per cent). Men continue to dominate fields such as information technology (83 per cent), engineering and related technologies (82 per cent), architecture and building (57 per cent), and management and commerce (53 per cent).²⁸

Increasing women's representation in vocational education and training, including apprenticeships

Women have historically been underrepresented in vocational education and training (VET), but this trend is starting to change. Over the period 2015 to 2017, the number of women enrolled in VET has increased from 1.7 million to 2.0 million, an increase of more than 19 per cent.²⁹ The proportion of women studying VET programs, as a proportion of all program enrolments, increased from 46.3 per cent in 2015 to 48.5 per cent in 2021. Women are also showing stronger completion rates in VET than men, with 49.9 per cent of women

who commenced their qualification in 2017 having completed it, compared to 42.7 per cent of men.

For VET program enrolments in 2021, data shows that men continue to dominate enrolments in traditional STEM fields (science, technology, engineering and mathematics). Natural and physical science is an exception to this, where women account for 66 per cent of program enrolments. Women account for 11 per cent of engineering and related technologies, and 24 per cent of information technology program enrolments.³⁰ In addition, women account for only 10 per cent of architecture and building VET program enrolments.

While women now make up almost half of all VET enrolments, they use apprenticeships and traineeships at a much lower rate. Women represent around 31 per cent of all apprentices and trainees at September 2022. In practice, this means that fewer women are using apprenticeship pathways, which enable them to be paid while they gain work experience and their VET qualification in their chosen field, when compared to men.

Qualifications that require unpaid work experience impose financial burden on students and trainees, including reducing the hours of paid employment they can undertake. A study found that men are more likely to participate in unpaid work experience than women, but women participated for longer durations.³¹ In addition, during their unpaid work experience, men were more likely than women to receive financial compensation or reimbursement, such as an allowance or honorarium; or reimbursement for expenses such as parking or special clothing. The most common industries for unpaid work experience were education and training, social and community services, and health care, which are female-dominated.

Although the proportion of women in trade apprenticeships has been increasing steadily, a high level of gender segregation remains across some industries and occupations. Women remain under-represented in male-dominated trades (such as plumbing, carpentry or electrical) comprising just over 8 per cent of all trade apprentices.³² In 2021, more women were in shorter apprenticeships and traineeships in non-trade occupations than they were in trade occupations such as early childhood education and care, retail, administration, and hospitality.

In September 2022, only 5.2 per cent of all apprentices and trainees in the construction industry were women. Of those undertaking trade apprenticeships in this industry, only 3.4 per cent were women.³³ Government action will start to address barriers to women's participation in these sectors, and support women to complete their apprenticeships. Even though women have stronger completion rates than men overall, women in male-dominated trade apprenticeships have a lower completion rate than the general apprenticeship population.

Budget highlights: Improving pathways for women into trades and other male-dominated industries

The Government is focused on improving women's experiences of the labour market and ensuring equal opportunity and equal pay. This includes a commitment to lifting the participation of women in apprenticeships and across the VET system, focused on helping the economic security of women through access to jobs in higher-paying and traditionally male-dominated industries. Attracting more women to these sectors also requires a cultural shift to ensure women feel safe at work. The successful implementation of the Respect@Work recommendations will help achieve this.

Targeted support for apprenticeships: The Government is delivering on its commitment from the Jobs and Skills Summit to improve the apprenticeships support system, increase the diversity of the apprentice workforce and drive up apprenticeship completion rates. The Government is consulting on a redesign of the program that aims to support apprentices through their training to give them the best chance of completing their apprenticeship. This focuses on removing barriers for women seeking a career in male-dominated trade occupations and strengthening supports for apprentices with disability, First Nations apprentices, and remote apprentices. These key cohorts will be guaranteed access to personalised assistance and mentoring and receive additional support from commencement to completion of their apprenticeship. Past program experience shows that apprentices who receive support services like mentoring are significantly more likely to complete their apprenticeship.

Grant funding of \$5.0 million over 3 years from 2024–25 will be provided to organisations with appropriate expertise in supporting women in the workplace, to further support women in male-dominated trade apprenticeships. This will include providing education, advice or support to increase culturally safe and inclusive workplaces, reduce the cultural barriers to women's participation, address workplace challenges and support businesses to attract and retain women.

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Budget highlights: Improving pathways for women into trades and other male-dominated industries (continued)

Australian Skills Guarantee (Skills Guarantee): To help address long-term structural problems of gender inequality in the apprenticeships system, the Government will introduce new national targets for women in apprenticeships and traineeships on major Australian Government-funded construction and information and communications technology (ICT) projects valued at \$10 million or more. Targets for women in construction will increase annually to reach 12 per cent for women in apprenticeships and traineeships and 10 per cent for women in trade apprenticeships by 2030. This would more than double participation for women in apprenticeships and traineeships, and triple participation in trade apprenticeships, on Skills Guarantee construction projects by 2030.

In recognition of the varied entry pathways of the ICT sector, targets will be negotiated with suppliers on a project-by-project basis for major ICT projects. The Skills Guarantee will also help to shift the culture on individual flagship construction projects valued at \$100 million or more by working with suppliers to develop even more ambitious targets for women on these projects.

Work to implement the Skills Guarantee will commence from 1 July 2023 ahead of targets coming into effect for new procurements from 1 July 2024.

Negotiating a new National Skills Agreement: The Government is negotiating a new 5-year National Skills Agreement with states and territories to boost productivity and support people to obtain skills to participate and prosper in the modern economy. The Agreement will ensure that all Australians have access to the education, training and support needed to obtain well-paid, secure jobs.

Women's participation and gender equality will be a major reform area of the Agreement. There will be a coordinated effort to support women to successfully enrol and complete VET courses and apprenticeships, with an emphasis on accessing skills in traditionally male-dominated, higher-paying occupations. Men will also be encouraged to participate and gain skills in fields where women have been historically over-represented, such as the care and support sector.

Women in STEM cadetships and advanced apprenticeships: Continued support for the Women in STEM program will assist in promoting increased diversity in the STEM-qualified labour force. The program has incorporated considerations for competing work and personal commitments, especially caring responsibilities, providing part-time pathways to facilitate easier completion of study. The extended timeframe will support more women to pursue industry-relevant STEM qualifications.

Ending violence against women and children

Every Australian deserves a life free from violence. All women and children should be able to live safely without fear, whether at home, at school, at work, in their community or online. Women and children are not a homogenous group, and every experience of violence is unique.

To further women and children's safety, including under the *National Plan to End Violence against Women and Children 2022–2032*, the Government is investing \$589.3 million in addition to the initial record investment of \$1.7 billion in the October Budget to end violence against women and children in one generation.

Recognising that First Nations women and children experience unacceptably high rates of violence, the Government is investing \$194 million in specific funding to deliver priorities emerging from the developing dedicated Aboriginal and Torres Strait Islander Action Plan. This will also support the development of a new standalone First Nations National Plan for Family Safety.

This chapter examines the impacts and drivers of gender-based violence and provides an overview of the complex and intersecting needs of victim-survivors, with emphasis on delivering targeted action.

Prevalence and impacts of gender-based violence in Australia – key statistics

<p>One in 3 women (31% or 3.1 million) have experienced physical violence since the age of 15.</p>	<p>One woman was killed every 14 days by a current or former intimate partner in Australia in 2020–21.³⁴</p>
<p>One in 5 women (22% or 2.2 million) have experienced sexual violence since the age of 15.</p>	<p>Aboriginal and Torres Strait Islander women are 33 times more likely to be hospitalised due to family violence related assaults than other Australian women. In 2020–21, Aboriginal and Torres Strait Islander women were killed at a rate 5.7 times higher than other Australian women from family violence.</p>
<p>One in 4 women (23% or 2.3 million) have experienced intimate partner violence since the age of 15.</p>	<p>Approximately one in 2 women (44.1%) who experienced intimate partner violence had children in their care.</p>
<p>One in 4 women (23% or 2.3 million) have experienced cohabiting partner emotional abuse since the age of 15.</p>	<p>An estimated one in 8 people (13%) have witnessed violence towards a parent by a partner before the age of 15 and an estimated one in 7 (14%) have experienced physical violence and / or sexual abuse by an adult before the age of 15.</p>

Violence against women and children is a problem of epidemic proportion across Australia. Two large national survey collections on the prevalence of family, domestic and sexual violence (the Personal Safety Survey) and community attitudes (National Community Attitudes towards Violence against Women Survey (NCAS)) have been released for the first time in 5 years. The results of these surveys highlight the complexity of this issue.

The 2021 NCAS findings showed that Australians' understanding and attitudes regarding violence against women and gender inequality have improved slowly but significantly since 2009.³⁵ Australians' recognition of behaviours constituting violence against women has improved. In 2021, 81 per cent of survey respondents identified controlling a partner by denying them money to constitute a form of domestic violence, up from only 53 per cent in 2013.

