

2000-01 BUDGET PAPER No. 2

BUDGET MEASURES 2000-01

CIRCULATED BY
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FOR THE INFORMATION OF HONOURABLE MEMBERS
ON THE OCCASION OF THE BUDGET 2000-01

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Foreword

Budget Paper No. 2 – Budget Measures 2000-01 ensures that the Budget Papers provide comprehensive information on all Government decisions announced in the Budget that involve changes to its revenue, expense and investing activities.

Budget Paper No. 2 comprises three parts:

- Part I: Revenue Measures
- Part II: Expense Measures
- Part III: Capital Measures

Revenue measures are defined as those measures that affect taxation or non-taxation revenues (on an Australian Accounting Standard No. 31 *Financial Reporting by Government* basis.)

Expense measures are defined as those measures that affect expenses (on an Australian Accounting Standard No. 31 *Financial Reporting by Government* basis.)

Capital measures are defined as those measures that affect net capital investment, defined as the change in non-financial assets. Capital measures that fall outside of this definition, such as equity injections of loans used for purposes other than investment in non-financial assets, are shown as having a zero impact on fiscal balance.

Unless otherwise indicated, all financial information presented in this document represents the net cost to the Commonwealth: the figures are exclusive of any GST that may be payable by the Commonwealth and which is recoverable as an input tax credit.

A summary of all measures introduced since the 1999-2000 Budget is included in each part. Measures introduced since the 1999-2000 *Mid-Year Economic and Fiscal Outlook* (MYEFO), including measures in this Budget, are described in detail. Detailed descriptions of measures up to the time of the MYEFO are contained in that document.

Budget Paper No.1 – Budget Strategy and Outlook 2000-01 provides information on overall trends in expense and revenue estimates in Statement 1 – Fiscal Outlook and Strategy, Statement 2 – Economic Outlook, Statement 4 – Financial Outlook, Statement 5 – Revenue, and Statement 6 – Expenses and Net Capital Investment. Descriptions of Measures can also be found in the Portfolio Budget Statements issued in conjunction with this Budget.

NOTES

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means that the effect of inflation has been removed;
 - real growth in expenses is measured by the non-farm Gross Domestic Product deflator;
 - Budget year refers to 2000-01, while the forward years refer to 2001-02, 2002-03 and 2003-04; 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; and
 - 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:
- | | |
|---------|---|
| NEC/nec | not elsewhere classified |
| AEST | Australian Eastern Standard Time |
| - | nil |
| .. | not zero, but rounded to zero |
| na | not applicable (unless otherwise specified) |
| nfp | not for publication |
| \$m | \$ million |

- (e) References to the 'States' or 'each State' include the Territories, because from 1993-94 onwards, general purpose funding has been on the same basis for all jurisdictions. The Australian Capital Territory and the Northern Territory are referred to as 'the Territories'. The following abbreviations are used for the names of the States, where appropriate:

NSW	New South Wales
VIC/Vic	Victoria
QLD/Qld	Queensland
WA	Western Australia
SA	South Australia
TAS/Tas	Tasmania
ACT	Australian Capital Territory
NT	Northern Territory

Budget Measures 2000-01 is one of a series of Budget Papers, the purpose of which is to provide information supplementary to that in the Budget Speech. A full list of the series is printed on the inside cover of this paper.

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Part I: Revenue Measures

Table 1: Revenue Measures since the 1999-2000 MYEFO^{(a)(b)}

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Attorney-General's				
Customs tariff changes	-	-	-	-
South Pacific and Regional Free Trade Agreement - Textiles, Clothing and Footwear Scheme	-0.1	-0.1	-0.1	-0.1
Portfolio total	-0.1	-0.1	-0.1	-0.1
Communications, Information Technology and the Arts				
Apply a charge to telecommunications end users to offset the cost of administration of a number pool of local rate and freephone numbers	0.1	0.4	0.4	0.4
Increase in annual carrier licence fees	0.5	2.8	1.6	1.4
Regional Equalisation Plan for digital television - licence fee rebates	-22.6	-22.6	-26.9	-27.1
Portfolio total	-22.0	-19.4	-24.9	-25.3
Education, Training and Youth Affairs				
Education Services for Overseas Students - increased registration fees for providers	1.0	1.0	1.0	1.0
Portfolio total	1.0	1.0	1.0	1.0
Foreign Affairs and Trade				
Increase in Consular notarial fees	1.1	1.1	1.1	1.1
Portfolio total	1.1	1.1	1.1	1.1
Immigration and Multicultural Affairs				
Future directions for the Overseas Student Visa Programme	2.6	4.6	6.8	7.1
Increased permanent migrant intake	6.4	2.8	3.2	3.2
Introduction of new entry requirements for aged parent migrants	12.5	89.7	26.3	26.9
Response to the Review of Illegal Workers in Australia	11.2	18.9	19.9	20.9
Portfolio total	32.7	116.0	56.2	58.1
Transport and Regional Services				
Extension of the application of the <i>Aircraft Noise Levy Collection Act (1995)</i> to Adelaide Airport	4.1	6.3	6.6	6.9
National Parking Regime at leased federal airports	1.5	1.6	1.7	1.8
Portfolio total	5.6	7.9	8.3	8.7

Table 1: Revenue Measures since the 1999-2000 MYEFO^{(a)(b)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Treasury				
Income tax				
Apportionment of deductions for donations to Environmental and Heritage Organisations	*	*	*	*
Capital gains tax treatment of assets disposed of by trusts	*	*	*	*
Change to the fringe benefits tax capping measure applying to public benevolent institutions and non-profit employers	-130.0	-130.0	-135.0	-140.0
Changes to the non-commercial losses measure	-20.0	-80.0	-70.0	-60.0
Changes to the tightening of the 13-month rule for advanced expenditure under tax shelters	-30.0	-	-	-
Deductibility of certain gifts	*	*	*	*
Extension of refund of excess imputation credits to charities	-	-50.0	-50.0	-50.0
Increasing the Medicare levy low income thresholds	-20.0	-10.0	-10.0	-10.0
Removal of Defence - East Timor levy	-900.0	45.0	-	-
Removal of income tax exemption for non-resident sporting clubs and associations and sportspersons	*	*	*	*
Simplification of the inter-entity loss multiplication measure	*	*	*	*
Simplification of <i>The New Business Tax System</i> integrity measures	*	*	*	*
Transitional arrangements for the alienation of personal services income measure	-190.0	-190.0	-60.0	-
Indirect tax				
Adjustment of alcohol excise rates	-150.0	-150.0	-140.0	-140.0
Airport regulation cost recovery	0.9	0.9	0.9	0.9
Product stewardship arrangements for waste oil	24.7	24.5	24.2	24.0
Stockpiling of alcoholic beverages	-	-	-	-
Non-tax revenue				
Postal services regulation cost recovery	1.0	1.0	1.0	1.0
Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth	5.5	5.5	5.5	5.5
Portfolio total	-1407.9	-533.1	-433.4	-368.6
Total impact of revenue measures(c)	-1389.6	-426.6	-391.8	-325.1

* The nature of the measure is such that a reliable estimate cannot be provided.

(a) Revenue is on a AAS31 basis.

(b) A minus sign before an estimate indicates a reduction in revenue, no sign before an estimate indicates a gain to revenue.

(c) Measures may not add due to rounding.

Table 2: Revenue Measures up to the 1999-2000 MYEFO^{(a)(b)(c)}

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
DEMOCRATS AMENDMENTS - TAX REFORM				
Treasury				
Income tax				
Reduced personal income tax cuts for income earners above \$50,000	1110.0	1234.0	1435.0	1655.0
Indirect tax				
Incentive for switch to lower sulphur diesels	-	-	18.0	44.0
Change of Diesel Fuel Rebate Scheme (DFRS) arrangements for rail excise and off-road diesel	333.1	322.0	317.0	313.0
Supporting renewable remote power generation	66.0	66.0	66.0	66.0
Non-tax revenue				
Additional payments from the States and Territories for GST administration	60.0	60.0	60.0	60.0
Total Democrats Amendments - Tax Reform	1569.1	1682.0	1896.0	2138.0
Other Revenue Measures up to MYEFO				
Attorney-General's				
Removal of nuisance tariffs	-12.1	-12.9	-13.8	-14.7
Reinstatement of some tariffs on non-medical and non-scientific equipment	0.8	0.9	0.9	0.9
Portfolio total	-11.3	-12.0	-12.9	-13.8
Defence				
United Nations reimbursements for East Timor assistance	114.0	106.0	76.0	76.0
Portfolio total	114.0	106.0	76.0	76.0
Environment and Heritage				
Sale of Halogen to the United States for essential use	6.0	-	-	-
Portfolio total	6.0	-	-	-
Immigration and Multicultural Affairs				
Extension of regulation of the migration advice industry	1.7	1.8	1.3	-
Portfolio total	1.7	1.8	1.3	-
Treasury				
Income tax				
Defence - East Timor levy	900.0	-45.0	-	-
Deductibility of certain gifts	*	*	*	*
Immediate tax deductibility for GST-related expenditure	-175.0	75.0	75.0	15.0
Establishment of the Australian Rural Partnerships Foundation	-5.0	-5.0	-3.0	-1.2

Table 2: Revenue Measures up to the 1999-2000 MYEFO^{(a)(b)(c)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Treasury (continued)				
Tax exemption on business re-establishment grants made from the Cyclones Elaine and Vance Trust Fund	-	-	-	-
Fringe benefits reporting - exclusion of certain benefits provided to Australian Defence Force personnel	-10.0	-10.0	-10.0	-10.0
Dairy industry adjustment package	-1.0	-1.0	-1.0	-1.0
Double taxation agreements	*	*	*	*
<i>The New Business Tax System</i>				
Reduction in the company tax rate	-1260.0	-3480.0	-3135.0	-3090.0
Implementing a unified entity tax system	*	*	*	*
Deferred implementation of unified entity tax system to trusts	-140.0	-445.0	5.0	-
Early refunds of imputation credits	-	-190.0	-	-10.0
Removing the intercorporate dividend rebate on unfranked distributions	35.0	-70.0	-120.0	-155.0
Introduction of a common start date for the commencement of tax reform measures applying to life insurers	-180.0	-	40.0	-
Transitional taxation of fees on life insurance policies	-110.0	-110.0	-110.0	-90.0
Taxation of funeral bonds, scholarship plans and income bonds offered by Friendly Societies	*	*	*	*
Delayed commencement of life policyholder reform	-30.0	-30.0	-	-
Consolidation - losses of acquired companies	-	-190.0	-380.0	-390.0
Consolidation - value shifting and loss duplication in groups	-	-	75.0	80.0
Rollover relief for entity restructuring	*	*	*	*
Removal of accelerated depreciation	1050.0	2260.0	2300.0	2610.0
Removal of balancing charge offset	400.0	360.0	170.0	80.0
Pooling of low-value depreciable assets	30.0	410.0	40.0	-80.0
Allow write-off for indefeasible rights of use	-51.0	-37.0	-36.0	-30.0
Effective life depreciation for the mining, quarrying and resources industries	-	-	15.0	25.0
Cash accounting for small business	-	-220.0	-320.0	-
Simplified depreciation arrangements for small business	-	-60.0	-220.0	-230.0
Small business exemption from accelerated depreciation, balancing charge offset and low-value pooling measures	-219.0	-474.0	257.0	88.0
Reform of CGT for individuals	210.0	230.0	210.0	180.0
Reform of CGT for superannuation and related funds	-70.0	-50.0	-70.0	-60.0
Reform of CGT for other entities	10.0	40.0	50.0	60.0
CGT roll over relief for scrip-for- scrip acquisitions	2.0	-19.0	-5.0	11.0

Table 2: Revenue Measures up to the 1999-2000 MYEFO^{(a)(b)(c)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Treasury (continued)				
Allowance for CGT arbitrage activities(d)	-20.0	-50.0	-100.0	-150.0
Improving incentives for venture capital investment	*	*	*	*
Providing a new small business 15-year CGT exemption and streamlining of the existing small business provisions	*	*	*	*
Addressing lease assignments	15.0	45.0	55.0	70.0
Interim value shifting and loss duplication measures	60.0	42.0	-	-
Repeal of excess deduction rules for mining operations	30.0	40.0	35.0	35.0
Prevent duplication of unrealised losses	65.0	90.0	85.0	95.0
Remove defects in the continuity of ownership test	35.0	35.0	35.0	40.0
Disposal of loss assets within majority-owned groups	60.0	50.0	15.0	10.0
Prevent inter-entity loss multiplication	15.0	20.0	25.0	20.0
Value shifting measures outside groups	-	-	140.0	150.0
Tightening the 13-month rule for advance expenditure	220.0	325.0	260.0	275.0
Tightening the 13-month rule for advance expenditure under tax shelters	70.0	100.0	90.0	90.0
Treatment of losses from non-commercial activities	50.0	310.0	240.0	200.0
Alienation of personal services income	380.0	480.0	495.0	515.0
Amending dividend streaming and franking credit trading rules	*	*	*	*
Imputation credits for foreign dividend withholding tax	-	-	-340.0	-190.0
Thin capitalisation provisions	-	50.0	480.0	390.0
Gains on the disposal of interposed non-resident entities	-	-	40.0	50.0
Foreign income account	*	*	*	*
Consistent treatment of resident entities deriving foreign source income	*	*	*	*
Simplifying and strengthening the rules for foreign trusts	*	*	*	*
Foreign expatriates and residents departing Australia	*	*	*	*
Extending the scope of involuntary disposals	*	*	*	*
Recognition of blackhole expenditures	-	-30.0	-65.0	-85.0
High level reform to tax design and other measures	-	-57.0	-45.0	-125.0
Growth dividend(d)	50.0	100.0	200.0	300.0

Table 2: Revenue Measures up to the 1999-2000 MYEFO^{(a)(b)(c)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Treasury (continued)				
Indirect tax				
Application of excise on alcoholic cooking essences	5.1	5.3	5.5	5.7
Sales tax concession for taxis for the disabled	*	*	*	*
Fringe benefit tax				
Extension of FBT exemption for remote area housing to all employers	-15.0	-15.0	-15.0	-15.0
Adoption of dual gross-up formula for FBT	-35.0	-35.0	-35.0	-35.0
Portfolio total	1371.1	-555.7	427.5	647.5
Total impact of other revenue measures up to MYEFO	1481.5	-459.9	491.9	709.7
<i>Memorandum items:</i>				
Total Democrats Amendments - Tax Reform	1569.1	1682.0	1896.0	2138.0
Total impact of other revenue measures up to MYEFO	1481.5	-459.9	491.9	709.7
Total revenue measures up to MYEFO(e)	3050.6	1222.1	2387.9	2847.7

* The nature of the measure is such that a reliable estimate cannot be provided.

(a) Revenue is on a AAS31 basis.

(b) A minus sign before an estimate indicates a reduction in revenue, no sign before an estimate indicates a gain to revenue.

(c) These estimates are as published in MYEFO. Descriptions of the measures are provided in MYEFO.

(d) Consistent with MYEFO, the *Allowance for CGT arbitrage activities* and *Growth dividend* are not strictly policy decisions, but have been included in the Summary table to show the overall fiscal impact of *The New Business Tax System*.

(e) Measures may not add due to rounding.

Revenue Measures introduced since the 1999-2000 MYEFO

Attorney-General's

Customs tariff changes

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Customs Service:	-	-	-	-

Explanation

The *Customs Tariff Act 1995* was amended, with effect from 10 March 2000, to impose a customs duty on imported toluene, benzene, xylenes and mixed alkylbenzenes that can be used in illicit fuel blending. The customs duty imposed on these chemicals is now equivalent to petrol excise.

The imposition of duty on these imported products is designed to protect the excise revenue base by combating illicit fuel blending activities. Illicit fuel blending occurs when parties replace petrol used as transport fuel with chemicals which are subject to a lower rate of excise or customs duty.

South Pacific and Regional Free Trade Agreement – Textiles, Clothing and Footwear Scheme

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Customs Service:	-0.1	-0.1	-0.1	-0.1

Explanation

The Government has decided to change the way in which local area content (LAC) is calculated for Textile, Clothing and Footwear (TCF) products under the existing South Pacific and Regional Free Trade Agreement (SPARTECA). This will allow a greater range of Forum Island Country (FIC) (particularly Fiji) products to be imported into Australia duty free, resulting in an expected fall in revenue from customs duty of \$0.1 million per annum.