Despite progress, misconceptions persist and there has been a plateau in some attitudes towards domestic violence since 2017. In 2021, 41 per cent of Australians reported they believe domestic violence is equally perpetrated by men and women, and 2 in 5 Australians do not know how to access domestic violence services. Some Australians still endorse misconceptions that justify violence, consider it an issue that doesn't affect them or their community, and see violence as a private matter or partly blame victim-survivors for violence.

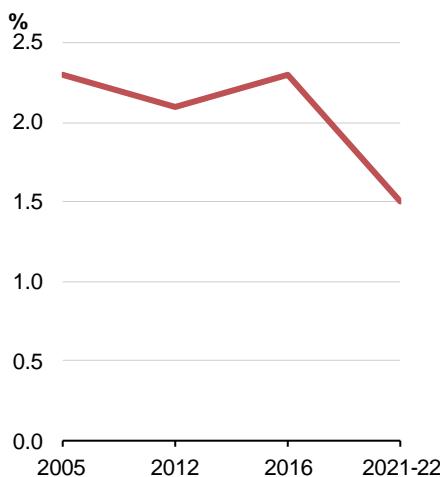
The prevalence rates of family, domestic and sexual violence have remained mixed. The 2021–22 Personal Safety Survey (PSS) showed there has been modest yet statistically significant decreases in intimate partner violence (-0.8 per cent), cohabiting partner violence (-0.8 per cent), cohabiting partner emotional abuse (women: -0.9 per cent, men: -1.7 per cent) and sexual harassment (women: -4.7 per cent, men: -4.8 per cent) since 2016 (Chart 2.1). The prevalence of stalking, sexual violence and physical violence against women has been relatively unchanged since 2016.

Data from the Australian Institute of Criminology's 2023 Homicide in Australia Statistical Report found that in 2020–21, on average, one woman died every 14 days at the hands of her former or current partner in Australia. This is an update on the previous statistic from the 2019–20 Homicide in Australia Statistical Report, which found that on average, one woman died every 10 days at the hands of her former or current partner in Australia.

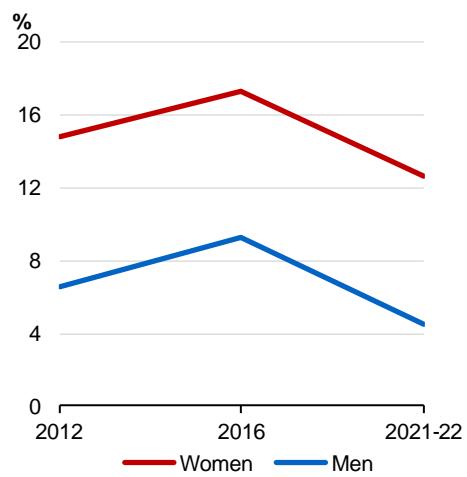
While any reduction is positive, it does not detract from the overall impact and scale of violence against women. A sustained and united effort is still required to end it.

Chart 2.1: 12-month prevalence rates of intimate partner violence and sexual harassment over time

Intimate partner violence



Sexual harassment



Note: Intimate partner violence statistics for men have a high relative standard error and are considered too unreliable to measure changes over time.

Source: Graphed from tables in Australian Bureau of Statistics (2023) Personal Safety Australia 2021–22. Personal Safety, Australia, 2021–22 financial year | Australian Bureau of Statistics (abs.gov.au).

Rates of violence are higher for certain groups, such as First Nations women and women living with disability. Sexism, ableism and racism intersect and compound to drive high levels of violence, and particular forms of violence against First Nations women and women living with disability. For instance, women with disability are more likely to experience violence, abuse, neglect and exploitation, and fare worse in institutional contexts such as group homes and boarding houses where violence may be more common.

Research indicates women and girls with disability are more likely to experience sexual violence (25 per cent compared with 15 per cent of women without disability) and physical violence (40 per cent compared with 26 per cent of women without disability) after the age of 15.³⁶ Women with disability experience specific forms of gender-based violence including reproductive coercion, forced sterilisation and forced medical interventions. Women with an intellectual or psychological disability are nearly 3 times more likely than women with a physical disability to experience violence.

National Plan to End Violence against Women and Children 2022–2032

On 17 October 2022, the Australian, state and territory governments released the *National Plan to End Violence against Women and Children 2022–2032* (National Plan). The National Plan is the cornerstone of the Government's strategy to address family, domestic and sexual violence.

The National Plan sets out the national policy agenda for the next 10 years to address family, domestic and sexual violence. It guides the work of all governments, family safety experts and front-line services, and importantly commits to ongoing engagement with victim-survivors in the development of policies and solutions. To drive change, the National Plan provides priority areas for action across the continuum of prevention, early intervention, response, and recovery and healing.

Actions by the Australian Government and the states to implement the National Plan will be detailed in two underpinning 5-year Action Plans and the dedicated Aboriginal and Torres Strait Islander Action Plan. The First Action Plan will span 2023–2028, laying the foundation for generational change. The Second Action Plan will build on the First Action Plan, spanning 2029–2033.

The Government's \$1.7 billion investment in the October Budget for women's safety initiatives laid a solid foundation for the Government's sustained focus on ending violence against women.

This included funding for a range of prevention activities to stop violence before it starts, including \$83.5 million for improving respectful relationships education in schools and \$42.5 million for responding to the Respect@Work inquiry. Significant investments were also made to improve the supports and services available for women and children experiencing family, domestic and sexual violence including \$169.4 million to fund 500 frontline community sector workers. This was bolstered by significant investments in housing, with \$100 million of returns from the Housing Australia Future Fund to fund crisis and transitional housing options for women and children impacted by family and domestic violence and older women at risk of homelessness.

The investments in women's safety through this Budget and the October Budget complement existing Government funding for ongoing initiatives and programs that are vital for women's safety. This includes ongoing funding to deliver 1800RESPECT, provide supports in the family law system for women and families experiencing family and domestic violence, and funding to prevent and respond to workplace harassment, including implementation of recommendations from the Respect@Work report.

This Budget builds on that with a further \$589.3 million funding to support women's safety, including dedicated funding for First Nations women's safety. This is complemented by funding to implement recommendations from the Set the Standard report, funding for the Office of the eSafety Commissioner, and increases in funding for community organisations that provide vital services to women and children experiencing violence, as well as the Government's reforms to improve access to social and affordable housing.

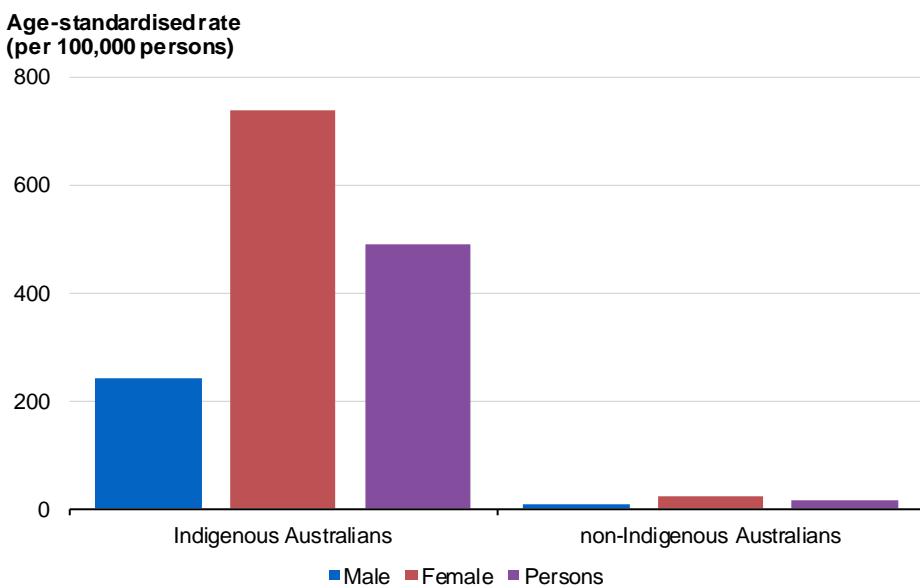
Supporting First Nations women's safety

First Nations women experience heightened vulnerability to harm because of intergenerational trauma and intersectional discrimination while caring for large and

extended families with their own compounding experiences of individual and systemic violence and discrimination.³⁷

In 2020–21, First Nations women were 33 times more likely to be hospitalised for injuries related to family and domestic violence than other Australian women (Chart 2.2). In the majority of these cases, hospitalisation was due to intentional injury from a spouse or domestic partner, a parent or another family member.

Chart 2.2: Family and domestic violence related hospitalisations 2020–21



Source: Graphed from Australian Institute of Health and Welfare (2022) Family, domestic and sexual violence data in Australia, Hospitalisations for family and domestic violence-Australian Institute of Health and Welfare (aihw.gov.au).

First Nations women living with disability or a long-term health condition experience higher rates of physical or threatened violence than First Nations women living without disability or a long-term health condition (24 per cent compared to 15 per cent). This demonstrates the ways First Nations women can experience cross-cutting issues, as outlined in the 2023 Commonwealth Closing the Gap Implementation Plan. It also shows how some women can face compounding issues and threats to their safety, requiring tailored supports.