The Import Credit Scheme (ICS), introduced in 1991 to assist the TCF industry, terminates on 30 June 2000. The scheme permitted TCF exporters to earn import credits on the value of their exports, which could be used to offset duty payments on their imports of other TCF goods. Relaxation of the LAC rules under SPARTECA will assist

in ameliorating some of the effects that the termination of ICS may have on FIC trade, particularly with Fiji.

Further Information

See also the related expense measures titled *South Pacific and Regional Free Trade Agreement – Textiles, Clothing and Footwear Scheme* and *Reallocation of funds from the Textile Clothing and Footwear Post 2000 initiative* in the Industry, Science and Resources portfolio.

Communications, Information Technology and the Arts

Apply a charge to telecommunications end users to offset the cost of administration of a number pool of local rate and freephone numbers

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Communications Authority:	0.1	0.4	0.4	0.4

Explanation

The Government will charge end users for the allocation of special business telephone numbers. Telephone numbers affected by this initiative include local rate (that is, 131000 numbers), freephone numbers (that is, 1800 numbers) and phonewords numbers.

This revenue will be used to create and administer a pool of special phone numbers that will enable the numbers to be allocated independent of carriage providers.

Further Information

See also the related expense measure titled *Creating and Administering a number pool of local rate and freephone numbers* in the Communications, Information Technology and the Arts portfolio.

Increase in annual carrier licence fees

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Communications Authority:	0.5	2.8	1.6	1.4

Explanation

The Government will increase carrier licence fees, as described in section 15(1) of the *Telecommunications (Carrier Licence Charges) Act 1997*, to offset the costs of three new telecommunications initiatives that will create a more competitive and economically efficient telecommunications environment.

These programmes include:

- a study to examine the implications of introducing a market-based number allocation system (\$0.6 million);
- estimating the future cost of fulfilling the Universal Service Obligation (USO) on a national and regional basis (\$4.8 million); and
- funding for the Australian Competition and Consumer Commission (ACCC) to administer a number of powers under the telecommunications regulations (\$0.9 million).

Further Information

See also the related expense measures titled *Study to examine the feasibility of market based allocation of local rate and freephone numbers* and *Universal Service Obligations contestability arrangements* in the Communications, Information Technology and the Arts portfolio and *Extend communications regulation* in the Treasury portfolio.

Regional Equalisation Plan for digital television — licence fee rebates

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Broadcasting Authority:	-22.6	-22.6	-26.9	-27.1

Explanation

The Government will assist regional commercial television broadcasters to convert to digital broadcasting by providing financial assistance of up to \$260 million payable over 13 years commencing in 2000-01. In general, assistance is to be delivered to individual broadcasters over an eight year period from the year in which the broadcaster commences digital transmissions. However, as the introduction of digital services is expected to be phased-in in the smaller regional markets up until 1 January 2004, the total period for the provision of assistance is estimated at 13 years.

Assistance under the Regional Equalisation Plan will be provided to broadcasters, primarily in the form of rebates on annual licence fees and, in some cases, taxable annual grants. The reduction in licence fees from regional broadcasters will result in a loss of Budget revenue as reflected in this measure.

Further Information

See also the related expense measure, *Regional Equalisation Plan for digital television — taxable grants*, in the Communications, Information Technology and the Arts portfolio.

Education, Training and Youth Affairs

Education Services for Overseas Students — increased registration fees for providers

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	1.0	1.0	1.0	1.0

Explanation

The Department of Education, Training and Youth Affairs maintains the Commonwealth Register of Institutions and Courses for Overseas Students (CRICOS), which is a register of providers of education and training services for overseas students. All such providers are required to be registered on CRICOS, and pay annual registration fees. The Government has decided to increase these annual registration fees to cover additional costs arising from a more active role in the regulation and registration of the education export industry. The amount of the increase to an individual provider will be dependent upon the number of overseas students enrolled.

Further Information

See also the related expense measure titled *Education Services for Overseas Students — strengthening the regulatory framework*, in the Education, Training and Youth Affairs portfolio.

Foreign Affairs and Trade

Increase in Consular notarial fees

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Foreign Affairs and Trade:	1.1	1.1	1.1	1.1

Explanation

Fees for Consular notarial services (for example, document certification and statutory declarations) will be increased in order to meet additional costs arising from the forecast increase in demand for these services.

Further Information

See also the related expense measure titled *Pricing review of departmental resourcing* in the Foreign Affairs and Trade portfolio.

Immigration and Multicultural Affairs

Future directions for the Overseas Student Visa Programme

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	2.6	4.6	6.8	7.1

Explanation

The revenue under this measure reflects the increase in student visa application fees expected as a result of initiatives to expand the Overseas Student Visa Programme (OSVP). In particular, the development of more targeted visa assessment criteria will allow the OSVP to be expanded to countries that would otherwise have been viewed as too high-risk. Countries that are currently included in the OSVP will benefit from the development of specific criteria for different educational sectors, which will also allow an increase in the number of visa grants under the OSVP.

Further Information

See also the related expense measure, *Future directions for the Overseas Student Visa Programme*, in the Immigration and Multicultural Affairs portfolio.

Increased permanent migrant intake

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	6.4	2.8	3.2	3.2

Explanation

The Government announced on 3 April 2000 that it would increase the planning level for the permanent Migration (Non-Humanitarian) Programme from 70,000 to 76,000 places in 2000-01.

In certain visa categories, such as Employer Nominated and Business Skills, an additional visa fee is charged to cover the costs of this training, resulting in expected additional revenue.

Further Information

The planned migration levels also increase expenses in a number of portfolios for services accessed by migrants. See the related expense measure titled *Increased permanent migrant intake*, in the Immigration and Multicultural Affairs portfolio.

Introduction of new entry requirements for aged parent migrants

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	12.5	89.7	26.3	26.9

Explanation

The Government will introduce a new permanent visa class for aged parent migrants in 2000-01 aimed at ensuring that the positive benefits of migration for the budget and the economy are maintained.

Under the new arrangements, a condition of the visa grant will be a requirement to either take out private health insurance to cover the first ten years after arrival (if such a product is made available by the health insurance industry), or to pay a health services charge of \$25,000 per person. The increased revenue under this measure is attributable to the health services charge, with the greater figure in 2001-02 arising as a one-off impact of an estimated 3,500 aged parent migrants paying the health charge in that year. Estimates in later years reflect the expected provision of around 1,000 places on an on-going basis under these arrangements.

Further Information

This measure responds to the recent community consultations undertaken by the Minister for Immigration and Multicultural Affairs, which indicated that many people were prepared to guarantee to provide support to parents if they were allowed to migrate to Australia. These guarantees are essential if the Government is to ensure that the migration programme arrangements do not impose unreasonable costs on the broader community.

The Government has provided for a contingency reserve of 4,000 places under the migration programme, subject to the enactment of suitable legislative arrangements. It is anticipated that places in this reserve will be utilised primarily in 2001-02, with an ongoing allocation to accommodate an expanded parent migration programme in future years.

The increase in aged parent migration also affects expenses in programmes used by migrants, as set out in the related expense measure titled *Introduction of new entry requirements for aged parent migrants*, in the Immigration and Multicultural Affairs portfolio.

Response to the Review of Illegal Workers in Australia

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	11.2	18.9	19.9	20.9

Explanation

The Government has responded to the recommendations of the recently released Review of Illegal Workers in Australia by implementing a range of initiatives that will make it easier for employers to identify people without work rights.

To support these enhanced arrangements, the Government will also strengthen the penalties for recruiting illegal workers by introducing a revised system of penalties. The proposed three-tier penalty structure will be introduced from November 2000, following consultation with industry groups, peak representative bodies and employment agencies.

To facilitate access by employers to legal workers the Government will pursue measures to expand the Working Holiday Maker programme and expand the number of countries with access to the free electronic Business Visitor visa.

The Government will also provide a new sponsored visitor visa class, which will allow families and organisations to sponsor visitors from high risk countries that may not otherwise be granted a visa. A condition of the visa is the requirement to give an explicit undertaking that the person they sponsor would return. A security bond may be required in some cases.

The increase in revenue under this measure arises from the penalties levied on the employers of illegal workers, the expected forfeiture of bonds under the sponsored visitor arrangement and additional working holiday maker visa revenue.

Further information

The Review of Illegal Workers in Australia was compiled by an External Reference Group and released by the Minister for Immigration and Multicultural Affairs on 17 December 1999. The review found that additional measures were required to make Australia less attractive to people seeking to work illegally to ensure that Australia's labour markets operate efficiently and fairly.

See also the related capital and expense measures, titled *Response to the Review of Illegal Workers in Australia*, in the Immigration and Multicultural Affairs portfolio.

Transport and Regional Services

Extension of the application of the Aircraft Noise Levy Collection Act (1995) to Adelaide Airport

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	4.1	6.3	6.6	6.9

Explanation

The Government will extend the aircraft noise levy during 2000-01 to jet aircraft landing at Adelaide Airport. The levy paid by airlines will be applied at the same rate as for Sydney's Kingsford Smith Airport.

This measure will provide funding for the Adelaide Airport noise amelioration programme to undertake the insulation of residences and public buildings in areas of high aircraft noise surrounding Adelaide Airport. It is based on the same self-funding model existing for Sydney's Kingsford Smith Airport, through the application of a levy on jet aircraft landings under the *Aircraft Noise Levy Collection Act 1995*.

Further Information

See also the related expense measure titled *Adelaide Airport noise amelioration* in the Transport and Regional Services portfolio.

National Parking Regime at leased federal airports

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	1.5	1.6	1.7	1.8

Explanation

A new parking regime at leased federal airports will be implemented. Better enforcement is expected as a consequence which will lead to increased revenue from penalties. The parking regime is consistent with the Australian Road Rules being implemented nationally by States and Territories. The Australian Road Rules use a tiered system of penalty units to reflect the seriousness of the offence.

Further Information

See also the related expense measure titled *National Parking Regime at leased Federal Airports* in the Transport and Regional Services portfolio.

Treasury

Income Tax

Apportionment of deductions for donations to Environmental and Heritage Organisations

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

On 13 April 2000, the *Taxation Laws Amendment Bill (No. 8) 1999* was passed, which included Government amendments to allow apportionment of deductions for certain gifts made to environmental and heritage organisations, which are eligible for gift deductibility status, over a period of up to 5 years. This is similar to the apportionment of deductions for donations made under the Cultural Gifts Programme. It will apply to deductions for gifts made on or after 1 July 1999. This measure is part of the Government's package of measures to further encourage private and corporate support of approved community activities through donations.

Capital gains tax treatment of assets disposed of by trusts

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

The *New Business Tax System (Integrity and Other Measures) Act 1999* sets out the capital gains tax (CGT) treatment of assets disposed of by trusts prior to 1 July 2001. On 23 December 1999, the Government announced transitional arrangements on the CGT treatment of assets disposed of by trusts on or after 1 July 2001, the date from which trusts will be taxed like companies. The arrangements in broad terms are as follows:

- for assets acquired by a trust *before* 21 September 1999, held for at least 12 months and disposed of before 1 July 2001, the trustee will have the option of choosing either the 50 per cent discount or the frozen indexation option in calculating the trust's net income.
- for assets acquired by a trust *after* 21 September 1999, held for at least 12 months and disposed of before 1 July 2001, the trust will apply the 50 per cent discount.

- for assets disposed of by a trust taxed like a company after 1 July 2001, company tax treatment will apply (that is, full nominal gains taxation at the entity rate) unless the asset was acquired by the trust on or before 23 December 1999. If acquired on or before 23 December 1999, the trust would be eligible to benefit from a 50 per cent CGT discount (or the frozen indexation option if acquired before 21 September 1999).

This measure will provide greater certainty for taxpayers regarding the CGT treatment of assets disposed of by trusts.

Further Information

For further information see the Treasurer's Press Release No. 93 of 23 December 1999.

Change to the fringe benefits tax capping measure applying to public benevolent institutions and non-profit employers

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-130.0	-130.0	-135.0	-140.0

Explanation

A *New Tax System* announced that the concessional fringe benefits tax (FBT) treatment available to public benevolent institutions and FBT rebatable employers would be capped at \$17,000 of 'grossed up' taxable value per employee from 1 April 2000.

In response to concerns raised by charitable institutions over the impact on their activities of the cap, the Government announced on 13 April 2000 that a cap of \$30,000 of grossed up taxable value will apply to public benevolent institutions and FBT rebatable employers (excluding public hospitals and private not-for-profit hospitals) effective from 1 April 2001.

The cap applying to public hospitals and not-for-profit hospitals will remain at \$17,000 and will be effective from 1 April 2000. To assist with the transition to the \$17,000 cap, the Government will provide grants to public hospitals and not-for-profit hospitals of \$88 million in 2000-01, \$80.5 million in 2001-02 and \$72 million in 2002-03.

As a further concession to charities and public and not-for-profit hospitals operating in rural and regional areas, an FBT exemption will apply to housing benefits provided by these employers effective from 1 April 2000. Housing benefits will qualify for the exemption where the housing is situated at least 100 kilometres from a population centre of 130,000 or more.

Further Information

See also related expense measure, *Fringe Benefits Tax transitional grants for public and not-for-profit hospitals*, in the Health and Aged Care portfolio.

Changes to the non-commercial losses measure

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-20.0	-80.0	-70.0	-60.0

Explanation

In response to *The Review of Business Taxation*, the Treasurer announced on 11 November 1999, changes to the way non-commercial losses can be set off against other income. Losses from a business activity carried out by an individual taxpayer can be deducted from other income only if at least one of four objective tests dealing with turnover, profitability and asset levels or a safeguard test is satisfied. This measure commences on 1 July 2000.

The Government announced on 13 April 2000, when legislation was introduced to effect these changes, that primary producers can continue to set off primary production losses against other assessable income (excluding net capital gains) of less than \$40,000. This includes all non-primary production income, and by using assessable income as the basis of the exclusion means that it applies to income prior to deductions. This is designed to ensure that the integrity measure does not impact on primary producers in a loss situation with limited other assessable income.

Changes to the tightening of the 13-month rule for advanced expenditure under tax shelters

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-30.0	-	-	-

Explanation

In response to *The Review of Business Taxation*, the Treasurer announced on 11 November 1999 that the 13-month rule for advanced expenditure under tax shelters would be tightened by aligning deductions with the period in which services are provided. This measure commenced on the date of announcement.

Operating on the basis of the then law, a number of schemes had been progressed and were awaiting approval on 11 November 1999. To ensure that the removal of the tax advantage of pre-payments as from 11 November 1999 did not prejudice those

schemes that had applied for rulings, the Government announced on 13 April that the change to the 13-month rule should exclude schemes that have obtained a product ruling as at 11 November 1999, or have submitted to the Australian Taxation Office an application to obtain a product ruling as at 11 November 1999 where this results in a product ruling. Under these circumstances, all investors in the scheme will have their prepayments dealt with under the provisions of the law that applied prior to 11 November 1999 and will be unaffected by the announced tightening on this date.

Deductibility of certain gifts

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

The Government has announced that donations and gifts of \$2 or more to the following organisations have been made tax deductible:

- The United Hellenic Earthquake Appeal;
- The Foundation for Gambling Studies; and
- The Foundation for Rural and Regional Renewal Public Fund.

Tax deductibility for donations and gifts of \$2 or more to St Patrick’s Cathedral Parramatta has also been extended until 25 February 2002.

In addition, since the 1999-2000 Budget there have been:

- 83 admissions to the Register for Cultural Organisations and 27 deletions; and
- 27 admissions to the Register for Environmental Organisations and nil deletions.

Extension of refund of excess imputation credits to charities*Revenue (\$m)*

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-	-50.0	-50.0	-50.0

Explanation

The Treasurer announced on 13 April 2000, that the Government will legislate to refund excess imputation credits to certain registered charitable and gift-deductible organisations. This will provide a financial boost to charities of about \$50 million per year.

Further Information

Further information is available in the Treasurer's Press Release No. 24 of 13 April 2000.

Increasing the Medicare levy low income thresholds*Revenue (\$m)*

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-20.0	-10.0	-10.0	-10.0

Explanation

The Government introduced legislation on 9 December 1999 to increase the Medicare levy low income thresholds in line with CPI movements. The Medicare levy low income thresholds ensure that low income families and individuals are exempt from the levy. The Medicare levy low income thresholds for the 1999-2000 income year will be increased to \$13,350 for individuals and \$22,865 for families. The additional threshold for each dependant child or student is \$2,100.

Removal of Defence — East Timor levy*Revenue (\$m)*

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-900.0	45.0	-	-

Explanation

The Government has decided not to proceed with the temporary Defence — East Timor levy. In November 1999 the Government announced a proposal to introduce a

Defence — East Timor levy to offset the costs of Australia’s involvement in East Timor to come into effect on 1 July 2000 for twelve months.

The decision to remove the levy reflects the lower than expected cost of the Defence deployment in East Timor and the improvement in the budget position since the levy was announced.

Further Information

The temporary levy was to apply to individual taxpayers at:

- 0.5 per cent of total taxable incomes from \$50,001 to \$100,000 per annum; and
- 1 per cent of total taxable incomes in excess of \$100,000 per annum.

The levy was to apply for the 2000-01 income year only.

Removal of income tax exemption for non-resident sporting clubs and associations and sportspersons

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

On 9 December 1999, the Government introduced legislation to amend the *Income Tax Assessment Act 1936* to remove the exemption from income tax currently available to non-resident sportspersons and sporting clubs or associations on income earned in Australia. The removal of this exemption will apply to income derived from 1 July 2000.

The current law gives rise to inconsistent tax treatment as the exemption is available to certain non-resident sportspersons, sporting clubs and associations who meet certain criteria. For example, an exemption from income tax is currently available to a non-resident sportsperson competing in an outdoor athletic event but not to a non-resident sportsperson competing in an indoor event.

The removal of these exemptions will ensure that all non-resident sportspersons and their clubs or associations are taxed on the same basis.

An exemption from income tax may still be available to a society, association or club that is established for the encouragement or promotion of a game or sport generally.

Simplification of the inter-entity loss multiplication measure

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

The Government announced on 13 April 2000, amendments to the inter-entity loss multiplication measure to ensure that it applies only to deny losses of an entity that has a controlling stake in the loss company.

The original inter-entity loss multiplication measure was announced on 11 November 1999. The measure prevents multiple recognition of losses of a company where there has been a change in ownership or control in the company.

Further Information

Further information is available in the *New Business Tax System (Miscellaneous) Bill (No. 2) 2000*.

Simplification of The New Business Tax System integrity measures

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	*	*	*	*

Explanation

The Government announced on 13 April 2000, several amendments to integrity measures. These included amendments that reduce the compliance costs associated with the measures. The most significant compliance cost savings are the removal of small business from the unrealised loss measure and the option for companies to disregard assets that cost less than \$10,000 when applying that measure.

The Government announced the integrity measures, on 21 September 1999, and they were enacted in the *New Business Tax System (Integrity and Other Measures) Act 1999*. The measures were aimed at removing loss duplication. Loss duplication arises where the taxation system recognises a single economic loss more than once.

Further Information

Further information is available in the *New Business Tax System (Miscellaneous) Bill (No. 2) 2000*.

Transitional arrangements for the alienation of personal services income measure

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-190.0	-190.0	-60.0	-

Explanation

The New Business Tax System measure to address the alienation of personal services income will, from 1 July 2000, treat the income earned by an entity from the personal services of an individual as the income of the individual where the entity is not operating as a personal services business.

As announced by the Treasurer on 13 April 2000, a transitional provision will allow the Commissioner of Taxation to make a declaration that has the effect that the regime will not apply to a class of contractors under the Prescribed Payments System who have payee declarations with the Commissioner as at 13 April 2000. The declaration will apply for a period of two years, ending in July 2002.

As a further transitional measure, remittances under this measure will be quarterly for the 2000-01 income year for all affected taxpayers.

Indirect Tax

Adjustment of alcohol excise rates

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-150.0	-150.0	-140.0	-140.0

Explanation

In *The New Tax System* the Government announced that excise rates would be adjusted when *The New Tax System* was introduced so that the retail price of a carton of full strength beer would rise by 1.9 per cent, the retail price of whisky would be unchanged and the brandy excise rate would increase but remain below the rate applying to other spirits. The Government also undertook to continue support for the production of low strength beer.

In setting the excise rates the Government has used recent industry data and adopted a more conservative approach compared with the assumptions underlying the forward estimates to ensure that the price commitments would be fully met.

In addition, following consultation with industry, the Government has decided to introduce a three-tiered beer excise rate structure — for full strength, mid strength and low strength beers — including an excise-free threshold of 1.15 per cent for all tiers.

This approach will encourage the consumption of lower alcohol beer over full strength beer. The revenue impact against the forward estimates of these measures and the Government's conservative approach in setting the excise rates is \$150 million in 2000-01.

The new excise rates effective from 1 July 2000 will be as follows:

Beer *	Excise rate
Low strength (0% to 3%)	\$41.67
Mid strength (3% to 3.5%)	\$35.38
Full strength (above 3.5%)	\$30.46

*All beer has access to the 1.15 per cent excise free threshold.

Spirits	Excise rate
Spirits (excl. brandy)	\$51.58
Brandy	\$48.17

Airport regulation cost recovery

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	0.9	0.9	0.9	0.9

Explanation

This measure increases the rate of excise and customs duty on aviation turbine fuel by 0.036 cents per litre. The measure is effective from midnight EST Budget night, 9 May 2000. All revenue raised through this measure will be used to fund regulatory activities by the ACCC. This includes: administering airport access arrangements; assessing compliance with airport price caps including pass through of necessary new investment; monitoring prices of aeronautical-related services at airports; monitoring quality of service; and performing other related functions.

Further Information

A 12 month review of prices oversight arrangements conducted by the ACCC at core regulated airports will begin in December 2000. Depending on the outcome of this review, this increase in the rate of excise may be wound back.

The ACCC has primary responsibility for administration of the economic regulatory arrangements at major airports.

See also related expense measure *Airport regulation*, in the Treasury portfolio.

Product stewardship arrangements for waste oil

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	24.7	24.5	24.2	24.0

Explanation

As part of the development of product stewardship arrangements for waste oil, a five cent per litre levy will be applied to lubricating oils and similar products from 2000-01, to fund payments to eligible businesses involved in sustainable recycling and reuse of waste oil.

Further Information

The introduction of the product stewardship arrangements for waste oil were announced in May 1999, as part of the *A New Tax System — Measures for a Better Environment* package. The Government has previously committed \$60 million (over four years) for transitional assistance to facilitate the introduction of product stewardship.

See also the related expense measure under the Environment and Heritage portfolio entitled *Product stewardship arrangements for waste oil*.

Stockpiling of alcoholic beverages

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	-	-	-	-

Explanation

As a transition to the new tax arrangements, the Government will amend the *Sales Tax Assessment Act 1992* to impose a wholesale sales tax liability on alcoholic products which are not subject to the Wine Equalisation Tax and that are held sales tax free for wholesale sale at 30 June 2000. This measure will remove the incentive to stockpile alcoholic beverages that have been purchased sales tax free prior to 1 July 2000.

Non-tax Revenue

Postal services regulation cost recovery

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Treasury:	1.0	1.0	1.0	1.0

Explanation

The Government has decided to institute a levy for cost recovery of expenses incurred by the ACCC in carrying out its proposed role as the access regulator for postal services. The proposed access regime is a key feature of the postal reform package proposed to apply from 1 July 2000. Australia Post will be permitted to pass the cost of the levy on to parties obtaining access to its postal network.

Further Information

See the related expense measure titled *Postal services regulation*, also in the Treasury portfolio.

Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth

Revenue (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Securities and Investments Commission:	5.5	5.5	5.5	5.5

Explanation

Responsibility for unclaimed moneys for non-bank Authorised Deposit-taking Institutions has been transferred from the State and Territory governments to the Commonwealth. The Commonwealth's non-taxation revenue estimates will increase as a result of this transfer.

These are gross estimates and do not include provision for refunds. For banks, the level of refunds has been up to 45 per cent of the amount of unclaimed moneys in any one year. For non-bank Authorised Deposit-taking Institutions the refunds should be lower because they have a more narrowly targeted customer base.

Further Information

The Australian Securities and Investments Commission will now administer unclaimed moneys from non-bank Authorised Deposit-taking Institutions. To

consolidate administration of all unclaimed moneys, responsibility for administering bank unclaimed moneys will also be transferred from the Department of the Treasury to the Australian Securities and Investments Commission.

See also the related expense measure titled *Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth* in the Treasury portfolio.

Part II: Expense Measures

Table 3: Expense Measures since the 1999-2000 MYEFO

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Agriculture, Fisheries and Forestry				
<i>Department of Agriculture, Fisheries and Forestry</i>				
AQIS - Maintaining quarantine integrity during East Timor operations	-	-	-	-
AQIS - Maintaining quarantine integrity during the Olympics	1.6	-	-	-
AQIS - Renewal of quarantine resourcing	-	8.5	-	-
Assistance to farmers in central north-east South Australia	1.1	1.0	-	-
Building a national approach to animal and plant health	4.5	6.3	6.2	5.3
Continuation of the Agriculture - Advancing Australia Package	37.8	74.2	90.7	106.7
Exceptional circumstances recovery assistance	0.4	-	-	-
Implementing the National Biotechnology Strategy	0.1	1.2	1.2	1.2
Pricing review of departmental resourcing	-1.0	-2.0	-2.0	-2.0
Portfolio total	44.4	89.2	96.1	111.2
Attorney-General's				
<i>Administrative Appeals Tribunal</i>				
Establishment of the Administrative Review Tribunal	-11.2	-27.0	-27.2	-27.4
<i>Attorney-General's Department</i>				
Agreements for the delivery of Commonwealth Legal Aid Services by State and Territory Legal Aid Commissions	2.4	10.4	14.4	18.4
Diversionsary programmes for juveniles in the Northern Territory	5.0	5.0	5.0	5.0
Establishment of the Administrative Review Tribunal	10.2	19.2	19.4	19.7
Management of native title litigation involving the Commonwealth	2.0	2.0	2.0	2.0
Microwave video link capacity for law enforcement agencies	3.4	-	-	-
Pricing review of departmental resourcing	-2.0	-2.0	-2.0	-2.0
Protection of the national information infrastructure	0.6	-	-	-
Protective security for Diplomatic and Consular Missions	10.4	-	-	-
Unauthorised Arrivals in Australia - legislative changes to support law enforcement	-	-	-	-
<i>Australian Customs Service</i>				
Pricing review of departmental resourcing	-2.5	-5.0	-5.0	-5.0
Unauthorised Arrivals in Australia - lease a charter vessel to transport unauthorised arrivals intercepted at sea or at islands off the mainland	nfp	nfp	nfp	nfp
<i>Australian Federal Police</i>				
Continued Australian Police presence in the United Nations Transitional Administration in East Timor	25.4	25.9	26.3	26.7
Protection of the national information infrastructure	0.2	-	-	-
Unauthorised Arrivals in Australia - additional resourcing to investigate and detect organised people smuggling	3.9	4.0	4.1	4.1
<i>Australian Security Intelligence Organisation</i>				
Investment in ASIO capabilities(a)	0.5	5.2	5.2	6.6
Protection of the national information infrastructure	0.6	-	-	-

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
<i>National Crime Authority</i>				
Targeting of serious and large scale fraud and related crime against the Commonwealth	8.1	8.4	8.8	-
Portfolio total	57.0	46.1	50.9	48.0
Communications, Information Technology and the Arts				
<i>Australian Broadcasting Corporation</i>				
Digital Broadcasting - resourcing for digital distribution and transmission	nfp	nfp	nfp	nfp
<i>Australian Communications Authority</i>				
Creating and administering a number pool of local rate and freephone numbers	0.7	0.2	0.2	0.2
Study to examine the feasibility of market based allocation of local rate and freephone numbers	0.6	-	-	-
Universal service obligation contestability arrangements	1.8	1.0	1.0	1.0
<i>Department of Communications, Information Technology and the Arts</i>				
Centenary of Federation - public awareness campaign	3.2	-	-	-
Continuation of resourcing for the Australian Film Finance Corporation	-	50.0	50.0	50.0
Continuation of resourcing for the National Office of the Information Economy	-	-	-	-
Regional Communications Partnership Fund	-	-	-	-
Regional Equalisation Plan for digital television - taxable grants	-	-	0.3	0.3
Increased funding for major performing arts - response to the Major Performing Arts Inquiry	6.8	9.4	10.0	7.9
<i>National Archives of Australia</i>				
Papers of former Prime Ministers	-	-	-	-
<i>Special Broadcasting Service Corporation</i>				
Additional resources for the Special Broadcasting Service Corporation for programme acquisition	2.0	2.7	3.5	-
Digital Broadcasting - resourcing for digital distribution and transmission	nfp	nfp	nfp	nfp
Portfolio total	15.1	63.3	65.0	59.4
Defence				
<i>Department of Defence</i>				
Increasing operational availability of Reserves	20.0	-	-	-
Protection of the national information infrastructure	0.6	-	-	-
Review of service entitlements anomalies with respect to South-East Asian service 1955-75	-	-	-	-
Supplementation for commercial rents	-	20.1	20.7	21.3
Supplementation for purchase of Defence Housing Authority services	68.9	68.6	68.4	68.7
Portfolio total	89.5	88.7	89.1	90.0

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Education, Training and Youth Affairs				
<i>Department of Education, Training and Youth Affairs</i>				
Additional resourcing for the Assistance for Isolated Children Scheme	2.2	4.5	4.8	5.1
Amalgamation of the Advanced English for Migrants Programme with the Literacy and Numeracy Programme	-3.1	-5.6	-5.7	-5.7
Australian Student Traineeship Foundation - funding for work placement coordination and community partnership projects	-	-	-	-
Discovering Democracy Programme	-	-	-	-
Education Services for Overseas Students - strengthening the regulatory framework	1.0	1.0	1.0	1.0
Grant to the Australian - American Education (Fulbright) Foundation	-	-	-	-
Increased funding for the Research Infrastructure Equipment and Facilities Scheme	4.0	4.0	4.1	4.2
Increased permanent migrant intake	1.2	3.6	5.0	6.4
Maintain support for the Jobs Pathway Programme	10.3	-	-	-
New Apprenticeships - Workforce Skills Development Programme	-	-	-	-
Regional Health Package - More Doctors, Better Services	1.8	3.6	5.8	8.1
Strategic Partnerships with Industry - Research and Training Scheme	-	-	-	-
Portfolio total	17.2	11.0	14.9	19.0
Employment, Workplace Relations and Small Business				
<i>Department of Employment, Workplace Relations and Small Business</i>				
Business Entry Point Initiative	-	-	-	-
Dairy Regional Assistance Programme	15.0	15.0	15.0	-
Employee Entitlements Support Scheme	55.0	40.0	40.0	-
Retail Grocery Industry Ombudsman Scheme	-	-	-	-
Portfolio total	70.0	55.0	55.0	-
Environment and Heritage				
<i>Australian Greenhouse Office</i>				
Establishment of a regulator for the mandatory target for the uptake of renewable energy in power supplies	-0.6	-0.5	-0.4	1.5
<i>Department of the Environment and Heritage</i>				
Interim Sydney Harbour Federation Trust	-	-	-	-
Implementing the National Biotechnology Strategy	-	-	-	-
Pricing review of departmental resourcing	-5.0	-5.0	-5.0	-5.0
Product stewardship arrangements for waste oil	24.7	24.5	24.2	24.0
Portfolio total	19.1	19.0	18.8	20.5

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Family and Community Services				
<i>Department of Family and Community Services</i>				
<i>Amendments to A New Tax System (Family Assistance and Related Measures) Bill (2000)</i>	0.7	0.2	0.2	0.2
Change the date of effect for grants and variations to compensation payments	..	0.1	0.1	0.1
Child Support Package - a lower cap on payer income subject to child support formula assessment	..	..	..	..
Child Support Package - assessment of income for child support parents undertaking overtime/second jobs	0.3	0.7	0.7	0.7
Child Support Package - an increase in the Family Tax Benefit income test deduction for payers with a subsequent family	0.1	5.3	5.7	6.1
Child Support Package - lower formula percentages for payers exercising contact with their children	1.4	16.4	14.5	15.2
Child Support Package - post separation counselling and support for non-resident parents	0.2	0.4	-	-
Compliance Strategy - measures to improve control of incorrect payment and fraud - detection	-14.9	-31.0	-29.2	-31.0
Compliance Strategy - measures to improve control of incorrect payment and fraud - deterrence - publicity campaign to encourage customer compliance	0.7	-6.4	-21.3	-0.5
Compliance Strategy - measures to improve control of incorrect payment and fraud - research and development projects	-12.9	-17.1	-6.7	-0.9
Continuation of payment to voluntary work agencies	1.2	1.6	1.6	1.7
Enhanced integrity of the family migration stream	-0.2	-0.2	-0.2	-0.2
Establishment of the Administrative Review Tribunal	-	-	-	-
Expansion of the Community Development Employment Projects Scheme	-6.9	-14.2	-14.6	-15.0
Extend Double Orphan Pension eligibility	..	..	..	..
Extension of the Retirement Assistance for Farmers Scheme	1.5	1.9	1.9	2.0
Family Assistance Office review mechanism	10.7	3.2	0.1	0.1
Further simplification of the <i>Social Security Act (1991)</i>	0.2	-0.2	-1.1	-1.7
Increase in Youth Allowance assets limits for farms and businesses	18.5	36.8	37.7	38.6
Increased permanent migrant intake	2.9	4.7	5.5	8.9
Introduction of a Preparing for Work Activity Agreement for new claimants of unemployment benefits	-25.8	-59.8	-62.2	-64.2
Introduction of new entry requirements for aged parent migrants	0.5	2.7	3.1	1.8
Pay Family Allowance to carers of orphaned children	0.3	0.2	0.3	0.4
Pricing review of departmental resourcing	-8.1	-18.1	-28.6	-36.2
Protection of people affected by the termination of the Social Security Agreement with the United Kingdom	-0.8	-2.8	-4.0	-5.5
Removal of anomaly between ABSTUDY and the social security income test	1.3	0.4	0.4	0.4
Removal of direct deduction rules from partners of compensation recipients	0.3	3.8	4.1	4.3