Without the provision of tailored, dedicated supports these compounding issues contribute to further experiences of trauma, isolation and exclusion. This reinforces existing gaps and barriers to accessing community-led, culturally appropriate, trauma-aware and healing-informed service delivery.

Aboriginal and Torres Strait Islander Action Plan

Investment in First Nations family safety is informed by the emerging priorities of the dedicated Aboriginal and Torres Strait Islander Action Plan, which is under development. Measures will acknowledge the connections between, and impact of, social and economic disadvantage from intergenerational and ongoing experiences of trauma. This includes the ongoing impacts of racism, dispossession and violence on First Nations people and communities.

First Nations people have the greatest knowledge about the issues that affect them, and the Government is listening and working in partnership to find solutions. The Aboriginal and Torres Strait Islander Action Plan is being developed in genuine partnership with the Aboriginal and Torres Strait Islander Advisory Council on family, domestic and sexual violence (Advisory Council). The Advisory Council is working with First Nations leaders, Elders, communities, community-led organisations and governments to build effective pathways, services and responses for both victim-survivors and perpetrators of family violence to inform the Action Plan.

The Aboriginal and Torres Strait Islander Action Plan will recognise the intersectional approach needed to address family, domestic and sexual violence against First Nations women, Elders, children, people with disability, and the LGBTQIA+ Sistergirl and Brotherboy communities.

First Nations National Plan for Family Safety

Building on the National Plan and the dedicated Aboriginal and Torres Strait Islander Action Plan, the Government has also committed to deliver the first ever standalone First Nations National Plan for Family Safety (the First Nations National Plan) which will be a significant undertaking to address the complex and sensitive factors driving violence against First Nations women, children and communities.

The First Nations National Plan will be led by First Nations people and will explore solutions linked to the principles of truth-telling and self-determination. It will highlight the need to transform current prevention, early intervention, response, recovery and healing efforts to counter systemic racism and promote culturally safe practices and holistic approaches that respond to deeply held historical trauma and improve the wellbeing of First Nations people.

Budget highlights: First Nations women's safety

- This Budget provides \$194 million over 5 years to support Australia's first dedicated Aboriginal and Torres Strait Islander Action Plan for family violence. This includes:
 - \$145.3 million to support activities which address immediate safety concerns for First Nations women and children who are experiencing, or at risk of experiencing, family and domestic violence
 - \$23.2 million to partner with local organisations to design, deliver and evaluate community-led, place-based, trauma-aware and culturally responsive healing programs for First Nations children and families who are impacted by family violence or at risk of engagement with the child protection systems
 - \$17.6 million to deliver on family safety initiatives under the Aboriginal and Torres Strait Islander Action Plan
 - \$7.8 million over 5 years to support the development of a standalone First Nations National Plan for Family Safety, including governance, secretariat and data arrangements.
- The Government is investing \$68.6 million to support National Family Violence Prevention Legal Service providers to deliver legal and non-legal support for First Nations victim-survivors of family, domestic and sexual violence. There will also be an initial review to inform the development of a national standard for government data on lost, missing or murdered First Nations women and children.
- This Budget also provides an additional \$9.2 million to address safety and early intervention initiatives for First Nations Australians in Central Australia, building on the \$48.8 million package announced in January 2023 to improve community safety in Alice Springs. This included funding for safety and community services, including to boost family and domestic violence services.

Addressing gaps across the National Plan

Strengthening actions to address sexual violence

Sexual violence includes – but is not limited to – all forms of sexual assault, rape, sexual harassment, stalking and image-based abuse. It occurs within intimate relationships, and between people who are dating, friends, acquaintances and strangers.

The risk of sexual violence is higher for certain groups, including for young people during their early and formative experiences of dating and relationships. Young women (aged 18–34 years) are more likely to experience intimate partner violence and/or sexual violence than older women. Additionally, one in two women (53 per cent) has experienced sexual harassment in their lifetime. The NCAS reveals young people (aged 16–24), particularly young men, continue to hold problematic views that increase the risk of sexual violence. This includes a concerning proportion of Australians who mistrust women’s reports of sexual violence (34 per cent) and who still agree that women often mean yes when they say no (10 per cent).

Justice responses to sexual violence, including laws and frameworks, can also re-traumatise and exacerbate the cumulative and long-lasting impacts of sexual violence, dissuading women from engaging with the justice system. Effective, transformational change to these justice frameworks and responses requires reform on multiple fronts as well as national leadership and inter-jurisdictional collaboration.

Supporting and building on implementation of the Standing Council of Attorneys-General Work Plan to Strengthen Criminal Justice Responses to Sexual Assault 2022–2027, the Government is committed to providing sustained national leadership and action to work with states and territories to prevent and address sexual violence, including through strengthening and harmonising sexual assault and consent laws.

A comprehensive, whole-of-society approach is essential to achieve a meaningful reduction in the rates of sexual violence in Australia. The Government recognises the need for a robust evidence base to support effective action and long-term systemic change.

Budget highlights: Actions to prevent and address sexual violence

- The Government is committing \$6.5 million to strengthen sexual assault and consent laws and improve justice responses to sexual violence. This includes funding for a ministerial-level national roundtable, an independent national inquiry by the Australian Law Reform Commission into justice responses to sexual violence across Australia, and establishment of an expert advisory group to inform the inquiry.
- The Government is also investing \$12.1 million to develop and distribute social media resources for young people on consent with advice from an expert advisory group and to support community-led sexual violence prevention pilots. These pilots will be the first of their kind in Australia and will help establish what interventions work in practice and guide future funding.

Supporting migrant women and women on temporary visas escaping violence

The National Plan recognises that migrant and refugee women can face specific challenges when they experience family and domestic violence. Migrant and refugee women, including those on temporary visas, can face structural barriers which make it more difficult to leave a violent relationship, including uncertainty about the impact of leaving on their visa status, language barriers and restricted eligibility for accessing government support and services.

Research indicates that migrant women in Australia may not report incidents of family and domestic violence to police or government bodies for a range of reasons, including out of fear that doing so would impact their immigration status.³⁸ Temporary visa holders can also experience migration-related controlling behaviours from a perpetrator, including threats to withdraw visa sponsorship or have the victim-survivor deported.³⁹

There is a range of financial and other support mechanisms available for migrant women and temporary visa holders experiencing family and domestic violence. The Temporary Visa Holders Experiencing Violence Pilot (TVP) provides eligible temporary visa holders experiencing family and domestic violence with financial support and legal assistance, including migration support. Over 2,700 eligible individuals experiencing intimate partner violence have been supported with financial packages through the TVP (as at 31 March 2023).

In addition, the Domestic and Family Violence Support Section within the Department of Home Affairs provides a central point of contact for family and domestic violence victim support service providers. It also assists victim-survivors who hold temporary visas to regularise their visa status, including through the provision of tailored case management support. The service commenced taking referrals on 7 October 2021 and has received 769 case referrals (as at 31 March 2023).

The family violence provisions in Schedule 2 of the *Migration Regulations 1994* allow certain visa applicants to be granted a permanent visa if their relationship has broken down and they have suffered family and domestic violence perpetrated by the sponsoring partner or the primary applicant. The provisions aim to ensure that visa applicants do not feel compelled to remain in a violent relationship to be granted a permanent visa.

Budget highlights: Support for migrant women and women on temporary visas

- The Government is extending the current Temporary Visa Holders Experiencing Violence Pilot to January 2025.
- The Government is also investing \$10 million to expand the family violence provisions within the *Migration Regulations 1994* to most permanent visa subclasses. The provisions aim to ensure that visa applicants, including secondary applicants for permanent visa subclasses, offshore temporary Partner visa applicants and Prospective Marriage visa holders, do not feel compelled to remain in a violent relationship to be granted a permanent visa.

Family law reforms

Access to practical, legal-based support to resolve property settlement is key to victim-survivors regaining their financial independence, financial security and wellbeing after separation. Currently, 7 in 10 women leaving violent relationships leave assets behind, and 90 per cent struggle to obtain a property settlement, limiting their ability to recover financially and move on with their lives.⁴⁰

Similarly, access to legal representation and other support for parents who are responding to an application for a child's return overseas, almost 80 per cent of whom are women, is important for improving legal justice and safety outcomes for women and children in international child abduction matters under the *1980 Hague Convention on the Civil Aspects of International Child Abduction* (Hague Convention).

The Government is committed to ensuring the family law system is safer, more accessible and simpler to use, and delivers justice and fairness for all Australian families.

Box 6: Amendments to the *Family Law Act 1975*

On 29 March 2023, the Government introduced amendments to the *Family Law Act 1975* to create a more child-focused framework for making parenting orders.

With a focus on responding more appropriately to systems abuse and informed by the Australian Law Reform Commission's (ALRC's) 2019 report *Family law for the Future: An Inquiry into the Family Law System* (report 135), proposed changes include:

- repealing the confusing 'presumption of equal shared parental responsibility' and associated provisions about care time to make it clear that there is no legal requirement to agree to equal time arrangements, especially where they are unsafe
- clarifying the enforcement options available for noncompliance with parenting orders
- introducing the ability for the court to restrain a party from filing repeated, harmful applications by making a harmful proceedings order.

The Government is considering further amendments to the family law property division framework under this Act, including to address the financial impacts of family violence.

Budget highlights: Improving outcomes in family law property settlements and international child abduction matters

The Government is investing \$46.5 million to continue and expand 2 successful family law property programs to support access to quick, fair and affordable family law property settlement outcomes for separating couples, especially vulnerable women.

- This investment includes \$33.1 million to fund the Federal Circuit and Family Court of Australia and the Family Court of Western Australia to continue and expand the Family Law Priority Property Pool program nationally. This is to help separated couples resolve small property disputes through a streamlined court process. It supports vulnerable women to regain their financial independence and security after separation.
- In addition, the Government is providing \$13.4 million to extend the Lawyer-assisted Family Law Property Mediation program to assist separated couples to mediate and reach agreement on a family law property division.

To support Australia's efforts under the Hague Convention, the Government is providing \$18.4 million to make Australia's implementation of the Convention safer for women and children impacted by international parental child abduction. This includes:

- \$7.4 million to introduce a financial assistance scheme to enable eligible respondent parents to have equivalent access to legal representation as applicant parents
- \$5.3 million for a package of early alternative dispute resolution intervention measures, designed to divert families from contested Hague Convention proceedings and improve safety outcomes
- \$5.7 million to improve capability in the Attorney-General's Department to obtain and make evidence about family violence available to the courts in Hague Convention cases.

Further supports under the Action Plan

This Budget includes additional targeted investments to address gaps across the National Plan. These initiatives recognise the importance of a holistic approach to addressing violence as set out in the National Plan, including to prevent gender-based violence before it begins, to support early intervention so that violence doesn't escalate and perpetrators are held to account, and to respond to the needs of victim-survivors and support their recovery and healing.

Budget highlights: Additional investments to end gender-based violence under the Action Plan

- The Government is investing \$159 million to extend the National Partnership on Family, Domestic and Sexual Violence Responses with state and territory governments. This funding will continue to bolster frontline family, domestic and sexual violence supports to ensure women and children can access support when they need it.
- The Government is providing \$24.3 million to pilot an additional referral pathway for the Support for Trafficked People Program and restructure the program to better meet the needs of victim-survivors, while increasing ongoing funding to address current and projected demand.
- The Government is investing \$8.5 million for initiatives aimed at early intervention to prevent family, domestic and sexual violence, including by developing a national perpetrator risk assessment framework for frontline service providers, extending Mensline Changing for Good Service and developing a national perpetrator referral database of services to improve uptake of intervention services.
- The Government is investing \$3.3 million to review emergency accommodation services and their suitability for children and to conduct an independent evaluation of the 1800RESPECT service.
- The Government is extending the current Escaping Violence Payment to January 2025, providing much needed support for individuals leaving violent relationships.

Stewardship and oversight of progress

Measurement and monitoring of progress towards ending violence against women and children under the National Plan will be supported by the development of an Outcomes Framework. This will enable governments to track, monitor and report change over the life of the National Plan.

This Framework will be aided by efforts of the Data and Digital Ministers Meeting, consisting of Commonwealth, state and territory ministers, to align data and digital transformation policies and service across Australia. Ministers have agreed to explore ways to support the National Plan and identify opportunities to improve data sharing and advance a whole-of-society solution to end gender-based violence.

The Women and Women's Safety Ministerial Council established under the National Cabinet architecture will also play a key stewardship and oversight role to drive national progress on women's safety. The work of the Council includes ensuring alignment of actions across the jurisdictions towards ending family, domestic and sexual violence and collectively responding to emerging issues and evidence relating to women's safety.

Budget highlights: Indexation funding for Community Sector Organisations

The Government has updated the indexation of funding for a range of programs tied to wages to ensure it is more responsive to economic conditions. This means that programs like Medicare Benefit Schedule funded services, community nursing and mental health services can keep their doors open.

Many community sector organisations provide vital support and services to women and children experiencing the impacts of violence. These reforms will help these organisations to address cost pressures and continue to deliver these services, which are overwhelmingly staffed by women.

Additional actions to support women's safety

In addition to the funding this Budget provides under the National Plan, the Government is progressing significant reforms and investments across a wide range of portfolios to support women's safety.

Keeping women safe online

Women experience disproportionate levels of online and technology-facilitated abuse. Since 2016, the Office of the eSafety Commissioner (eSafety) Women's program has provided specialised information and support for women to enable them to engage safely online. Two-thirds of complaints of cyberbullying and adult cyber abuse received by eSafety are made by women, and women are significantly more likely to report emotional and psychological impacts of technology-facilitated abuse.

Budget highlights: Supporting women online

The Government will provide an additional \$134.1 million over 4 years for the Office of the eSafety Commissioner to continue to support Australians online, including through enhanced educational, outreach and investigatory activities.

This funding will ensure eSafety can continue to fulfil its statutory obligations and support women's safety online. It also allows eSafety to continue providing webinars and workshops that complement the National Plan and help victim-survivors of technology facilitated abuse.

Safe and affordable housing for women and children, including those escaping violence

Rates of homelessness amongst women are increasing and can be caused by women and children escaping family and domestic violence.

While men make up the majority of people experiencing homelessness (56 per cent), women accounted for 81.7 per cent of the 6,067 increase of people experiencing homelessness in 2021. Women experiencing homelessness now represent 44 per cent of the total homeless population. In 2021–22, people who have experienced family and domestic violence made up 39 per cent of Specialist Homelessness Services clients, and 76 per cent of these clients were female. Nearly half of the Services' clients who have experienced domestic violence were living as a single parent with one or more children.

Unaffordable or insecure housing is a major barrier for victim-survivors to re-establish their lives after leaving a violent situation and a key consideration in their decision to leave.

Budget highlights: Increasing the supply of affordable and social housing

The Government is working with states and territories to increase the supply of housing including support specifically for women experiencing violence or at risk of homelessness.

- The Government is supporting more social and affordable dwellings through the Affordable Housing Bond Aggregator by increasing the liability cap by an additional \$2 billion. This will facilitate further lending to eligible Community Housing Providers for social and affordable housing projects. This builds on the \$10 billion investment in the Housing Australia Future Fund, which includes specific allocations for women and children impacted by family and domestic violence and older women at risk of homelessness. Increased access to safe, secure and affordable housing will benefit women broadly, with women accounting for 55 per cent of social housing occupants.
- The Government is working with states to reform Commonwealth funding arrangements from 1 July 2024 under a new National Housing and Homelessness Agreement (NHHA). The Government has offered to provide states with 12 months of transitional NHHA funding to 30 June 2024, including an extra \$67.5 million in 2023–24 to assist homelessness services, while arrangements for the new agreement are settled.

Safety in the workplace

Workplace sexual harassment is a pervasive form of gender-based violence experienced disproportionately by women. It often has significant and long-lasting economic implications for women, the community and businesses.

In 2022, one in 3 workers reported having experienced workplace sexual harassment in the last 5 years (41 per cent of women and 26 per cent of men).⁴¹ First Nations people are more likely to have experienced sexual harassment than other Australians (53 per cent compared to 32 per cent) and women with disability are more likely to have experienced sexual harassment than other Australians (52 per cent).⁴² Most people who experience sexual harassment never report it due to fear that complaining will negatively impact their reputation, career prospects and relationships within their community or industry.

The *Set the Standard: Report on the Independent Review into Commonwealth Parliamentary Workplace* (Set the Standard report), led by the former Sex Discrimination Commissioner, Kate Jenkins, found significant prevalence of bullying and sexual harassment within Australian Government parliamentary workplaces. The report found one in 3 people have experienced sexual harassment at work, with women experiencing higher rates of harassment than men. Women employees are more likely than men to experience bullying (42 per cent of women compared to 32 per cent of men), sexual harassment (40 per cent compared to 26 per cent) and sexual assault.⁴³

The Government is working towards full implementation of the 28 recommendations made in the Set the Standard report to ensure a safe and respectful work environment.

Budget highlights: Parliamentary Workplace Support Service

In addition to funding for the National Plan, this Budget provides \$51.7 million of funding to establish the statutory Parliamentary Workplace Support Service.

The support service will provide human resources functions for parliamentarians and their staff, provide support to other Australian Government parliamentary workplace participants, and support sustained improvement in the culture and safety of parliamentary workplaces. The support service will also address gender inequality in parliamentary workplaces through improved prevention of harmful behaviour, best practice training in respectful behaviour, creation of a professional development program and reporting on key indicators to monitor progress in the prevention of and response to bullying, sexual harassment, and sexual assault.