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Family and Community Services (continued)				
Review of service entitlements anomalies with respect to South-East Asian service 1955-75	-12.9	-26.6	-27.2	-27.8
Revised means test treatment of private trusts and private companies	22.2	-37.7	-126.6	-132.6
Stronger Families and Communities Strategy - 'Can Do Community' Initiative	0.8	1.8	1.8	0.8
Stronger Families and Communities Strategy - national communication campaign	3.5	2.5	1.0	1.0
Stronger Families and Communities Strategy - Early Intervention Parenting and Family Relationship Support Initiative	2.6	12.1	14.2	17.2
Stronger Families and Communities Strategy - greater flexibility and choice in child care initiative	4.0	12.0	20.1	29.3
Stronger Families and Communities Strategy - Local Solutions to Local Problems Initiative	1.5	4.8	4.6	4.6
Stronger Families and Communities Strategy - longitudinal study of Australian children	0.2	1.8	0.5	3.6
Stronger Families and Communities Strategy - National Skills Development Programme for volunteers and the International Year of the Volunteer	3.8	6.0	3.0	3.0
Stronger Families and Communities Strategy - Potential Leadership in Local Communities Initiative	3.0	11.7	11.2	11.2
Stronger Families and Communities Strategy - Stronger Families Fund	2.5	7.5	13.0	17.0
<i>The New Tax System</i> - GST Assistance Scheme for low income earners	9.6	-	-	-
Unauthorised Arrivals in Australia - apply the activity test to recipients of Special Benefits	4.0	0.9	-1.9	-2.0
Welfare reform pilots - mature age participation pilot	3.0	0.1	-	-
Welfare reform pilots - tailored assistance for the very long term unemployed pilot	1.4	-	-	-
Welfare reform pilots - workless families assistance pilot	2.4	..	-	-
Portfolio total	22.8	-74.5	-178.3	-149.3
Finance and Administration				
<i>Department of Finance and Administration</i>				
Assistance to farmers in central north-east South Australia	-	-	-	-
Mapping of the Australian Antarctic Territory extended Continental Shelf	15.8	11.6	1.4	1.6
Reduction in departmental resourcing	-5.0	-5.0	-5.0	-5.0
<i>Office of Asset Sales and Information Technology Outsourcing</i>				
Continuation of resourcing for OASITO	5.0	-	-	-
Portfolio total	15.8	6.6	-3.6	-3.4
Foreign Affairs and Trade				
<i>Australian Agency for International Development</i>				
Australian Youth Ambassadors for Development Programme	-	-	-	-
Debt forgiveness for Heavily Indebted Poor Countries	*	*	*	*
Establishment of an ongoing East Timor Aid Programme	25.0	25.0	25.0	25.0

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Foreign Affairs and Trade (continued)				
Extension of the Australia-South Pacific 2000 Programme Grant to the Commonwealth's Trade and Investment Access Facility	-	-	-	-
Increased contribution to the Commonwealth Fund for Technical Cooperation	-	-	-	-
<i>Australian Secret Intelligence Service</i>				
ASIS Capabilities(a)	-	4.9	4.9	4.9
<i>Department of Foreign Affairs and Trade</i>				
Pricing review of departmental resourcing	1.1	1.1	1.1	1.1
Portfolio total	26.1	31.0	31.0	31.0
Health and Aged Care				
<i>Australia New Zealand Food Authority</i>				
Food Safety Protection	6.5	6.5	6.5	6.6
<i>Department of Health and Aged Care</i>				
A Better Medication Management System	21.6	15.7	-9.7	-16.0
Consumer and community involvement in influencing health decisions	2.3	2.3	2.3	2.3
Delete nasal sprays from the Pharmaceutical Benefits Scheme	-7.0	-17.6	-18.4	-19.2
Early detection of bowel cancer	1.6	2.0	1.9	1.7
Enhancing the evaluation expertise provided to the Pharmaceutical Benefits Advisory Committee	0.8	0.8	0.8	0.8
Ensuring quality care	2.9	2.8	2.8	3.0
Establishment of an Australian Cord Blood Banking Network	2.2	2.2	2.3	2.3
Fringe Benefits Tax transitional grants for public and not-for-profit hospitals	88.0	80.5	72.0	-
Further reforms to the Hearing Services Programme	-10.9	-4.2	-4.4	-4.5
Health technology quality enhancement	7.8	7.9	-2.2	-60.0
Improved pharmaceutical benefits entitlement monitoring	-5.7	-18.0	-20.7	-22.2
Increased permanent migrant intake	0.7	3.7	7.2	10.7
Introduction of new entry requirements for aged parent migrants	-2.8	-1.7	5.1	7.6
National Alcohol Harm Reduction Strategy	1.0	1.0	1.0	1.0
National Childhood Nutrition Programme	6.5	6.5	-	-
National Depression Initiative	-	-	-	-
National radiotherapy single machine unit trial	1.0	2.9	2.9	2.9
National Strategy for an Ageing Australia	1.5	1.5	1.5	1.5
Nucleic acid testing and other measures to improve the safety of fresh blood products	8.3	7.4	7.9	8.5
Reduction in amounts payable to the Health Insurance Commission for processing Medicare and related benefits	-2.0	-2.0	-2.0	-2.0
Reform of Public Health and Safety Regulatory Arrangements	1.5	-	-	-
Regional Health Package - More Doctors, Better Services	66.2	123.0	161.3	192.5
Residential Aged Care Funding Equalisation and Assistance Package	8.9	27.0	41.4	29.4
Response to findings of the Vietnam Veterans' Health Study	0.7	0.7	0.7	0.7

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Health and Aged Care (continued)				
Review of service entitlements anomalies with respect to South-East Asian service 1955-75	-0.8	-1.5	-1.5	-1.5
Revised means test treatment of private trusts and private companies	-	-2.3	-4.8	-5.0
Simpler income testing arrangements for residential aged care fees	1.8	2.2	2.6	3.1
Simplified billing for no or known gaps	4.0	4.1	4.1	4.2
Subsidisation of the accreditation fee for small residential aged care facilities	1.8	1.3	1.3	1.9
Portfolio total	208.3	254.6	262.0	150.3
Immigration and Multicultural Affairs				
<i>Department of Immigration and Multicultural Affairs</i>				
Enhanced integrity of the family migration stream	-	-	-	-
Establishment of the Administrative Review Tribunal	9.4	22.7	22.3	22.5
Future directions for the Overseas Student Visa Programme	0.6	1.6	2.4	2.6
Increased permanent migrant intake	3.8	7.0	7.8	8.0
Introduction of new entry requirements for aged parent migrants	1.0	4.1	4.2	2.8
Long term strategy for immigration detention facilities	1.0	1.0	8.7	10.7
Response to the Review of Illegal Workers in Australia	13.1	12.2	11.9	11.8
Revised resourcing arrangements for detention costs	-2.7	-24.5	-25.1	-25.6
Unauthorised Arrivals in Australia - combating people smuggling in transit countries	1.0	1.0	1.0	1.0
Unauthorised Arrivals in Australia - initiatives to address the situation of displaced Afghan and Iraqi refugees	5.0	5.1	5.3	5.4
Unauthorised Arrivals in Australia - offshore resources to support the integrity of migration entry processes	4.6	3.6	3.7	3.7
Unauthorised Arrivals in Australia - pilot programme for targeted reintegration assistance and to support character checking	2.0	-	-	-
Unauthorised Arrivals in Australia - establish a new detention facility at Darwin and close the Curtin facility	-1.5	-5.4	-5.5	-5.6
Unauthorised Arrivals in Australia - resources to expedite offshore processing, information flows and cooperation in relation to humanitarian migration	1.7	1.2	1.2	1.2
<i>Migration Review Tribunal</i>				
Establishment of the Administrative Review Tribunal	-4.3	-10.1	-10.1	-10.2
Pricing review of departmental resourcing - Migration Review Tribunal	-	-	-	-
<i>Refugee Review Tribunal</i>				
Establishment of the Administrative Review Tribunal	-5.6	-13.8	-13.4	-13.5
Pricing review of departmental resourcing - Refugee Review Tribunal	-0.8	-0.7	-1.2	-1.2
Portfolio total	28.3	4.9	13.1	13.6

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Industry, Science and Resources				
<i>Australian Geological Survey Organisation</i>				
Reallocation of departmental resources	-0.8	-0.8	-0.8	-0.8
<i>Australian Sports Commission</i>				
Building on our sporting achievements	5.0	-	-	-
<i>Australian Sports Drug Agency</i>				
Tough on Drugs in Sport - blood tests as part of our anti-doping programme	-	-	-	-
<i>Commonwealth Scientific and Industrial Research Organisation</i>				
Supplementation for commercial rents and sales costs	-	5.9	8.4	10.7
<i>Department of Industry, Science and Resources</i>				
Continued resourcing for the Science and Technology Awareness Programme	2.8	1.4	-	-
Continued resourcing for the Australian Building Codes Board	1.0	-	-	-
Implementing the National Biotechnology Strategy	-	8.2	9.2	9.2
Pricing review of departmental resourcing	-5.0	-5.0	-5.0	-5.0
Reallocation of funds from the Textile Clothing and Footwear Post 2000 Initiative	-0.5	-0.5	-0.5	-0.5
Reallocation of Technology Diffusion Programme Funds	-4.7	-8.0	-	-
Reallocation of departmental resources	-0.5	-0.6	-0.6	-
South Pacific and Regional Free Trade Agreement - Textiles, Clothing and Footwear Scheme	0.4	0.4	0.4	0.4
Portfolio total	-2.3	1.0	11.1	14.0
Prime Minister and Cabinet				
<i>Aboriginal and Torres Strait Islander Commission</i>				
Expansion of the Community Development Employment Projects Scheme	9.2	19.0	19.5	20.0
<i>Department of the Prime Minister and Cabinet</i>				
Commonwealth Heads of Government Meeting - 2001	16.4	16.4	-	-
<i>Office of the Commonwealth Ombudsman</i>				
Systems and desktop replacement for the Office of the Commonwealth Ombudsman	0.2	0.1	0.1	0.1
<i>Torres Strait Regional Authority</i>				
Expansion of the Community Development Employment Projects Scheme	0.5	1.0	1.1	1.1
Portfolio total	26.3	36.6	20.7	21.2
Transport and Regional Services				
<i>Department of Transport and Regional Services</i>				
Adelaide Airport noise amelioration	10.3	24.2	23.7	5.5
Beef 2000 Exposition	-	-	-	-
National Parking Regime at leased Federal Airports	0.4	0.5	0.6	0.7

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Transport and Regional Services (continued)				
Improvement in services to the Indian Ocean Territories	2.9	2.9	2.9	2.9
Reduction in departmental resourcing	-2.0	-2.0	-2.0	-2.0
Year 2002 - Year of the Outback	-	0.2	0.4	-
Portfolio total	11.6	25.8	25.6	7.1
Treasury				
<i>Australian Bureau of Statistics</i>				
Reduction in departmental resourcing	-3.0	-3.0	-3.0	-3.0
Retention of name identified census forms	0.8	5.8	4.0	-
<i>Australian Competition and Consumer Commission</i>				
Airport regulation	0.9	0.9	0.9	0.9
Extend communications regulation	0.9	-	-	-
Provisioning for legal services	10.0	-	-	-
Monitoring of the prices of certain milk products	-	-	-	-
Monitoring tax reform price exploitation	15.5	6.5	-	-
Postal services regulation	1.0	1.0	1.0	1.0
<i>Australian Securities and Investments Commission</i>				
Continuation of managed investments regulation	2.9	-	-	-
Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth	3.3	3.3	3.2	3.2
<i>Australian Taxation Office</i>				
Administration of the Fuels sales grants scheme	9.5	-	-	-
Business tax reform	20.6	22.9	-	-
Fuels sales grants scheme	110.0	120.0	125.0	135.0
<i>Department of the Treasury</i>				
Business tax reform	4.5	5.5	6.5	6.5
Portfolio total	177.0	162.9	137.6	143.6
Veterans' Affairs				
<i>Department of Veterans' Affairs</i>				
A Better Medication Management System	0.5	1.0	0.1	0.2
Change the date of effect for grants and variations to compensation payments	0.9	-2.3	-2.5	-2.8
Delete nasal sprays from the Pharmaceutical Benefits Scheme	0.1	0.2	0.2	0.2
Extension of 'Their Service - Our Heritage' Commemorative Programme	5.0	5.0	3.6	3.6
Extension of the Retirement Assistance for Farmers Scheme	0.4	0.3	0.3	0.4
Further simplification of the <i>Social Security Act (1991)</i>	0.3	..	-0.2	-0.2
Health technology quality enhancement	-0.8	-1.0	-0.8	-0.8
Improved pharmaceutical benefits entitlement monitoring	..	-0.4	-0.6	-0.7
Managing health care information	-4.2	-8.3	-8.5	-8.7
National radiotherapy single machine unit trial	..	..	..	..
Refurbishment of war cemeteries and Gardens of Remembrance in Australia and overseas	1.1	1.1	1.1	1.1
Removal of anomaly between ABSTUDY and the social security income test	..	..	..	..

Table 3: Expense Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Veterans' Affairs (continued)				
Removal of direct deduction rules from partners of compensation recipients	0.2	0.2	0.2	0.2
Residential Aged Care Funding Equalisation and Assistance Package	1.1	3.3	5.1	3.6
Residential Care Development Scheme	6.8	-	-	-
Response to findings of the Vietnam Veterans' Health Study	8.2	7.0	7.2	7.1
Review of service entitlements anomalies with respect to South-East Asian service 1955-75	16.2	36.4	36.9	36.8
Revised means test treatment of private trusts and companies	3.2	-2.6	-8.8	-8.9
Simpler income testing arrangements for residential aged care fees	0.3	0.3	0.3	0.4
Veterans' Home Care	6.4	-29.4	-15.4	-18.9
Portfolio total	45.5	10.8	18.4	12.7
Total expense measures(b)	871.5	832.0	727.5	588.8

- (a) Measures for ASIO and ASIS are listed in the summary table but are not further disclosed in the explanation of measures for security reasons.
- (b) Measures may not add due to rounding.