Box 7: Prohibiting sexual harassment at work (Respect@Work)

On 28 November 2022, the *Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Bill 2022* passed Parliament. This amended the *Sex Discrimination Act 1984* to implement a number of recommendations of the *Respect@Work: Sexual Harassment National Inquiry Report* (Respect@Work report), with the key reform being the introduction of a positive duty on employers to take reasonable and proportionate measures to eliminate certain forms of unlawful sex discrimination, including sexual harassment.

On 2 December 2022, the *Fair Work Legislation Amendment (Secure Jobs, Better Pay) Bill 2022* passed Parliament. This amended the *Fair Work Act 2009* to expressly prohibit sexual harassment in connection with work, implementing recommendation 28 of the Respect@Work Report.

These reforms contribute to the Government's commitment to supporting the full implementation of all 55 recommendations of the Respect@Work Report and complement other legislative amendments made by the *Anti-Discrimination and Human Rights Legislation Amendment (Respect at Work) Act 2022*. It complements and mutually reinforces anti-discrimination laws that make sexual harassment unlawful, and work health and safety laws that require employers to eliminate risks to the health and safety of workers, including the risk of sexual harassment, so far as is reasonably practicable.

Empowering the Fair Work Commission to resolve disputes about workplace sexual harassment will lead to safer and more respectful workplaces for all workers, and women in particular. Workers will now have the choice to pursue their dispute through either the Fair Work Commission or the Australian Human Rights Commission.

Leadership and decision-making

Gender equality underpins any fair and inclusive society and is essential to our economic success. Without gender equality, women will continue to have limited access to financial, economic, and leadership opportunities, be held back by harmful stereotypes, and experience poorer health and safety outcomes. This chapter includes an update on women's equality in Australia across the public and private sectors. It outlines the importance of embedding diverse analysis in public policy and the Government's commitment to achieving gender equality.

Women's leadership – key statistics

<p>Women make up 57.3% of the Senate in the 47th Parliament</p> <p>Up from 52.6% since the 2022 Federal Election</p>	<p>Women make up 39.1% of the House of Representatives in the 47th Parliament</p> <p>Up from 31.4% since the 2022 Federal Election</p>
<p>10 out of 23 Cabinet positions are held by women</p>	<p>Women hold 51.4% of Australian Government board positions</p>
<p>Women make up 35.7% of ASX200 directors, but only 14 women were CEOs in the ASX200 in 2022</p>	<p>39.6% of managers across the Australian labour force are women</p>

Leadership, influence and decision-making

The Government is committed to driving the actions needed to progress women's representation in leadership across public, business, community and political spheres. Having women of all backgrounds and experiences in visible, influential and decision-making positions across all levels and sectors of society is vital to driving cultural change and ensuring diverse views and experiences are represented at decision-making tables. Evidence also indicates that increased representation of women on private sector boards leads to better economic performance and social outcomes, including across measures of productivity, decision-making, performance and culture.

Women in leadership

Women remain underrepresented across all management positions in Australia.

The Chief Executive Women's Senior Executive Census found that women's representation on private sector boards and in Chief Executive Officer (CEO) positions declined in 2022, with fewer companies having gender balanced leadership teams and a slight increase in the number of ASX 300 companies having no women in their senior leadership teams, at 16 per cent in 2022, up from 15 per cent in 2021.⁴⁴ Women account for less than 25 per cent of CEOs in Australia and, at the current rate of change, it will take another century before gender balance in CEO positions is achieved in the Australian private sector.

The Government is committed to ensuring women are represented in leadership at all levels. The Government is working with business, industry groups, academics and civil society to support more women into leadership, building a better future for all women in Australia. The Women's Leadership and Development Program provides grant funding to a range of organisations that support diverse women to prepare for and enter leadership positions.

While business and the private sector have a vital role to play in actively lifting the rate of women in visible, decision-making and influential roles, the Government believes it should lead the way on setting the standard and driving gender equality.

The Australian Public Service (APS) has demonstrated that targeted gender equality strategies are an effective way to promote more women into senior leadership positions. Evaluation of the *Balancing the Future: The Australian Public Service Gender Equality Strategy 2016–2019* found that the strategy had a positive impact on progressing gender equality across the APS. In 2022, the proportion of women in senior executive roles in the APS increased to 52 per cent from only 26.8 per cent in 2001.

The *APS Gender Equality Strategy 2021–26* seeks to drive practical and impactful action for lasting change. This includes establishing minimum standards for agencies regarding leadership and accountability, respectful workplaces and empowered people, shifting gender stereotypes, flexible working, gender data and leveraging external influence.

The Government is exploring strengthened targets to improve women's representation on government boards. The overall representation of women on Australian Government boards at 30 June 2022 is 51.4 per cent. This result is the highest representation of women on Australian Government boards since the 50 per cent target was introduced in 2016. However, women's representation in chair and deputy chair positions on government boards is lower at 41 per cent.

As part of the 2022 Federal Election, the Government made a commitment to help enable a new generation of women across the country to enter public office. To achieve this, the Government is providing \$5 million over 5 years to Women for Election Australia to equip and encourage more women to enter politics. This funding is provided as part of the Women's Leadership Development Program.

Increase the influence of women's voices to Government

Women's Economic Equality Taskforce

To support its commitment to put women at the centre of policy and decision-making, in September 2022 the Government delivered on its election commitment to establish the independent Women's Economic Equality Taskforce (Taskforce). The Taskforce was made up of 13 eminent women, who drew on their own deep expertise, and their consultations with diverse women around Australia, to inform their advice. The Taskforce has been a valued source of advice to Government early in its first year of delivering on its commitment term as it sets its path to gender equality.

Ahead of the Budget, the Taskforce provided its short-term priorities to the Government to improve women's economic equality with a strong focus on women currently experiencing disadvantage and women from traditionally marginalised backgrounds.

Final advice from the Taskforce will include recommendations to inform Government's future efforts to improve the lives of women in Australia. The Government will consider the final report and its recommendations, along with options for any replacement body in the context of the Strategy due later this year. The Government has acted on a number of the Taskforce's recommendations through this Budget.

Embedding a gender perspective in government decision-making

Establishing a gender responsive budgeting system

Gender responsive budgeting weaves consideration of gender impact through the budget process and is a key way governments can identify and fund measures that close gender gaps. Just as importantly, gender budgeting helps governments avoid measures that inadvertently exacerbate gender inequality. It helps shine a light on the distributional impacts of government actions so that decision-makers can make choices based on the best information available about how potential budget measures support gender equality along with other priorities like boosting economic growth. Because government tax and spending

decisions shape people's choices regarding work and economic participation, gender equality should be a core consideration of the budget process.

The benefits of gender budgeting include:

- improving the evidence base to inform resource allocation decisions
- using the budget to close gender gaps
- greater transparency on the impact of the budget on different groups across the population
- creating better and fairer outcomes, so all people have access to opportunities and resources.

The Government is expanding its gender budgeting approach. From 2023–24 MYEFO, gender response budgeting will be embedded across the budget processes, implementing the Government's election commitment to reintroduce this important gender equality practice. All agencies will play a greater role in delivering gender equality outcomes through undertaking gender impact assessments and will be required to conduct gender impact assessments on policy proposals that meet a set of criteria. The key steps and processes for gender assessment and gender impact analysis will be incorporated into formal budget and Cabinet processes. Office for Women leads implementation of gender responsive budgeting and will continue to provide policy leadership for gender impact assessments, and monitor the gender equality outcomes across the budget cycle.

Expanding the scope of gender impact assessment

Gender impact assessment builds on gender assessment to identify the gender-specific impacts of a proposal and then uses this information to design policy that improves gender equality outcomes. Gender impact assessment is a practical way of embedding gender equality into the design of policy and the decision making process. Gender impact assessment is a well-established tool for implementing gender responsive budgeting. As of 2021, 26 out of 34 OECD countries reported that they have a formal requirement for gender impact assessment in place.

Government continued its pilot of gender impact assessment during this budget. This builds on the early work undertaken through the October 2022–23 Budget. For the 2023–24 Budget, gender impact assessments continued largely in the areas of jobs and skills, housing and the care economy. The pilots provided important insight and testing to inform the development and implementation of the Government's full-scale approach to gender responsive budgeting.

With the roll out of gender responsive budgeting, from 2023–24 MYEFO, a wider range of proposals, across different portfolios, will have a full gender impact assessment if they meet certain criteria.

The criteria to identify gender impact assessments have been designed to capture proposals that can have a significant impact on gender equality. The criteria will also consider factors like:

- the total value of the proposal being \$250 million or more over the forwards
- the proposal targets cohorts of people who can be typically disadvantaged
- the proposal relates to a gender-segregated industry
- the proposal establishes a National Partnership Agreement or like agreement.

Agencies will be required to self-assess against the criteria. Where a proposal does not meet the criteria for a detailed gender impact assessment, agencies will still apply preliminary gender analysis as part of their policy design.

The gender impact assessment criteria will be refined following the 2023–24 MYEFO process, in time for the 2024–25 Budget, to ensure the criteria are capturing the proposals that can advance gender equality. The Office for Women will monitor implementation of gender impact assessment to support ongoing refinement of the approach and the tools and guidance that support it.

Strengthening gender analysis

Gender analysis highlights how a policy proposal might impact people in different ways based on gender. All proposals considered as part of this Budget included some gender analysis, with select measures subject to a more detailed gender impact assessment. The Government will continue to strengthen the quality and use of gender analysis for proposals that do not meet the criteria for a gender impact assessment.

Building APS capability and improving data

Data initiatives to support gender responsive budgeting and gender impact assessment require robust gender disaggregated data and related research and analysis. The Department of the Prime Minister and Cabinet and the ABS convene the Gender Data Steering Group which is working to maximise the impact of the government's major data holdings as an evidence base for gender equality policy.

In 2020–21, the ABS conducted the first Time Use Survey in 14 years. This collection is the only survey in Australia to provide accurate estimates of time spent on unpaid work and care, as well as employment, study, leisure and personal care. It is critical to understanding the gap in unpaid work and care done by women and men. The results were published in October 2022 and show that women of all ages spend over 9 hours a week more than men on unpaid work and care. Prior to 2020–21, the Time Use Survey had only been administered 3 times: in 1992, 1997 and 2006. The ABS has now received funding to ensure the Time Use Survey is an ongoing and regular collection and the next survey will be administered in 2024. This regular time use assessment will provide a rich and

contemporary source of information on the division of paid and unpaid work in Australia and how these patterns are changing.

Strong government structures to drive gender equality

Women and Women's Safety Ministerial Council

The Women and Women's Safety Ministerial Council (the Council), formally established as part of a renewed federal relations architecture, provides a forum for the states and territories, and the Australian Government, to drive national progress on gender equality and women's safety.

In addition to its work supporting the implementation of the National Plan to End Violence Against Women and Children, the Council is driving and supporting the implementation of the National Cabinet's commitment to provide public sector workforce data on 6 Gender Equality Indicators to the Workplace Gender Equality Agency.

The National Cabinet has also tasked the Council to explore opportunities to increase gender balance across the labour market through identifying appropriate targets which promote gender balance in the most highly gender segregated industries, and also consider how procurement can support gender equality outcomes. To deliver this priority the Council will work with the Council on Federal Financial Relations Women's Economic Outcomes Senior Officials Working Group, and consider the recommendations of the Women's Economic Equality Taskforce. A key element of this work will be consideration of the drivers of women's economic inequality and the necessary cultural change and conditions required to address industry gender segregation and improve women's economic equality.

The Council will also work together to see the Government's development and implementation of the forthcoming National Strategy to Achieve Gender Equality aligns with and is informed by state and territory gender equality strategies and frameworks.

The Council will report annually to National Cabinet on their priorities and annual work plans and on other key national priorities affecting women and women's safety.

Next steps to drive progress

National Strategy to Achieve Gender Equality

The Australian Government is developing the National Strategy to Achieve Gender Equality (the Strategy) to make Australia one of the best countries in the world to be a woman.

The Strategy will complement other efforts across the Government contributing to gender equality in Australia, including:

- the National Plan to End Violence Against Women and Children 2022–2032

- the Employment White Paper
- the implementation of the Respect@Work Report
- the National Women's Health Strategy 2020–2030
- the National Housing and Homelessness Plan being developed.

The development of the Strategy is also being informed by the Wiyi Yani U Thangani (Women's Voices) Report, which highlights the needs and voices of First Nations women and girls.

There have been 2 rounds of consultations so far – a targeted consultation with stakeholders and advocates in late 2022 and public consultations in early 2023. So far there have been over 3000 contributions from individuals and organisations. The Strategy will be released in the second half of 2023.

Women's health and wellbeing

Gender and sex are significant determinants of a person's experience of the health system. Health and wellbeing outcomes can affect their economic and social participation. A tailored evidence base, targeted health care, and specialised services are all required to achieve better health outcomes for women and girls.

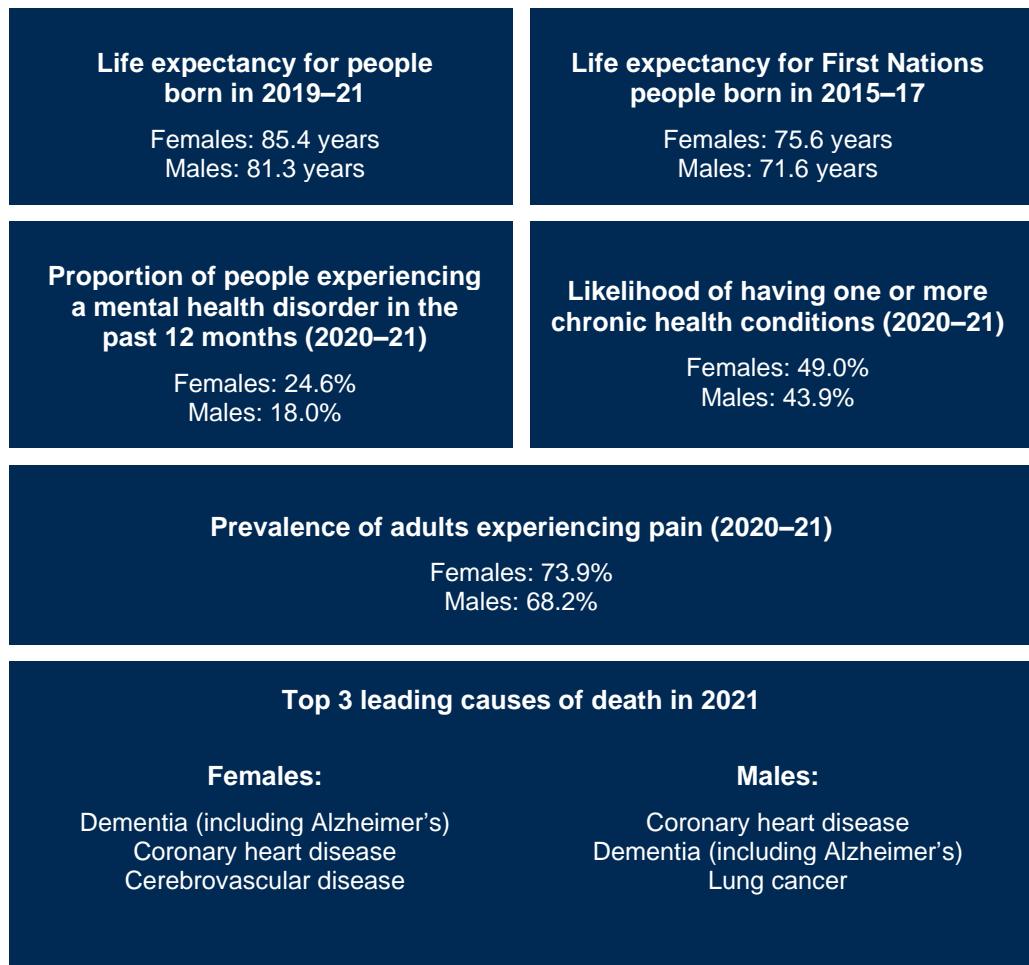
The Government is enhancing the evidence base to improve women's health by investing \$26.4 million to extend support for research and data collection activities, including the Australian Longitudinal Study on Women's Health, that support women and girls' health outcomes. The introduction of new supports under Medicare, including longer GP consultations, will also assist women to access appropriate physical and mental health services.

This chapter recognises that improving gender equality, addressing intersectional barriers, and increasing our understanding of the different health experiences due to gender or sex is essential to address the significant health disparities experienced by women and girls in Australia.

Improving women's access to tailored health care is essential to the wellbeing of women and girls in Australia and their economic success. Poor health outcomes lead to reduced economic and social participation, which can exacerbate the prevalence of physical and psychological health concerns.

Gender bias, a shortage of targeted services and a lack of appropriate research and data contribute to the structural obstacles to improving women's health outcomes. The Government recognises there are a range of health needs, risks, and influences that women and girls experience at different stages of life.

Gender equity and health – key statistics



Australian women and girls have good general health outcomes, but there is still work to be done to improve their quality of life. Women are more likely to experience multiple chronic health conditions as many conditions only impact women (for example, endometriosis) or affect women more frequently than men (for example, autoimmune diseases) due to differences in biology, genetics and hormones, as well as having a longer life expectancy.⁴⁵ People living with chronic pain are also more likely to have chronic health conditions.

The Government is progressing efforts to remove barriers to accessing women's health care and services, provide care for an ageing female population and address high rates of chronic health conditions and mental health conditions.

Significance of gender as a determinant of health and wellbeing

The *National Women's Health Strategy 2020–2030* (Women's Health Strategy) highlights the significance of gender as a key determinant of women's health and wellbeing. It aims to strengthen gender equity and enhance women's and girls' engagement with the health system.