Table 4: Expense Measures up to the 1999-2000 MYEFO^{(a)(b)}

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
DEMOCRATS AMENDMENTS - TAX REFORM				
Environment and Heritage				
<i>Department of the Environment and Heritage</i>				
Compressed Natural Gas and Liquid Petroleum Gas vehicle conversion	15.0	20.0	20.0	20.0
Supporting Photovoltaics Systems	4.0	6.0	9.0	12.0
Supporting the Development and Commercialisation of Renewable Energy	4.0	5.0	7.0	10.0
Supporting Renewable Remote Power Generation	66.0	66.0	66.0	66.0
Greenhouse Gas Abatement Programme	100.0	100.0	100.0	100.0
Diesel National Environment Protection Measure (NEPM)	10.0	10.0	10.0	10.0
Oil Recycling	15.0	15.0	15.0	15.0
Portfolio total	214.0	222.0	227.0	233.0
Family and Community Services				
<i>Department of Family and Community Services</i>				
A New Tax System - pension supplement	450.3	441.3	738.3	738.0
A New Tax System - extend family allowance and family tax benefit to families with dependent children aged 16-24 years	54.7	54.8	54.7	50.0
A New Tax System - Aged Persons Savings Bonus and Self Funded Retirees Supplementary Bonus	181.9	0.1	..	..
Additional Resources for Supported Accommodation Assistance Programme	15.0	15.0	15.0	15.0
Portfolio total	701.9	511.2	808.0	803.0
Health and Aged Care				
<i>Department of Health and Aged Care</i>				
Childhood Nutrition Programme	-	-	-	-
Industry, Science and Resources				
<i>Department of Industry, Science and Resources</i>				
Book industry assistance plan	60.0	60.0	60.0	60.0
Portfolio total	60.0	60.0	60.0	60.0
Transport and Regional Services				
<i>Department of Transport and Regional Services</i>				
Local Government Financial Assistance Grants	911.7	944.9	979.0	979.0
Identified Local Road Grants	404.6	419.3	434.4	434.4
Portfolio total	1316.3	1364.2	1413.4	1413.4
Treasury				
<i>Department of the Treasury</i>				
A New Tax System - grants to balance State and Territory budgets	966.5	238.1	336.6	161.9
<i>Australian Taxation Office</i>				
Funding for the Australian Taxation Office to cover the increased cost of administering the Goods and Services Tax (GST)	60.0	60.0	60.0	60.0
Conversion of Diesel Fuel Credit Scheme to Diesel Fuel Grants Scheme	-261.8	-294.0	-314.0	-327.0

Table 4: Expense Measures up to the 1999-2000 MYEFO^{(a)(b)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Treasury (continued)				
Maintain current price relativities between Diesel and Compressed Natural Gas (CNG) and other alternative transport fuels	9.0	12.0	18.0	24.0
Portfolio total	773.7	16.1	100.6	-81.1
Veterans' Affairs				
<i>Department of Veterans' Affairs</i>				
A New Tax System - pension supplement	50.0	49.0	82.0	82.0
Portfolio total	50.0	49.0	82.0	82.0
Total Democrats Amendments - Tax Reform	3115.9	2222.5	2691.0	2510.3
Other Expense Measures up to MYEFO				
Agriculture, Fisheries and Forestry				
<i>Agriculture, Fisheries and Forestry - Australia</i>				
Commonwealth contribution for trade liberalisation research	-	-	-	-
Assistance to the Australian Lamb Industry	9.5	1.6	-	-
Exceptional circumstances - Batlow Fruit Growers, New South Wales	0.7	-	-	-
Exceptional circumstances - Mallee Region, Victoria	4.7	0.4	-	-
Portfolio total	14.9	2.0	-	-
Attorney-General's				
<i>Australian Federal Police</i>				
Revised funding arrangements for the AFP Reform Programme and AFP Adjustments Scheme (AFPAS)	18.0	20.0	-	-
Civilian police for the UN Transitional Administration in East Timor	-	-	-	-
<i>Australian Customs Service</i>				
Enhanced Border Protection	4.0	3.9	3.9	-
Portfolio total	22.0	23.9	3.9	-
Communications, Information Technology and the Arts				
<i>Department of Communications, Information Technology and the Arts</i>				
Trials in Innovative Government Electronic Regional Services (TIGERS)	2.0	5.0	-	-
NetAlert	-	1.0	-	-
<i>Networking the Nation</i> Local Government Fund	3.0	15.0	12.0	10.0
Launceston Broadband Project	3.0	3.0	3.0	3.0
Building IT Strengths (BITS)	10.0	56.0	30.0	25.0
Connecting Tasmanian Schools	-	-	-	-
Expanded mobile phone coverage	-	-	-	-
Building Additional Rural Networks (BARN)	10.0	20.0	20.0	10.0
Portfolio total	28.0	100.0	65.0	48.0

Table 4: Expense Measures up to the 1999-2000 MYEFO^{(a)(b)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Defence				
<i>Department of Defence</i>				
East Timor peace enforcement and peace keeping	810.0	767.0	615.0	615.0
Provision of Safe Haven to displaced Kosovars(c)	-	-	-	-
Provision of Safe Haven to internally displaced persons from East Timor	-	-	-	-
Portfolio total	810.0	767.0	615.0	615.0
Education, Training and Youth Affairs				
<i>Department of Education, Training and Youth Affairs</i>				
Youth Pathways Action Plan Taskforce	-	-	-	-
Additional funds for higher education staff salaries	43.3	43.8	44.1	44.8
Tasmanian Environmental Tourism Employment and Training Initiative	3.1	3.1	-	-
Grandfathering of benefits for some ABSTUDY students	-	-	-	-
Portfolio total	46.4	46.9	44.1	44.8
Environment and Heritage				
<i>Department of the Environment and Heritage</i>				
Additional Funding for Heritage Initiatives	-	-	-	-
Sale of Halon to the United States for essential use	6.0	-	-	-
<i>Great Barrier Reef Marine Park Authority</i>				
Funding to offset the reduction in revenue related to the Environment Management Charge	-	-	-	-
Portfolio total	6.0	-	-	-
Family and Community Services				
<i>Department of Family and Community Services</i>				
Pilot programme to provide free pre-marriage education for couples	0.1	-	-	-
Commonwealth State Disability Agreement - additional funding to address unmet need in State provided disability services	50.0	100.0	-	-
Exceptional circumstances - Batlow Fruit Growers, New South Wales	0.1	..	-	-
Exceptional circumstances - Mallee Region, Victoria	0.4	0.1	-	-
Youth Pathways Action Plan Taskforce	-	-	-	-
Flooding in NSW and Queensland 1998 - assistance to farmers suffering significant loss	-	-	-	-
Introduction of a temporary protection visa subclass	0.1	0.1	0.1	0.1
Portfolio total	50.7	100.2	0.1	0.1
Finance and Administration				
<i>Department of Finance and Administration</i>				
Flooding in NSW and Queensland 1998 - assistance to farmers suffering significant loss	-	-	-	-
Poultry Farmers - assistance to those directly affected by Newcastle disease	-	-	-	-

Table 4: Expense Measures up to the 1999-2000 MYEFO^{(a)(b)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Finance and Administration (continued)				
GST - implementation and monitoring in the Commonwealth government sector	-	-	-	-
Portfolio total	-	-	-	-
Foreign Affairs and Trade				
<i>AusAid</i>				
Australia's contribution to the Heavily Indebted Poor Countries (HIPC) initiative	11.5	11.5	-	-
Aid for East Timor	-	-	-	-
Portfolio total	11.5	11.5	-	-
Health and Aged Care				
<i>Department of Health and Aged Care</i>				
General Practice Memorandum of Understanding(d)	62.1	85.2	98.4	98.4
Aged Care Residential Care Subsidy Principles 1997 - change to definition of 'homeowner' to ensure protection for people with low value homes	0.8	0.8	0.8	0.8
Exceptional circumstances - Batlow Fruit Growers, New South Wales	..	-	-	-
Exceptional circumstances - Mallee Region, Victoria	0.1	-	-	-
Provision of Safe Haven to displaced Kosovars	-	-	-	-
Provision of Safe Haven to internally displaced persons from East Timor	-	-	-	-
Private Health Insurance - Reduction in Medicare payment lag times for simplified billing	-	-	-	-
<i>Australia New Zealand Food Authority</i>				
Australia New Zealand Food Authority - additional funding	-	-	-	-
Portfolio total	63.0	86.0	99.2	99.2
Immigration and Multicultural Affairs				
<i>Department of Immigration and Multicultural Affairs</i>				
Enhanced Border Protection	30.5	31.1	31.7	32.3
Extension of Regulation of the Migration Advice Industry	1.7	1.8	1.3	-
Provision of Safe Haven to displaced Kosovars	-	-	-	-
Provision of Safe Haven to internally displaced persons from East Timor	-	-	-	-
Introduction of a temporary protection visa subclass	-	-	-	-
Portfolio total	32.2	32.9	33.0	32.3
Industry, Science and Resources				
<i>Australian Sports Commission</i>				
Women and the Olympics	-	-	-	-
<i>Department of Industry, Science and Resources</i>				
St John's Ambulance - First Aid Services for the Sydney 2000 Games	-	-	-	-
Paralympic torch relay	-	-	-	-
Olympic media unit	0.3	-	-	-

Table 4: Expense Measures up to the 1999-2000 MYEFO^{(a)(b)} (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Industry, Science and Resources				
Schoolchildren attending the Paralympics	-	-	-	-
Upgrade of the Domain International Athletics Centre, Hobart	-	-	-	-
Development of Erythropoietin (EPO) detection test	-	-	-	-
Portfolio total	0.3	-	-	-
Transport and Regional Services				
<i>Department of Transport and Regional Services</i>				
Flinders Island Runway	-	-	-	-
Geelong Road	-	60.0	60.0	-
The National Highway and Roads of National Importance Programmes	30.0	30.0	30.0	30.0
Establishment of an Australian Rural Partnerships Foundation	1.0	0.7	0.7	-
Alice Springs to Darwin Rail Link	10.0	30.0	-	-
Portfolio total	41.0	120.7	90.7	30.0
Treasury				
<i>Department of the Treasury</i>				
Assistance for cellar door and mail order sales of wine	14.7	15.4	16.1	16.9
<i>Australian Competition and Consumer Commission</i>				
Additional funding for retail price monitoring	-	-	-	-
Portfolio total	14.7	15.4	16.1	16.9
Veterans' Affairs				
<i>Department of Veterans' Affairs</i>				
General Practice Memorandum of Understanding(d)	2.6	3.8	5.1	5.1
Portfolio total	2.6	3.8	5.1	5.1
Total impact of other expense measures up to MYEFO	1143.3	1310.3	972.2	891.4
Memorandum item:				
Total Democrats Amendments - Tax Reform	3115.9	2222.5	2691.0	2510.3
Total impact of other expense measures up to MYEFO	1143.3	1310.3	972.2	891.4
Total expense measures up to MYEFO(d)	4259.2	3532.8	3663.2	3401.7

* The nature of this measure is such that a reliable estimate cannot be provided.

(a) Expenses on an AAS31 basis.

(b) A minus sign before an estimate indicates a reduction in revenue; no sign before an estimate indicates a gain to revenue.

(c) In addition to this, the Department of Defence spent \$7 million in 1998-99 by reprogramming within the global budget. Total Defence expenditure for the measure is \$35.9 million.

(d) This total includes the impact on expenses of the General Practice Memorandum of Understanding which was included in 'other variations' in the contingency reserve at Budget time.

Agriculture, Fisheries and Forestry

AQIS — Maintaining quarantine integrity during East Timor operations

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture Fisheries and Forestry:	-	-	-	-

Explanation

The Australian Quarantine Inspection Service (AQIS) will undertake additional quarantine activities associated with United Nations (UN) operations in East Timor. AQIS will facilitate aircraft, vessel, personnel and troop movements while providing protection to Australia from exotic pests and diseases. AQIS activities include pre-border inspections in East Timor, enhanced border controls and post-border monitoring to ensure early detection of any incursions.

The cost of these activities will be budget neutral and will be met by the Department of Defence (\$0.3 million per annum) and AusAID (\$1.6 million per annum) on a cost recovery basis.

AQIS — Maintaining quarantine integrity during the Olympics

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture Fisheries and Forestry:	1.6	-	-	-

Explanation

The Government will provide additional resources in the first half of 2000-01 to ensure the Australian Quarantine and Inspection Service (AQIS) can meet the quarantine risks posed by the conduct of the Olympic and Paralympic Games in Sydney in September and October 2000. In addition, AQIS will cost recover \$100,000 from inspection of vessels and cargo. The additional resources will allow AQIS to maintain timely processing and quarantine clearance at the border for the increased volumes of visitors, air and sea cargo, and ships arriving in Australia for the Games.

Further Information

AQIS expect to clear an extra 350,000 international inbound passengers to Australia as well as 11 cruise ships, 60 super yachts and about 200 other yachts which will be berthed in Sydney waters during the Games.

AQIS — Renewal of quarantine resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	-	8.5	-	-

Explanation

The Government will provide additional funding of \$8.5 million in 2001-02 to allow the Australian Quarantine Inspection Service (AQIS) to maintain its current level of quarantine activities. Long term funding will be considered after the 2000-01 Australian National Audit Office (ANAO) review is completed.

Assistance to farmers in central north-east South Australia

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	1.1	1.0	-	-
Department of Finance and Administration:	-	-	-	-
Total:	1.1	1.0	-	-

Explanation

The Government will provide \$2.1 million for a Regional Adjustment Programme for the central north east of South Australia, contingent on funding of \$2 million from the South Australian Government. The focus of the programme will be to develop the region's economic capacity and self reliance by facilitating sound business decisions, encouraging sustainability and promoting innovation.

Many farmers in this area are facing significant financial hardship. This programme supplements immediate special financial assistance for eligible farmers in the form of *ex gratia* payments administered by the Department of Finance and Administration. These payments are similar to social security benefits. This assistance is expected to run for three months and is estimated to cost \$655,000 in 1999-2000.

This is a cross portfolio measure between the Department of Agriculture, Fisheries and Forestry and the Department of Finance and Administration.

Building a national approach to animal and plant health

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	4.5	6.3	6.2	5.3

Explanation

To maintain Australia's status as a sought after supplier of high quality, 'clean, green' agricultural produce, the Government will invest \$22.3 million over the next four years to strengthen the nation's animal and plant health status. This will provide a valuable underpinning of the regional economy by improving the ability of rural industries and government to fight pests and diseases that could otherwise debilitate the competitiveness and profitability of Australian agriculture.

New funding will be provided to strengthen the country's post-barrier animal and plant health framework. This measure will enhance the emergency management capacity for animal (including aquatic animal), plant disease and pest emergencies.

Continuation of the Agriculture — Advancing Australia Package

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Exceptional Circumstances	-	-	-	-
Skilling Farmers for the Future	10.0	32.6	54.1	70.8
Farm Help — Supporting Families through Change	16.2	25.8	35.0	34.2
Farm Innovation — the Key to Success	6.0	12.2	-	-
Farm Growth through Export Growth — Bilateral Cooperation Agreements	1.6	1.6	1.6	1.7
Rural Industries Communication Campaign	4.0	2.0	-	-
Total (Department of Agriculture, Fisheries and Forestry):	37.8	74.2	90.7	106.7

Explanation

The Government will implement a range of initiatives to revitalise farming in regional Australia.

Exceptional Circumstances will continue to provide farm families with support in situations of hardship caused by exceptional events such as drought (funding is determined on a case by case basis).

Skilling Farmers for the Future will integrate business and natural resource management training to enable businesses to benefit from change.

Farm Help — Supporting Families through Change will continue welfare support and counselling for farmers in financial difficulty.

Farm Innovation — The Key to Success pilot programme will help farmers to identify market directions, make better farming choices, diversify and adopt innovation.

Farm Growth through Export Growth — Bilateral Cooperation Agreements will enable the negotiation of new bilateral cooperation agreements, with key strategic markets to remove regulatory, technical and economic impediments to Australian farm exports.

A *Rural Industries Communication Campaign* will ensure farm families in regional Australia are aware of the assistance available.

Exceptional circumstances recovery assistance

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture Fisheries and Forestry:	0.4	-	-	-

Explanation

The Government will provide \$0.2 million in 1999-2000 and \$0.4 million in 2000-01 for exceptional circumstances assistance in south-western New South Wales. The National Rural Advisory Council recommended that recovery assistance be given to eligible farmers in the Wentworth, Broken Hill, Hillston and Balranald Rural Land Protection Board districts. The assistance will be for 12 months and will constitute business support in the form of interest rate subsidies for farmers in financial hardship.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	-1.0	-2.0	-2.0	-2.0

Explanation

The Government has endorsed the outcomes of a joint pricing review between Agriculture, Fisheries and Forestry — Australia (AFFA) and the Department of Finance and Administration. This review has resulted in a reduction in resourcing for AFFA of an initial \$7 million over the next four years. An important element of the review was the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified as part of the review.

Attorney-General's

Establishment of the Administrative Review Tribunal

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Administrative Appeals Tribunal:	-11.2	-27.0	-27.2	-27.4
Attorney General's Department:	10.2	19.2	19.4	19.7
Department of Family and Community Services:	-	-	-	-
Department of Immigration and Multicultural Affairs:	9.4	22.7	22.3	22.5
Migration Review Tribunal:	-4.3	-10.1	-10.1	-10.2
Refugee Review Tribunal:	-5.6	-13.8	-13.4	-13.5
Total:	-1.5	-9.0	-9.0	-9.0

Explanation

The Government has decided that four existing merits review tribunals, namely the Administrative Appeals Tribunal, the Social Security Appeals Tribunal, the Refugee Review Tribunal and what is now the Migration Review Tribunal, will be amalgamated into a new Administrative Review Tribunal (ART).

Establishing the ART will achieve administrative efficiencies, a more efficient and accessible merits review structure, and will introduce more flexible, cost-effective and non-legalistic procedures. Increased economies of scale, administrative efficiencies and structural reforms will result in annual cost reductions of some \$9.0 million in a full year from the merger of the existing tribunals.

It is anticipated that the ART will commence operation in February 2001.

For an interim period of twelve months, a purchaser/provider arrangement will be implemented for the Departments of Family and Community Services, for social security matters, and Immigration and Multicultural Affairs, for migration and refugee matters. This arrangement will be extended from 2002-03, following a review of tribunal expenses, with the other client agencies of the ART being directly funded from within the total resourcing of the existing tribunals, adjusted for merger savings, to pay for review services.

Further Information

The Government will also provide the Attorney General's Department with an equity injection of \$15 million in 2000-01 for the up-front costs associated with the establishment of the ART.

See also the related capital measure titled *Establishment of the Administrative Review Tribunal*, in the Attorney-General's portfolio.

This is a cross portfolio measure between the Attorney-General's, Family and Community Services and Immigration and Multicultural Affairs portfolios.

Agreements for the delivery of Commonwealth Legal Aid Services by State and Territory Legal Aid Commissions

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	2.4	10.4	14.4	18.4

Explanation

The Government will provide additional funding of \$45.6 million over four years to State and Territory Legal Aid Commissions to deliver Commonwealth Legal Aid Services.

As announced by the Attorney-General in December 1999, this measure aims to provide legal assistance to people who are unable to afford the cost of private legal services. It also addresses a need to implement changes to the division of funding between the States and Territories to achieve an equitable distribution of legal aid funding.

The Commonwealth currently provides approximately \$103 million per annum base funding for the delivery of Legal Aid services through State and Territory Legal Aid Commissions.

Diversions programmes for juveniles in the Northern Territory

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	5.0	5.0	5.0	5.0

Explanation

The Commonwealth and Northern Territory Governments have agreed on a number of initiatives designed to prevent juveniles entering the criminal justice system.

The Northern Territory Legislation will be amended so that a person will be treated as an adult from 18 years of age rather than 17 years at present.

The Commonwealth Government will make \$5 million per annum available for a number of diversionary programmes for juveniles in the Northern Territory, including:

- family conferencing;
- opportunities for involvement in substance abuse and drug diversion programmes;
- additional community based diversionary programmes for both urban, rural and remote communities; and
- an Aboriginal interpreter service, jointly funded with the Northern Territory Government.

Further Information

This initiative was announced in a joint statement by the Prime Minister and the Chief Minister of the Northern Territory on 10 April 2000.

Management of native title litigation involving the Commonwealth

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	2.0	2.0	2.0	2.0

Explanation

The Government will provide additional funding to the Attorney-General's Department for the costs of managing Commonwealth litigation involving native title.

This measure will help to ensure resolution of native title claims in a timely fashion. It will provide greater certainty about native title and facilitate business development by providing all levels of government and business with greater confidence about how native title law affects them. It will also provide greater certainty to native title holders by helping to establish exactly what their native title rights and interests are.

Microwave video link capacity for law enforcement agencies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	3.4	-	-	-

Explanation

The Government will provide additional funding to the Commonwealth and State law enforcement and security agencies to purchase new equipment following the Government's decision to reallocate part of the radio frequency spectrum. This funding will enable State jurisdictions to update their equipment.

This is a cross agency measure between the Attorney-General's Department, the Australian Federal Police and the Australian Security Intelligence Organisation.

Further Information

See also the related capital measure titled *Microwave video link capacity for law enforcement agencies* in the Attorney-General's portfolio.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	-2.0	-2.0	-2.0	-2.0

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Attorney-General's Department (A-G's) and the Department of Finance and Administration. This review has resulted in a reduction in the resourcing for A-G's by \$2 million per annum. An important element of the review was the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified as part of the review.

Protection of the national information infrastructure

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	0.6	-	-	-
Australian Federal Police:	0.2	-	-	-
Australian Security Intelligence Organisation:	0.6	-	-	-
Department of Defence:	0.6	-	-	-
Total:	2.0	-	-	-

Explanation

The Government is providing funding to enhance Australia's capability to protect the nation's National Information Infrastructure (NII) from unauthorised access and use. The NII provides access to a range of data and critical information, and covers both public and private sectors. The NII covers telecommunications, banking and finance, transport and distribution, energy and utilities (electricity, gas and water), information services, and other critical government services including defence and emergency services.

This is a cross portfolio measure between the Attorney-General's Department, the Australian Federal Police, the Australian Security Intelligence Organisation and the Department of Defence.

Protective security for Diplomatic and Consular missions

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	10.4	-	-	-

Explanation

The Government will provide additional funding of \$10.4 million in 2000-01 for increased levels of guarding for diplomatic and consular missions, to ensure appropriate security levels are maintained. The Government has a responsibility under international law to protect foreign diplomatic and consular missions in Australia.

The Government is currently undertaking a review to determine future funding arrangements for guarding of diplomatic and consular missions.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Customs Service:	-2.5	-5.0	-5.0	-5.0

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Australian Customs Service (ACS) and the Department of Finance and Administration. This review has resulted in a reduction in the resourcing for the ACS by \$2.5 million in 2000-01 and \$5 million per annum thereafter. An important element of the review was the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified as part of the review.

Continued Australian Police presence in the United Nations Transitional Administration in East Timor

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Federal Police:	25.4	25.9	26.3	26.7

Explanation

The Government will continue its Australian Civilian Police Service (AUSCIVPOL) commitment to East Timor, which has increased from the first detachment of 50 personnel for a 90 day commitment to replacement detachments of up to 80 personnel for a series of 90 day commitments. In view of the personnel limitations in drawing all the detachments from the Australian Federal Police (AFP), the Government has authorised the Minister for Justice and Customs to examine other means of ensuring this commitment, for example, through the secondment of State and Territory police.

This initiative continues a civilian policing capacity to meet the current requirement of the United Nations Transitional Administration in East Timor. It will necessitate the establishment of a reserve pool of some 240 trained members which will, in part, be drawn from recently retired AFP and serving State and Territory police.

Targeting of serious and large scale fraud and related crime against the Commonwealth

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
National Crime Authority:	8.1	8.4	8.8	-

Explanation

The Government will provide additional funding for the National Crime Authority (NCA) to continue its investigations into complex money laundering, revenue fraud and associated underlying offences, particularly drug trafficking. The NCA will use complementary investigative strategies, involving intensive financial analysis and undercover work, that balance the NCA's interest in enforcing criminal law with the Australian Taxation Office's role in collecting revenue.

The Government anticipates that there will be a net positive impact on the Budget from this measure as there will be an increase in Commonwealth revenue from combating serious cases of revenue fraud, and from investigations that result in recovery of the proceeds of crime.

Unauthorised Arrivals in Australia — legislative changes to support law enforcement

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	-	-	-	-

Explanation

The Government is bringing forward two legislative amendments to support law enforcement efforts aimed at containing the activities of people smugglers. These amendments will strengthen sentencing guidelines under the *Crimes Act 1914*. Tougher penalties, such as the imprisonment of crews and confiscation of boats, will help to reduce the supply of crews willing to participate in people smuggling.

These amendments are a part of the package implemented in response to the report on *Unauthorised Arrivals in Australia*, commissioned to address the rapid growth of unauthorised arrivals by boat and to reduce expenditure on detention and processing and are not expected to place additional costs on the Attorney-General's Department.

Further Information

See also the related expense and capital measures in the Attorney-General's, Family and Community Services and Immigration and Multicultural Affairs portfolios.

Unauthorised Arrivals in Australia — lease a charter vessel to transport unauthorised arrivals intercepted at sea or at islands off the mainland

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Customs Service:	nfp	nfp	nfp	nfp

Explanation

The Government will provide additional funding to the Australian Customs Service (ACS) to lease a charter vessel for the purpose of transporting unauthorised arrivals from where they are intercepted to the Australian mainland. Engaging a dedicated vessel will allow more cost-effective use of ACS and Defence vessels enabling them to focus on intercepting unauthorised boat arrivals and handling situations where the use of force may be necessary.

ACS will manage the contract and provide the necessary security arrangements to ensure that unauthorised arrivals are delivered safely to appropriate immigration detention arrangements. The ongoing requirement for this arrangement will be reviewed after two years.

This measure forms a part of the package of measures implemented in response to the report on *Unauthorised Arrivals in Australia*, commissioned to address the rapid growth of unauthorised arrivals in Australia, and to reduce expenditure on detention and processing.

Further Information

See also the related expense and capital measures in the Attorney-General’s, Family and Community Services and Immigration and Multicultural Affairs portfolios.

Unauthorised Arrivals in Australia – additional resourcing to investigate and detect organised people smuggling

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Federal Police:	3.9	4.0	4.1	4.1

Explanation

The Government is introducing a number of measures to enhance law enforcement of people smugglers. These measures, which draw on the lessons of the National Illicit Drugs Strategy, include:

- establishing a joint Strike Team between the Australian Federal Police and the Department of Immigration and Multicultural Affairs to investigate organised people smuggling syndicates in Australia and overseas by following through on intelligence obtained from the ongoing operations of agencies;
- expanding the AFP’s overseas liaison officer network by strategic placement of officers in key transit countries; initially in Indonesia where people smugglers are known to operate; and
- developing a further phase of the Law Enforcement Cooperation Programme to enhance capacity in people smuggling detection and enforcement in the Middle East and Asia Pacific regions.

These amendments are a part of the package implemented in response to the report on *Unauthorised Arrivals in Australia*, commissioned to address the rapid growth of unauthorised arrivals by boat and to reduce expenditure on detention and processing.

Further Information

See also the related expense measures under the Immigration and Multicultural Affairs and the Attorney-General’s portfolios.

Communications, Information Technology and the Arts

Digital broadcasting — resourcing for digital distribution and transmission

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Broadcasting Corporation:	nfp	nfp	nfp	nfp
Special Broadcasting Service Corporation:	nfp	nfp	nfp	nfp

Explanation

The Government will provide funding to the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service Corporation (SBS) to enable the broadcasters to televise programmes in a digital format from 1 January 2001. This funding will provide capacity to distribute and transmit the new digital signal, which will be simulcast alongside existing analogue signals.

Further Information

To ensure the best possible outcome in the tendering process for the transmission and distribution contracts, financial commitments relating to the contracts will not be published until this financial information is no longer market sensitive. Provision for these expenses has been included in the contingency reserve.

See also the related capital measure titled *Digital broadcasting — resourcing for digital equipment*, in the Communications, Information Technology and the Arts portfolio.

Creating and administering a number pool of local rate and freephone numbers

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Communications Authority:	0.7	0.2	0.2	0.2

The Government will create a pool of special business telephone numbers, to be allocated to customers independent of telecommunications carriers. Telephone numbers affected by this initiative include local rate (that is, 131 000 numbers), freephone (that is 1800 numbers) and phonewords numbers.

Special business telephone numbers are currently allocated in advance to the telecommunications carriers. Where businesses want a specific telephone number, they deal directly with the carrier holding the right to that number.

Further Information

The costs of creating and administering the phone number pool will be offset from a charge levied on the allocation of special numbers to businesses. See also the revenue measure titled *Apply a charge to telecommunications end users to offset the cost of administration of a number pool of local rate and freephone numbers* in the Communications, Information Technology and the Arts portfolio.

Study to examine the feasibility of market based allocation of local rate and freephone numbers

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Communications Authority:	0.6	-	-	-

Explanation

The Australian Communications Authority will undertake a study to examine the implications of introducing a market-based allocation of special business telephone numbers. Telephone numbers included in the study are local rate (that is, 131 000 numbers), freephone numbers (that is, 1800 numbers) and phonewords numbers.

This study will identify the costs and benefits of auctioning special business telephone numbers at a price driven by market bidding, instead of charging the current flat fee. It is based on the fact that some numbers are more valuable as they are easier to remember and is expected to provide a more economically efficient and transparent mechanism of allocating local rate and freephone numbers.

Further Information

Funding for this measure will be recovered through an increase in annual telecommunications carrier licence fees for 2000-01 and 2001-02. See also the related revenue measure *Increase in annual carrier licence fees*, in the Communications, Information Technology and the Arts portfolio.

Universal service obligation contestability arrangements

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Communications Authority:	1.8	1.0	1.0	1.0

Explanation

Under this initiative, the Australian Communications Authority will estimate the costs of providing the universal service obligation (USO) on a regional and national basis. These estimates will be used to determine the default USO cost and will be used to determine prices in pilot USO contestability arrangements.

USOs in the telecommunications industry stipulate minimum standards of access and quality of communications services across the nation. The USO framework ensures services are provided to people in regional and remote Australia, which would otherwise not be provided by telecommunications carriers.

Further Information

The cost of this initiative will be recovered through an increase in annual carrier licence fees over four years from 2000-01.

See also the related revenue measure titled *Increase in annual carrier licence fees* in the Communications, Information Technology and the Arts portfolio.

Centenary of Federation — public awareness campaign

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	3.2	-	-	-

Explanation

The Government will provide an additional \$3.2 million to the National Council for the Centenary of Federation to improve public awareness of 100 years of federation.

The Government has already provided \$53.5 million to the Council to coordinate and promote a range of activities across Australia to celebrate the Centenary year. The Council will use this additional funding to further promote this significant event and thereby encourage all Australians to reflect on Australia's heritage, take pride in the present and look to the future with confidence.

Continuation of resourcing for the Australian Film Finance Corporation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	-	50.0	50.0	50.0

Explanation

The Government has agreed in principle to new triennial funding for the Australian Film Finance Corporation (AFFC) for 2001-02 to 2003-04. The funding is set at \$50 million per annum, with the final amounts to be determined in the 2001-02 Budget. The AFFC is the Commonwealth's primary source of investment in Australian feature films, television drama and documentaries. This measure provides long-term certainty for investors in an industry where projects have long lead-times.

Continuation of resourcing for the National Office of the Information Economy

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	-	-	-	-

Explanation

The Government will continue funding of \$3.0 million per annum for the National Office of the Information Economy (NOIE) for a further three years, with funding to be absorbed from within departmental expenses.

The NOIE was established in 1997 to coordinate and develop Australian strategies and policies in response to rapid technological change associated with the information technology industry. Responsibilities of the NOIE include the regulatory framework for information technology; developing and promoting on-line services and e-business; and sponsoring the adoption of new technology through a competitive grants programme.

Regional Communications Partnership Fund

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	-	-	-	-

Explanation

The Government will provide \$5 million, through the *Regional Communications Partnership Fund*, to assist self help groups in regional, rural and remote communities across Australia to establish new re-transmission services. The expense of this measure will be absorbed by the Department of Communications, Information Technology and the Arts from within existing resources.

The Government contribution of \$5 million will supplement the \$5 million already committed to the Fund by the network owner, ntl Australia Pty Ltd. This assistance will ensure that both the existing and anticipated demand for assistance from regional communities can be met.

Regional Equalisation Plan for digital television — taxable grants

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	-	-	0.3	0.3

Explanation

The Government will assist regional commercial television broadcasters to convert to digital broadcasting by providing financial assistance of up to \$260 million payable over 13 years commencing in 2000-01. In general, assistance is to be delivered to individual broadcasters over an eight year period from the year in which the broadcaster commences digital transmissions. However, as the introduction of digital services is expected to be phased-in in the smaller regional markets up until 1 January 2004, the total period for the provision of assistance is estimated at 13 years.

Assistance under the Regional Equalisation Plan will be provided to broadcasters, mainly in the form of rebates on annual licence fees and, in some single service markets, in the form of taxable annual grants. The taxable grants provided in this measure for 2002-03 and 2003-04 are necessary for single service broadcasters where the rebate alone would not allow the broadcasters to claim their total level of assistance within the 13 year period.

Further Information

See also the related revenue measure titled *Regional Equalisation Plan for digital television — licence fee rebates*, in the Communications, Information Technology and the Arts portfolio.

Increased funding for major performing arts — response to the Major Performing Arts Inquiry

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Communications, Information Technology and the Arts:	6.8	9.4	10.0	7.9

Explanation

The Government will provide additional funds of \$43.3 million over four years to the major performing arts sector in response to the report of the Major Performing Arts Inquiry (chaired by Dr Helen Nugent). Some \$9.2 million of the additional funding will be provided by the Department of Communication, Information Technology and the Arts from within existing resources.