There is an increasing body of research on the health disparities between women and men and the impacts of gender bias in health care and data.⁴⁶ This includes misdiagnosis, delayed diagnosis and under-diagnosis of some diseases and chronic conditions for women and girls. For example, women and girls are more likely to experience delayed diagnosis across a wide range of conditions and diseases, including but not limited to cardiovascular disease, ADHD, autism, and endometriosis. We also know that certain population groups experience worse health care and health outcomes than the general female population.

First Nations women experience poorer health outcomes across many areas compared to other Australian women. This includes suicide rates, incidences of chronic conditions, sexual health, maternal health and hospitalisations. The impacts of intergenerational trauma, systemic racism and a lack of cultural safety remain significant barriers to health system access for First Nations women. Wider determinants of health, such as employment and housing adequacy, are also more likely to affect First Nations people.

Funding to strengthen the Aboriginal Community Controlled Health sector and support prevention and treatment of chronic disease will help support strong health outcomes for First Nations women. In addition, the Government is continuing to deliver the investment of \$22.5 million over 3 years (2022–23 to 24–25) to build a dedicated Birthing on Country Centre of Excellence in Nowra, New South Wales to ensure First Nations babies are born healthy and strong in a culturally safe environment. Birthing on Country returns maternity services to First Nations communities and enables self-determination, connection to family, culture and community throughout pregnancy and birth.

In 2020–21, 17 per cent of clients seeking alcohol and other drug treatment services aged 10 and over were First Nations people. First Nations Australians were nearly 7 times more likely to receive treatment for alcohol or drug use as other Australians after adjusting for differences in age structure.

The Glen for Women is a 20-bed residential program that provides a holistic approach to treatment, addressing the physical, emotional, spiritual, and cultural aspects of addiction. Ongoing funding to The Glen for Women will ensure continuity of critical service provision for First Nations women and enhance the Government's commitment to the National Agreement on Closing the Gap.

Budget highlights: Extending alcohol and drug programs

The Government is improving health outcomes through extending existing alcohol and drug programs in the community, including \$3.5 million to The Glen for Women, which provides culturally appropriate alcohol and other drug treatment services to First Nations women.

Women and girls with disabilities, and their carers, also have a higher risk of poor mental health, early onset of chronic conditions, and social and economic disadvantage compared to the general population.

The Government is committed to seeing that every woman and girl in Australia has access to appropriate, safe, and tailored health care and services to ensure the best health outcomes.

Box 8: Addressing gender bias in the health system

The Government has established the National Women's Health Advisory Council (the Council), which will consider gender equity in the health system, including gender bias. The Council will advise the Government on targeted and effective healthcare options for Australian women to improve health outcomes, reduce health complications post-treatment, and invest more effectively in the nation's health. The Council also supports the implementation of the Women's Health Strategy.

Building the women's health evidence base

Women's health needs and outcomes shift as they move through different stages of life. This affects their health priorities and access to appropriate care and services. Improving the evidence base, including gender-disaggregated health data on the diverse health needs and risks across lifespans, is required to ensure appropriate and accessible health services and timely identification of preventive health interventions.

The Government provides funding for health and medical research, including research on diseases or issues relevant to women's health, through the National Health and Medical Research Council (NHMRC) and the Medical Research Future Fund (MRFF). NHMRC and the Department of Health and Aged Care (responsible for the implementation of the MRFF) are developing a Statement on sex and gender in health and medical research, reflecting a joint commitment by funders to improve the integration of sex and gender considerations in health and medical research. The Statement seeks to improve health outcomes by promoting greater diversity in research, more analysis and reporting of sex and gender

considerations in research, and greater consideration of inclusive, appropriate, and targeted implementation of research.

Between 2015 and 2022, the NHMRC awarded \$734.4 million for 737 new grants with a focus on women's health. These grants cover a broad range of research relevant to women's health, from discovery science through to clinical research, health services and public health research.

Over the same period, the Government provided \$196.4 million for 92 grants with a focus on women's health research through the MRFF. This constitutes 8.4 per cent of the total number of MRFF grants (1,100) and 7.4 per cent of the total value awarded (\$2.7 billion) to date.

MRFF investments in research that addresses issues impacting women's health will continue through the second 10-year Investment Plan. In particular, the MRFF's Preventive and Public Health Research Initiative will provide \$75 million over 10 years for research focused on improving maternal and early childhood outcomes, including those for vulnerable populations.

Box 9: Australian Longitudinal Study on Women's Health

The Australian Longitudinal Study on Women's Health is a national population-based study that has been running for 27 years and explores factors that influence health across the lifespan of over 57,000 women in 4 age cohorts. This study provides insights into a wide range of health behaviours and outcomes, including contraception preferences, health experiences during COVID-19, menopause, chronic conditions, ageing and health service use.

Key findings from the Australian Longitudinal Study on Women's Health can be found below:

1 in 5 women aged in their 20s who spoke a language other than English at home did not know how to access cervical screening

Proportion of women^{a)} who rated their access to a female GP as fair or poor:
Rural or remote: 1 in 3 women
Major cities: 1 in 10 women

Women with premature, or early menopause have higher risk of cardiovascular disease than women who go through menopause later

1 in 3 women born 1973–78 reported fertility issues

Women who have experienced pregnancy loss are more likely to experience a stroke: 5.1% of women who experienced 2 or more stillbirths had a non-fatal stroke and 3.6% of women who experienced 2 or more stillbirths had a fatal stroke

46% of women born 1989–95 experienced a traumatic first birth

a) Women in their 20s and 40s.

Budget highlights: Support for research and data activities

The Government will provide \$26.4 million to extend support for research and data collection activities that support women and girls' health outcomes. This includes:

- funding to continue and strengthen the Australian Longitudinal Study on Women's Health (ALSWH) by establishing a First Nations data access strategy and governance mechanism, increasing the diversity of participants, and expanding the collection of comprehensive maternal and perinatal data
- support for the implementation, monitoring and evaluation of *Woman centred care: Strategic directions for Australian maternity services*, to ensure Australian maternity services are equitable, safe, woman centred, informed and evidenced-based.

Mental health

Mental health is essential to overall health and wellbeing, and it is well-recognised that poor mental health can have profound effects on social and economic outcomes. Mental health system reform will produce significant benefits, primarily from improvements to quality of life (up to \$18 billion annually) and increased economic participation (up to \$1.3 billion annually).

More than 2 in 5 Australians aged 16–85 years (43.7 per cent) have experienced a mental health disorder at some time in their life. In 2020–21, 21.4 per cent of Australians aged 16–85 years had a mental disorder. Females are more likely to experience a 12-month mental disorder than males (24.6 per cent compared to 18.0 per cent) and have higher rates of anxiety disorder (21.0 per cent of females compared to 12.4 per cent of males). In 2020–21, people who identify as LGBTIQA+ were also more likely to report an anxiety disorder in the previous 12 months.

Supporting a strong, responsive and adaptable mental health workforce is critical to supporting mental health outcomes for women, girls and all Australians, particularly to meet the changing needs and expectations of increasingly diverse consumers and emerging challenges, noting around 82 per cent of the mental health workforce is female.⁴⁷

There is a strong link between experiences of 'body discrimination' (due to body size, shape, or physical appearance) and negative mental health consequences.⁴⁸ Research indicates that 67 per cent of those experiencing repeated body discrimination can be expected to develop depressive symptoms, with around half (48 per cent) developing high levels of anxiety, and just over a quarter (26 per cent) injuring themselves or attempting suicide.⁴⁹

Supporting more young people – and young women in particular – to have a positive body image is important for improving mental health, wellbeing and quality of life.

Having a sustained unhealthy body image can also have a harmful effect on a person's mental health. Almost one-third (31.9 per cent) of females aged 16–34 years rated their weight and/or shape as being very or extremely important, with dissatisfaction about body image further heightened by exposure to social media. Research indicates a clear relationship between social media usage and disordered eating behaviours, particularly for adolescent girls.⁵⁰ Having an unhealthy body image can also increase the susceptibility of developing an eating disorder and has broader impacts on social participation and wellbeing.

Budget highlights: Strengthening existing mental health supports for Australians and their families

The Government will provide \$2.8 million to extend mental health supports for Australians living with eating disorders and their families. This includes:

- Wandi Nerida residential recovery centre
- the National Eating Disorder Collaboration
- the Eating Disorders Families Australia's Strive program, offering online carer support and education groups
- the Butterfly Foundation's Butterfly Body Bright program promoting healthy attitudes towards body image, eating and exercise in schools
- the Australian and New Zealand Academy for Eating Disorders (ANZAED) to continue operating the Eating Disorder Credential and expand its remit to include GPs.