The Commonwealth Government will work in partnership with State and Territory Governments to ensure Australia has a financially healthy, artistically vibrant, and broadly accessible major performing arts sector. The additional funding will enable the implementation of two major initiatives:

- an industry adjustment package of \$12.1 million to assist the sector to improve its artistic vibrancy and strategic and management culture; and
- a stabilising/repositioning package of \$31.2 million to provide additional ongoing funding to assist performing arts companies artistic and financial performance.

Papers of former Prime Ministers

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
National Archives of Australia:	-	-	-	-

Explanation

The Government will increase accessibility for both scholars and the wider community to the official and personal papers of former Prime Ministers. This will be administered by the National Archives of Australia and funding will be allocated for cataloging records, producing guides and developing public exhibitions.

Funding of \$1.6 million over four years will be absorbed by the National Archives of Australia from within existing resourcing.

Additional resources for the Special Broadcasting Service Corporation for programme acquisition

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Special Broadcasting Service Corporation:	2.0	2.7	3.5	-

Explanation

The Government will provide additional funding to the Special Broadcasting Service Corporation (SBS) for programme acquisition. The increased funds of \$8.2 million over three years will allow SBS to maintain current programming quality in an environment of steadily rising prices.

Further Information

Over the last ten years the cost of purchasing programming from overseas suppliers has been rising steadily. To date, SBS has been able to absorb increased programme costs through good management of expenditure and commercial revenue generation.

Defence

Increasing operational availability of Reserves

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	20.0	-	-	-

Explanation

The Government will provide additional funding to the Department of Defence to enhance the operational effectiveness of the Reserves. Initiatives being considered by the Government include promoting the retention of Reserve personnel by improving training of individuals and by providing support for their employers.

This is the first year of a new initiative by the Government to enhance the effectiveness of the Reserves. Funding beyond 2000-01 will be considered as part of the overall future defence funding requirement in the Defence White Paper process.

Further Information

See also the related capital measure titled *Additional resourcing for logistic support and corporate management systems* in the Defence portfolio.

Supplementation for commercial rents

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	-	20.1	20.7	21.3

Explanation

The Government has agreed to a programme of Defence property sales. The sales mainly involve metropolitan office sites which will be sold in accordance with the Commonwealth Property Principles. Certain properties will be leased back and this measure will provide Defence with rental supplementation in respect of the commercial rental rates charged.

Further Information

See also the related capital measure titled *Sale of Defence property* in the Defence portfolio.

Supplementation for purchase of Defence Housing Authority services

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	68.9	68.6	68.4	68.7

Explanation

The Government will provide the Department of Defence with additional funding for the increased rental costs associated with the adoption of more commercial practices by the Defence Housing Authority (DHA). In line with the 1998 review of Commonwealth ownership of the DHA, the DHA is being restructured on a more commercial basis, including the commercial pricing of the services it provides to Defence. Consistent with the adoption of more commercial practices, this measure improves the transparency of DHA pricing. The supplementation to Defence will be budget neutral as DHA will return funds to the Commonwealth through increased dividends and taxes.

Education, Training and Youth Affairs

Additional resourcing for the Assistance for Isolated Children Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	2.2	4.5	4.8	5.1

Explanation

From 1 January 2001, the Government will enhance the *Assistance for Isolated Children (AIC) Scheme*, including changes to:

- Basic Boarding;
- Second Home; and
- Distance Education.

In addition, the comparable ABSTUDY Group 2 School Fees Allowance will also increase to maintain its alignment with the AIC Basic Boarding Allowances.

The AIC Scheme helps families of students who are unable to attend an appropriate government school on a daily basis — primarily due to geographic isolation. This increase in allowances recognises the barriers to education faced by many isolated families and the extra costs associated with the schooling of their children. It will benefit approximately 14,700 students.

Further Information

This measure increases the Basic Boarding Allowance by 10 per cent from the current annual indexed amount of \$3,539 to \$3,893 per eligible student, aligns the Second Home Allowance with the Basic Boarding Allowance and indexes the Second Home and Distance Education Allowances. In addition, the comparable ABSTUDY Group 2 School Fees Allowance will increase by 10 per cent from \$3,539 to \$3,893.

Amalgamation of the Advanced English for Migrants Programme with the Literacy and Numeracy Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-3.1	-5.6	-5.7	-5.7

Explanation

The Government will amalgamate two programmes, the Advanced English for Migrants Programme (AEMP) and the Literacy and Numeracy Programme, to provide more flexible, integrated pathways to be established for the provision of assistance for language, literacy and numeracy training for the unemployed. The new programme will be retitled the Language, Literacy and Numeracy Training (LLANT) Programme and will be a Mutual Obligations activity.

Savings will be realised through increased efficiency in programme delivery, as former AEMP clients can be accommodated within available places in the former Literacy and Numeracy Programme.

The measure takes effect from 1 January 2001 and will be ongoing. Full integration of the two programmes will be completed by 1 January 2002.

Australian Student Traineeship Foundation - funding for work placement coordination and community partnership projects

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-	-	-	-

Explanation

The Government will extend funding for Australian Student Traineeship Foundation (ASTF) work placement coordination and community partnership projects for a further four years. This measure will extend the 1998 election commitment in *Skilling Australia for Jobs*, by providing \$10.7 million in 2000-01, \$10.8 million in 2001-02, \$11.0 million in 2002-03 and \$11.2 million in 2003-04. Provision for this funding has already been included in the forward estimates.

This funding will enable the ASTF to assist 200 work placement coordinators in schools (or their full-time equivalent). These coordinators provide around 55,000 senior secondary students with opportunities to participate in programmes offering structured workplace learning.

Discovering Democracy Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-	-	-	-

Explanation

The Government will extend the Discovering Democracy Programme until June 2004, with funding of \$4.1 million in 2000-01 and 2001-02, \$3.1 million in 2002-03 and \$2.1 million in 2003-04. Provision for this funding has already been included in the forward estimates.

The Discovering Democracy Programme is intended to promote an understanding of the structure and function of Australia's system of government. The extension will allow Discovering Democracy to become embedded in mainstream school curriculums. Extended funding will also allow for materials focusing on the Centenary of Federation, Australian Multiculturalism and reconciliation between Indigenous and non-Indigenous Australians to be incorporated into education resources.

Education Services for Overseas Students — strengthening the regulatory framework

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	1.0	1.0	1.0	1.0

Explanation

The *Education Services for Overseas Students (Registration of Providers and Financial Regulation) (ESOS) Act 1991* will be amended to strengthen the regulatory framework for the provision of education services for overseas students, including the establishment of a fidelity fund for overseas student providers. This will enable the Department of Education, Training and Youth Affairs to take a much more active role in the investigation, monitoring and pursuit of non-compliance by providers of education services.

Further Information

See also the related revenue measure titled *Education Services for Overseas Students — increased registration fees for providers*, in the Education, Training and Youth Affairs portfolio.

Grant to the Australian-American Education (Fulbright) Foundation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-	-	-	-

Explanation

The Government will provide a one-off grant of \$0.2 million in 2000-01 to the Australian-American Education (Fulbright) Foundation for the purchase of office space for its headquarters. This grant is additional to the Commonwealth's annual contribution of \$0.5 million to assist with the Foundation's education and scholarship programmes, and complements a one-off contribution of \$0.4 million from the Government of the United States of America for the Foundation's accommodation.

This measure is being fully absorbed within the existing resourcing of the Department of Education, Training and Youth Affairs.

Increased funding for the Research Infrastructure Equipment and Facilities Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	4.0	4.0	4.1	4.2

Explanation

The Government will provide additional ongoing funding to the Research Infrastructure Equipment and Facilities (RIEF) Scheme to boost base funding to \$24.6 million per annum from 2001. The RIEF Scheme funds large items of research infrastructure for collaborative use by universities, research organisations and industry and supports access by Australian researchers to major national and international research facilities.

These additional funds will further promote private investment in Australia's research infrastructure, while universities, research organisations and industry partners contribute at least 25 per cent of the cost of equipment and facilities acquired under the Scheme.

Maintain support for the Jobs Pathway Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	10.3	-	-	-

Explanation

The Government will provide an additional \$10.3 million in 2000-01 to the Jobs Pathway Programme (JPP) to ensure that the current level of demand can continue to be satisfied. This funding builds on the ongoing base funding of \$11.7 million for 2000-01, and will assist students to make a smooth transition from school to work. Funding is provided to contracted service providers that work closely with schools and the local community.

Further Information

The JPP is a Mutual Obligations activity, and has outcomes that include employment, return to education or the progression to accredited training. All young people aged 15-19 years, including those at school, are eligible for the programme.

The JPP falls within the scope of the Youth Pathways Action Plan Taskforce that is due to report in June 2000. Following that report, the Government will consider future funding in the 2001-02 Budget.

New Apprenticeships – Workforce Skills Development Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-	-	-	-

Explanation

The Government will continue to provide targeted and flexible support for apprenticeships and traineeships, through the *New Apprenticeships: Workforce Skills Development Programme*. This programme continues the work already commenced under the Modern Australian Apprenticeship and Traineeship System (MAATS) initiative and will assist in the consolidation and promotion of New Apprenticeships, with the Government providing \$22.6 million in 2000-01, \$27.2 million in 2001-02, \$30.1 million in 2002-03 and \$29.2 million in 2003-04. Provision for this funding has already been included in the forward estimates.

Further Information

This measure aims to build on industry commitment to New Apprenticeships by communicating the benefits and flexibilities available through the new system and providing support to employers and individuals moving into the new arrangements. The Government will focus support through the *School to Work (Enterprise Education) Programme*, *Group Training Targeted Initiatives*, *Enhanced Educative Services*, the *Strategic Intervention Programme*, the *New Apprenticeship Access Programme*, the *Wage Top Up Scheme*, and *New Apprenticeships Marketing*.

Strategic Partnerships with Industry — Research and Training Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	-	-	-	-

Explanation

The Government will maintain current funding levels for the *Strategic Partnerships with Industry — Research and Training (SPIRT) Scheme* on an ongoing basis, providing \$13.0 million in 2001-02, \$24.7 million in 2002-03 and \$25.1 million in 2003-04. Provision for this funding has already been included in the forward estimates. This measure extends the Government's 1998 election commitment to provide additional funding for SPIRT for a three-year period, and provides ongoing base funding of \$56.8 million per calendar year.

The scheme aims to improve links between universities and industry by supporting collaborative research projects undertaken to acquire new knowledge and by providing awards and fellowships for training and research in industrial settings. The scheme leverages substantial financial contributions from industry partners that, at a minimum, match Commonwealth funding.

Employment, Workplace Relations and Small Business

Business Entry Point Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	-	-	-	-

Explanation

This measure allows for the progress and development of the Business Entry Point (BEP) initiative, involving expenses of \$2.1 million in 2000-01 to be absorbed within existing Department of Employment, Workplace Relations and Small Business resourcing. A further \$4.4 million has been set aside in 2000-01 from existing resourcing to fund non-current asset additions.

The BEP is an Internet-based service, supported by a telephone hotline, that provides for free access for business to all levels of government through a single entry point. The BEP initiative will be reviewed during 2000-01, following implementation of the tax reform measures.

Further Information

This measure contributes to the Government's target, announced by the Prime Minister on 8 December 1997, to deliver all appropriate services online via the Internet by 2001.

Dairy Regional Assistance Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	15.0	15.0	15.0	-

Explanation

As part of the Dairy Industry Adjustment package, a new Dairy Regional Assistance Programme (DRAP) will commence on 1 July 2000. DRAP will provide additional financial assistance to ameliorate the potential impact of dairy industry deregulation on regional communities dependent on the industry.

DRAP will assist dairy communities with new industry development and adjustment programmes. The funding will be available to seed new industries, support counselling services, retraining, and community infrastructure.

DRAP will be administered by the Commonwealth through the Regional Assistance Programme.

Further Information

See also the related expense measure titled *Monitoring of the prices of certain milk products* in the Treasury portfolio.

Employee Entitlements Support Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	55.0	40.0	40.0	-

Explanation

The Government has established an Employee Entitlements Support Scheme to assist people who suffer a loss of employee entitlements due to employer insolvency. The Scheme will provide for a maximum payment of \$20,000 per person with that amount to be recovered, where possible, from the employer’s remaining resources.

The Scheme has been established on an interim administrative basis in the first instance and is backdated to cover employees dismissed because of their employer’s insolvency on or since 1 January 2000. Outstanding employee entitlements will be paid out of a fund established for this purpose.

The cost to the Commonwealth of the Scheme in 1999-2000 will be met from within existing resourcing.

The Government intends that the Scheme will be funded jointly by the Commonwealth and participating States and Territories on an equal basis. In the event that a State or Territory does not wish to participate, the Commonwealth will nevertheless contribute 50 per cent of the benefits of the Scheme for employees working in that State or Territory.

Further Information

In recognition of the primary responsibility that employers have to meet their employee entitlements, the Government has introduced legislation to amend the Corporations Law so as to strengthen legal obligations on company directors and managers to protect employee entitlements.

Retail Grocery Industry Ombudsman Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Employment, Workplace Relations and Small Business:	-	-	-	-

Explanation

The Government's response to the Report of the Joint Select Committee on the Retailing Sector *Fair Market or Market Failure?* provided for a number of initiatives to improve the operation of the retail grocery sector.

- The Government is supporting the development of a voluntary Retail Grocery Industry Code of Conduct. To facilitate this, a Retail Grocery Industry Code of Conduct Committee has been established. The Department of Employment, Workplace Relations and Small Business (DEWRSB) is providing limited secretariat support to the Committee, involving funding of \$0.1 million in 1999-2000, to be absorbed within existing DEWRSB resourcing.
- The *Trade Practices Act 1974* will be amended to enhance small business access to the unconscionable conduct provisions under section 51AC, and to give the Australian Competition and Consumer Commission the power to undertake representative actions and to seek damages on behalf of third parties.
- The Government will establish a Retail Grocery Industry Ombudsman Scheme and an office to support the operations of the Scheme, involving funding of around \$0.9 million a year, to be absorbed within existing DEWRSB resourcing.

Further Information

The Joint Select Committee on the Retailing Sector was established on 10 December 1998 to inquire into and report on market concentration in the retail sector. The Committee delivered its report to the Government on 30 August 1999. The Retail Grocery Code of Conduct will be reviewed after three years of operation, or earlier if appropriate.

Environment and Heritage

Establishment of a regulator for the mandatory target for the uptake of renewable energy in power supplies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Greenhouse Office:	-0.6	-0.5	-0.4	1.5

Explanation

The Government will establish a regulator as part of the Australian Greenhouse Office (AGO) to oversee the implementation and progress towards achieving the mandatory targets of an additional 9,500 gigawatt hours of renewable energy used in power supplies by 2010. The mandatory targets will be achieved by the imposition of legally enforceable liabilities on wholesale purchasers of electricity to proportionately contribute towards supporting the purchase of this additional renewable energy.

The four-year cost of this measure will be \$6.5 million, with no net Budget impact. The AGO will fully absorb the costs for each of the first three years (\$5 million from 2000-01 to 2002-03). In addition, the AGO will provide offsets during the first three years to fund the costs of the fourth year (\$1.5 million in 2003-04).

Further Information

The Government agreed to the implementation of the mandatory target for the uptake of renewable energy in power supplies as a result of the Prime Minister's November 1997 Statement *Safeguarding the Future: Australia's Response to Climate Change*.

Interim Sydney Harbour Federation Trust

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	-	-	-	-

Explanation

The Government will allocate funding of \$6 million over two years, from existing funding, to the interim Sydney Harbour Federation Trust (the Trust is interim, pending passage of enabling legislation establishing the Trust). The funding will allow the Trust to develop management plans for each site and ensures that essential maintenance and security of Trust properties occurs, as well as providing limited

public access. The properties include North Head, Georges Head, Middle Head, Woolwich Dock and Cockatoo Island.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	-5.0	-5.0	-5.0	-5.0

Explanation

The Government has endorsed the outcomes of phase 1 of a pricing review on corporate services and grant administration outputs, conducted jointly between the Departments of the Environment and Heritage, and Finance and Administration. This will result in a reduction in the resourcing for the Department of the Environment and Heritage by \$5 million per annum. This reduction will be directed towards partly meeting the costs associated with the limits of the Continental Shelf off the Australian Antarctic Territory.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified in the areas of corporate services and grant administration that were developed as part of the review of the Department's activities.

Further Information

See also the related expense measures titled *Reallocation of departmental resources* and *Reallocation of Technology Diffusion Programme Funds*, in the Industry, Science and Resources portfolio; and *Mapping of the Australian Antarctic Territory extended Continental Shelf* in the Finance and Administration portfolio.