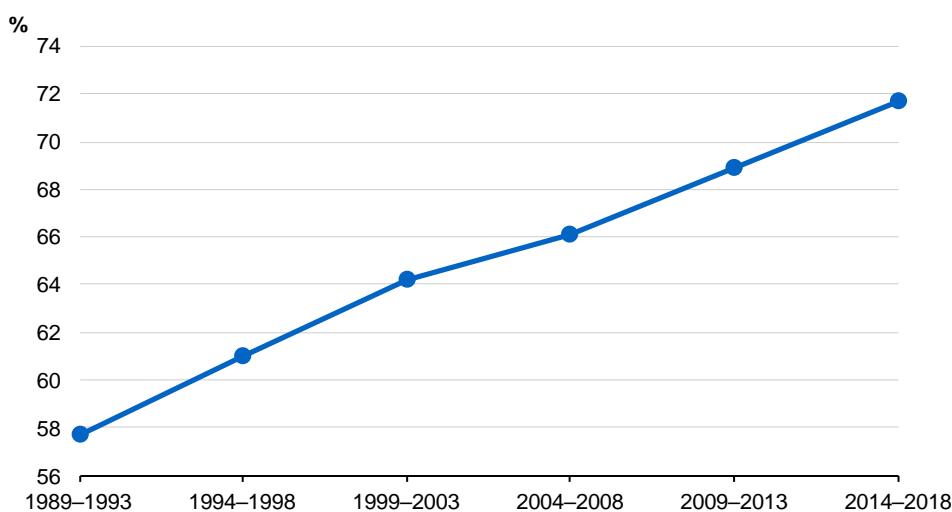
The Government will provide \$6.2 million to support children to build and maintain a positive body image and reduce body dissatisfaction and appearance pressures.

The Government is also providing \$91.3 million in funding to support the mental health workforce, including an additional 500 psychology postgraduate placements and other training programs.

The importance of tailored women's health care

In addition to the impact of broader inequalities on women's health, distinct biological, sexual and reproductive health needs for women require targeted supports to improve health outcomes. Evidence indicates that better health outcomes for women occur when there are improvements in detections, treatment and care, and increased community understanding of risk factors. For example, the 5-year cancer relative survival rates are improving with 71.7 per cent of women having survived a cancer diagnosis from 2014–18, up from 64.2 per cent in 1999–2003.

Chart 4.1: 5-year relative survival* in females for all cancers combined, 1989–1993 to 2014–2018



Notes: *5-year relative survival is the percentage of people diagnosed with a cancer who survived for at least 5 years after diagnosis, relative to people of the same age and sex in the population.

- Relative survival was calculated with the period method, using 5-year periods from 1999–2003 to 2014–2018. Note that the 2014–2018 period does not contain estimated incidence data. Estimated data include death certificate only cases for New South Wales in 2018, and national estimates of late-registrations in 2018.
- Records with unknown age at diagnosis and/or those who identify as intersex, non-binary or other were excluded from the analysis.

Source: [Australian Institute of Health and Welfare, Cancer date in Australia 2022](#).

While the improvement is encouraging, further support for women's health is still required to achieve better outcomes for women. To achieve these outcomes, the Government is increasing support for longer GP consultations to ensure quality care of complex conditions.

Over 60 per cent of longer Medicare Benefits Schedule (MBS) consultations (over 20 minutes under level C items, over 40 minutes under level D items) are used by women. The new level E item will allow for consultations of 60-minutes or more and will enable access to higher rebates for longer consultations, for those with complex conditions and needs such as those related to mental health conditions, family, domestic and sexual violence, chronic conditions as well as reproductive health matters like menopause.

The higher Medicare rebate for these 60-minute consultations may also better support female GPs, many of whom support more patients with mental health and more complex care needs than male GPs.

Budget highlights: Strengthening Medicare and women's health

- The Government has committed \$3.5 billion to address the decline in general practitioners' bulk billing of patients on low incomes, and children. This funding will triple the bulk billing incentive benefits for consultations for Commonwealth concession card holders and patients aged under 16 years of age.
- The Government will provide over \$99.1 million to introduce a new Medicare Benefits Schedule (MBS) item for consultations of 60 minutes or more to support improved access and affordability for patients with chronic conditions and complex needs.
- From 1 September, the Government will phase-in increases to the maximum dispensing quantities allowed for more than 300 Pharmaceutical Benefits Scheme (PBS) medicines. This change will reduce the number of visits to a pharmacy and general practitioner, saving Australians time and more than \$1.6 billion in out-of-pocket costs over the next 4 years.
- From 1 July 2023, the Government will subsidise the storage costs of eggs, sperm or embryos for Australians with cancer, and those at risk of passing on genetic diseases or conditions who have undergone MBS-covered genetic testing.
- The Government will also provide \$16.8 million to introduce a new MBS item for an EndoPredict® brand gene expression profiling test to determine a patient's risk of recurrent breast cancer. The new item will commence on 1 November 2023 and will assist an additional 18,000 patients over 4 years.
- The Government is Strengthening Medicare with \$98.9 million to implement a model of care that connects frequent hospital users with general practices to receive comprehensive, multidisciplinary care in the community which will reduce the likelihood of hospital readmission. The Government is also increasing access to team-based care by providing an additional \$445.1 million to increase funding for the Workforce Incentive Program-Practice Stream to support general practices to engage multidisciplinary teams.
- The Government will provide funding of \$5.3 million to continue support for the Australian Breastfeeding Association's (ABA) National Breastfeeding Helpline.
- The Government will provide \$6.0 million to extend the Australian Red Cross Lifeblood's role to maintain and expand delivery of donor milk across Australia.

Box 10: Improving women's access to appropriate health care

The Government is ensuring women have access to appropriate health services and support. Longer GP consultations, cheaper medicines and increases to the maximum dispensing quantities will ease financial pressures for women. In applying a gender equity lens to its work, the National Women's Health Advisory Council will also work to improve access to timely, quality care for women in order to address known health disparities and delayed diagnoses, and increase awareness of women's health matters.

From 1 September 2023, many Australians living with chronic conditions will be able to buy 2 months' worth of Pharmaceutical Benefits Scheme medicines in a single visit to the pharmacy. This is particularly important for women as 49 per cent are estimated to have one or more common chronic conditions. A range of medicines that treat conditions that disproportionately affect women will be cheaper and easier to access under the cheaper medicines measure, including medications like raloxifene for the treatment of post-menopausal osteoporosis and tamoxifen to reduce the risk of breast cancer.

These medicines are in addition to the oral contraceptive medicines which have had, for many years, arrangements in place that allow women to receive 48 weeks of treatment with a single prescription and 2 repeats. The Government has established 20 Endometriosis and Pelvic Pain GP Clinics (GP clinics) across Australia at a cost of \$16.4 million, to support those experiencing endometriosis and pelvic pain.

The GP clinics, across regional and metropolitan locations, will improve access to multi-disciplinary care, focusing on improving diagnostic delay and promoting early access to intervention, care, and treatment of endometriosis.

The GP clinics are part of a \$58.3 million suite of initiatives aimed at improving approaches to endometriosis and pelvic pain including establishing a digital platform for key resources and developing a new endometriosis management plan.

Support is also being provided through Medicare for women having difficulty conceiving by listing a new magnetic resonance imaging (MRI) scan, following a recommendation of the Medicare Benefits Schedule Review Taskforce.

How health outcomes for women affect economic and social participation

Achieving health equity is a priority for the Government. Poor physical and mental health reduces the ability of women to participate meaningfully in the labour force, lowers income, reduces wealth and limits access to healthcare services, creating a cycle of disadvantage and diminishes quality of life for women in Australia.⁵¹ We also know that lower socio-economic status is associated with higher morbidity, mortality rates, and health

risk behaviours, increased social isolation, low levels of health literacy and poorer access to health services.

Lower incomes, poorer job conditions and insecure work are risk factors for ill mental health, with women experiencing greater socio-economic risk factors. Evidence shows that economic downturns have the biggest impact on young women's psychological distress especially for women from lower socio-economic backgrounds who are in insecure work.⁵² Primary carers, who are predominantly female (71.8 per cent) also experience adverse changes to their health and wellbeing, with 27 per cent having high psychological distress.

Women in sport

Women and girls' participation in sport is important for health, social and economic benefits, and as a driver of gender equality. Women and girls, however, still face distinctive challenges to participation in the sports industry, including caring responsibilities, socio-cultural factors and lack of female role models within the industry to serve as motivators. In Australia, girls' participation in sport and physical activity is significantly lower than that of boys of a similar age. Only 56.4 per cent of Australian girls aged 0–14 play sport compared to 66.5 per cent of boys of the same age.

Throughout the next decade, Australia will host a number of events that showcase women's participation in sport at the most elite level and inspire women and girls to get involved in sport. Australia is set to host the FIFA Women's World Cup 2023, Netball World Cup 2027 and the Women's Rugby World Cup 2029. The Government is investing in programs to ensure the benefits of hosting these events are maximised, including sports participation programs for women and girls.

Budget highlights: Supporting women's representation in sport

\$2.1 million to the Department of Health and Aged Care and the Australian Sports Commission to support women and girls' participation in talent and development programs to increase female representation in coaching, officiating and sports administration.

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