Product stewardship arrangements for waste oil

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Environment and Heritage:	24.7	24.5	24.2	24.0

Explanation

As part of the development of product stewardship arrangements for waste oil, a five-cent per litre levy will be applied to lubricating oils and similar products during 2000-01, to fund payments involved in sustainable recycling and reuse of waste oil. Revenue raised through the new levy on lubricating oils and similar products will be

paid as a subsidy under this measure to waste oil recyclers and reusers to support sustainable long-term arrangements for the management of waste oil in Australia.

Further Information

The introduction of product stewardship arrangements for waste oil was announced in May 1999, as part of *The New Tax System — Measures for a Better Environment* package. The Government has also committed \$60 million over four years for transitional assistance to facilitate the introduction of product stewardship, as announced in the Mid Year Economic and Fiscal Outlook measure, *Oil Recycling*.

See also the related revenue measure *Product stewardship arrangements for waste oil* in the Treasury portfolio.

Family and Community Services

Amendments to A New Tax System (Family Assistance and Related Measures) Bill (2000)

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.7	0.2	0.2	0.2

Explanation

The Government will amend the *A New Tax System (Family Assistance and Related Measures) Bill (2000)* to ensure that the family assistance regime to be introduced on 1 July 2000 is comprehensive. Some of the amendments are of a technical nature to ease implementation while others involve changes to eligibility:

- extending eligibility to individuals who receive the Special Benefit but who do not meet the Family Tax Benefit or Child Care Benefit residence requirement;
- increasing rent assistance for parents paying low rent and sharing the care of a child; and
- measures to make the transition to the new Child Care Benefit scheme more effective.

Child Support Package — a lower cap on payer income subject to child support formula assessment

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:

Explanation

The Government will modify the 'cap' on payer taxable income that is subject to child support assessment to more closely reflect the costs of raising children. The 'cap' is currently set using the benchmark of two and a half times the average total weekly earnings of all full-time employees (\$101,153 per annum in 2000-01). The 'cap' will now use the benchmark of two and a half times the average total weekly earnings of all employees (\$78,378 per annum in 1999-2000).

Child Support Package — assessment of income for child support parents undertaking overtime/second jobs

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	0.7	0.7	0.7

Explanation

To assist parents who are seeking to improve the circumstances of their second family, the Government will exclude second income earnings from the assessment process for child support. Under this measure, a child support payer who has taken on work outside their normal earning pattern to support their second family will be able to apply to the Child Support Agency to have some of the additional income excluded from the assessment of child support.

The Child Support Registrar will determine the extent of any reduction in child support taking into account the circumstances of both parents and the child.

The necessary assessments will increase expenses for the Department of Family and Community Services.

Child Support Package — an increase in the Family Tax Benefit income test deduction for payers with a subsequent family

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.1	5.3	5.7	6.1

Explanation

The Government will increase the level of deductions allowed for the Family Tax Benefit and Childcare Benefits income test for child support payers from 50 per cent to 100 per cent of any child support they pay. This measure will ensure that income assessed for Family Tax Benefit and Childcare Benefit reflects the income actually available to the family of a child support payer. It will not reduce the amount of child support paid.

Child Support Package — lower formula percentages for payers exercising contact with their children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.4	16.4	14.5	15.2

Explanation

To assist parents to maintain contact with their children following separation or divorce, the Government will modify the child support formula to recognise the additional costs faced by parents who maintain contact with their children. A specific and transparent allowance for the costs of caring for a child between 10 per cent and 30 per cent of the nights of the year will be incorporated into the child support formula. In such cases, the child support formula (currently 18 per cent of income) will be reduced by either two percentage points (for parents exercising contact 10 to 19 per cent of nights) or three percentage points (for parents exercising contact 20 to 29 per cent of nights) depending on the level of contact. Currently the payment is reduced by 4 per cent for parents exercising contact for 30 to 39 per cent of nights. Above this, both parents are considered payers and different arrangements apply.

The reduction in child support paid will in some cases be partially offset by an increase in family payment.

Child Support Package — post separation counselling and support for non-resident parents

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	0.4	-	-

Explanation

The Government will implement a pilot programme in two sites to help parents who no longer live with their children to improve their relationships and parenting skills.

The pilot programme will provide intensive practical assistance and ongoing support by assisting clients to access existing community and government programmes such as parenting skills training; peer support services; relationship management programmes; legal advice services; and financial counselling services.

Compliance Strategy – measures to improve control of incorrect payment and fraud – detection

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-14.9	-31.0	-29.2	-31.0

Explanation

The Government will introduce a number of initiatives to improve the detection of incorrect income support payments and fraud. This will be achieved through:

- increased data-matching reviews, and enhancement of the data-matching detection systems to improve the quality of matches;
- amendment to the *Data-matching Programme (Assistance and Tax) Act 1990* to allow matching of income details between the Australian Tax Office (ATO) and Centrelink to be extended to a period of 4 years; and
- an exchange of information between the ATO and Centrelink's tip-off recording systems.

Compliance Strategy – measures to improve control of incorrect payment and fraud – deterrence – publicity campaign to encourage customer compliance

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.7	-6.4	-21.3	-0.5

Explanation

During 2001-02, the Government will conduct a multi-media campaign intended to increase the level of voluntary compliance with social security law. After the initial set up costs, the increased compliance will lead to savings in welfare payments.

Compliance Strategy – measures to improve control of incorrect payment and fraud – research and development projects

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-12.9	-17.1	-6.7	-0.9

Explanation

The Government will test ways to improve the control of incorrect income support payments, and fraud by:

- conducting random sample surveys of Age Pension and Youth Allowance customers to provide data on the level and reasons for incorrect payment; and
- implementing a number of feasibility studies to pilot additional data-matching and inter-agency activities to test their cost-effectiveness.

Continuation of payment to voluntary work agencies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.2	1.6	1.6	1.7

Explanation

The Government will continue its support of voluntary work agencies that assist unemployed people to get and retain contact with the workforce. This initiative aims to improve the effectiveness of voluntary work amongst unemployed income support recipients.

The referral service will facilitate placement of unemployed people in suitable voluntary work positions so that they can obtain the maximum benefits from their voluntary work. Training in volunteer management will assist voluntary work agencies to implement good volunteer management practices to enhance the value of voluntary work to unemployed people.

Extend Double Orphan Pension eligibility

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:

Explanation

The Government will extend the eligibility of the Double Orphan Pension to young people whose sole living parent is a long term remandee. For the period that the parent is on remand for a sentence which potentially carries a term of 10 years or more, the 'orphan' is provided with some financial support.

Extension of the Retirement Assistance for Farmers Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.5	1.9	1.9	2.0
Department of Veterans' Affairs:	0.4	0.3	0.3	0.4
Total	1.9	2.3	2.3	2.4

Explanation

The Government will extend the Retirement Assistance for Farmers Scheme until 30 June 2001, pending a review of the scheme. This will enable eligible farmers to gain access to benefits past the current closing date in September 2000.

The Retirement Assistance for Farmers Scheme was introduced to enable low income and pension-aged farmers (with net farm assets of up to \$500,000) to transfer their farms to a younger generation and gain immediate access to the Age Pension.

This is a cross portfolio measure between the Department of Family and Community Services and the Department of Veterans' Affairs.

Family Assistance Office review mechanism

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	10.7	3.2	0.1	0.1

Explanation

On 10 April 2000 the Minister for Family and Community Services announced the broad parameters of a scheme to enable people to claim a top-up payment if they are able to demonstrate that they are disadvantaged by the introduction of the new family assistance arrangements. The assessment will be made by the Family Assistance Office based on the combined effects of changes to income tax, family assistance and other social payments as part of taxation reforms, and the impact of the Goods and Services Tax (GST). This funding enables the Family Assistance Office to assess inquiries regarding this scheme. Should assessment identify people disadvantaged funding for additional payments will be provided at that time.

Further Information

See also the related capital measure *Family Assistance Office review mechanism* in the Family and Community Services portfolio.

Further simplification of the Social Security Act (1991)

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	-0.2	-1.1	-1.7
Department of Veterans' Affairs:	0.3	..	-0.2	-0.2
Total:	0.5	-0.2	-1.3	-1.9

Explanation

The Government will further simplify the *Social Security Act (1991)* to achieve a simpler social security system that is fairer, easier to administer and more efficient. These changes will improve and simplify the means test provisions and the various rate calculators that determine the rates of payment for entitlements.

Although there are some set up costs, these are more than offset by the savings in later years.

This is a cross portfolio measure between the Department of Family and Community Services and the Department of Veterans' Affairs.

Increase in Youth Allowance assets limits for farms and businesses

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	18.5	36.8	37.7	38.6

Explanation

The Government will increase the family asset threshold governing access to Youth Allowance for dependent young people, by increasing the discount for farm and business assets from 50 per cent to 75 per cent. The measure increases the maximum limit for business assets from \$829,000 to \$1.7 million. The family actual means test and parental income test will continue to be applied where appropriate.

Dependent tertiary students who qualified for a Category 2 loan under the Student Financial Supplement Scheme because they were not eligible for Youth Allowance due to their family's business assets, will now be eligible to receive Youth Allowance subject to the family income test.

Further information

The measure is designed to prevent the asset threshold imposing a disincentive for young people from families with farm and small business assets to continue with education or training.

Introduction of a Preparing for Work Activity Agreement for new claimants of unemployment benefits

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-25.8	-59.8	-62.2	-64.2

Explanation

The Government will build on the successful mutual obligations framework by requiring all new claimants of unemployment payments who have an activity test requirement to enter into a Preparing for Work Activity Agreement. This Agreement will increase compliance with mutual obligation requirements, ensure that benefit recipients are aware of their rights and obligations, and streamline unemployment processes.

Pay Family Allowance to carers of orphaned children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	0.2	0.3	0.4

Explanation

The Government will pay higher amounts of Family Allowance to foster parents of orphaned children, where the foster parents are eligible for a lesser amount than the natural parents would have been. The amount of Family Tax Benefit will follow the child from the natural family to the foster family, and the difference between the natural and foster parent rates will be paid as a supplement with the existing Double Orphan Pension entitlement.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-8.1	-18.1	-28.6	-36.2

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Department of Family and Community Services (FACS) and the Department of Finance and Administration. This review has resulted in a reduction in resourcing for FACS equivalent to 1 per cent of its total departmental appropriation in 2000-01, 3 per cent in 2001-02 and 5 per cent in both 2002-03 and 2003-04. The review has also resulted in a 3 per cent per annum reduction in resourcing to the Child Support Agency. This will be achieved through strategies that increase the proportion of child support paid directly from one parent to another without intervention from the Agency.

An important element of the review was the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The reduction in resourcing reflects a range of improvements to efficiency and effectiveness that have been identified as part of the review.

Protection of people affected by the termination of the Social Security Agreement with the United Kingdom

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-0.8	-2.8	-4.0	-5.5

Explanation

The Government announced in July 1999 that it would be terminating the Social Security Agreement with the United Kingdom. This measure provides for the protection of people affected by the termination of the Agreement.

People who migrated on or before 1 March 2000, the date that written notice of termination was formally served, will get early access to the Australian Age Pension, as happens now under the Agreement, after the Agreement terminates on 1 March 2001.

Further Information

Formal notice of termination was served on the UK Government on 1 March 2000. The Agreement will terminate on 1 March 2001, twelve months after notice was served.

Under the termination provisions of the Agreement, people currently receiving payments under the Agreement or who have lodged claims and are entitled to payment before the Agreement terminates will continue to be paid.

Removal of anomaly between ABSTUDY and the social security income test

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.3	0.4	0.4	0.4
Department of Veterans' Affairs:	..	..	..	..
Total:	1.3	0.4	0.4	0.4

Explanation

The Government will ensure equity in the treatment of ABSTUDY recipients compared to other income support recipients by excluding ABSTUDY payments from the normal partner social security income test.

This measure removes an anomaly in social security legislation where ABSTUDY payments are not excluded from the partner social security income test, unlike other income support payments. Approximately 600 ABSTUDY/social security recipient couples will receive fairer payments.

This is a cross portfolio measure between the Department of Family and Community Services, and the Department of Veterans' Affairs (DVA). As there are a small number of DVA pensioners in receipt of ABSTUDY benefits, the exclusion of ABSTUDY from the income test also has an impact on DVA expenses.

Removal of direct deduction rules from partners of compensation recipients

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.3	3.8	4.1	4.3
Department of Veterans' Affairs:	0.2	0.2	0.2	0.2
Total:	0.5	4.0	4.3	4.5

Explanation

The Government will increase the amount of income support payments made to couples with low levels of income derived largely (or solely) from compensation payments.

This allows for a more generous treatment for the partner of a compensation recipient by replacing the current dollar for dollar direct deduction rules for partners of compensation recipients with the normal social security income test.

This is a cross portfolio measure between the Department of Family and Community Services, and the Department of Veterans' Affairs (DVA). A small number of DVA's income support pensioners also receive periodic compensation payments, resulting in an small expense to DVA from the implementation of this measure

Revised means test treatment of private trusts and private companies

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	22.2	-37.7	-126.6	-132.6
Department of Health and Aged Care:	-	-2.3	-4.8	-5.0
Department of Veterans' Affairs:	3.2	-2.6	-8.8	-8.9
Total:	25.4	-42.6	-140.3	-146.5

Explanation

The Government will introduce measures to ensure that customers who hold their assets in private companies or trusts receive comparable treatment under the means test to those customers who hold their assets directly.

Currently assets held in discretionary trusts are not assessable and any income derived from the trust is assessed only upon distribution. Assets held in private companies are currently assessed according to the net asset backing of the company. This may bear little relationship to the wealth an individual actually controls within the company.

In order to moderate the impact on farmers, in some circumstances, controllers of smaller farms (to a net value not exceeding \$750,000) will be allowed to remain as trust appointer. This will allow them elementary power with respect to farm property without affecting their entitlement to income support.

The revised treatment will apply to all means tested income support payments made under the *Social Security Act 1991* and the *Veterans' Entitlements Act 1986* from 1 January 2002.

The complex initial assessment and major systems changes together result in significant upfront costs. This upfront investment will return major savings to Government.

This is a cross portfolio measure between the Department of Family and Community Services, the Department of Veterans' Affairs and the Department of Health and Aged Care. See also the related capital measure, *Revised means test of private trusts and private companies*, in the Family and Community Services portfolio.

Stronger Families and Communities Strategy — 'Can Do Community' Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.8	1.8	1.8	0.8

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will encourage community participation by showcasing Australian best practice examples of community revitalisation, and providing communities with access to new ideas and contacts useful in developing their own local solutions to local problems. It will include a project ideas bank, and mechanisms to encourage people to become more involved in their community.

Stronger Families and Communities Strategy — national communication campaign

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.5	2.5	1.0	1.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will implement a communications strategy to encourage families to use prevention and early intervention services; promote local partnerships to support families in their community and workplace, and address values and attitudes by promoting key messages.

The strategy will target particular audiences through a range of media including television, radio, print media, Internet, CD ROM, videos and publications.

Stronger Families and Communities Strategy — Early Intervention Parenting and Family Relationship Support Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.6	12.1	14.2	17.2

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will enhance parenting and family relationship support through services and activities with a focus on prevention and early intervention, and target 'at risk' and disadvantaged groups. This initiative will provide practical skills and support for parents and families.

Elements include:

- enhancing parenting skills;
- establishing more playgroups in regional and rural areas;
- providing relationship education in innovative and responsive ways;
- developing relationship education materials tailored to the needs of families and transitions in family life;
- family counselling in rural and regional communities; and
- the development of training resources for legal, medical and other professionals who work with families to assist and refer families when they need support.

Stronger Families and Communities Strategy — greater flexibility and choice in child care initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	4.0	12.0	20.1	29.3

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. This package aims to improve the flexibility of child care to better meet the needs of families and increase equity for families under the Child Care Benefit.

This will include:

- providing better support to assist families to balance paid work, education, community activities and parenting responsibilities through increased flexibility and choice of child care; and
- enlarging the choice of service through
 - extending access to the means tested Child Care Benefit for in-home care for non standard hours and caring for sick children (7,700 new places over four years);
 - allowing private operators to manage Family Day Care schemes and Outside School Hours Care Schemes within existing planning frameworks;
 - providing incentives to private operators to set up centres in rural and regional Australia by offering establishment, set-up and equipment funding along with guaranteed child care benefit funding for the first two years of operation; and
 - setting common standards of quality.

Stronger Families and Communities Strategy – Local Solutions to Local Problems Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.5	4.8	4.6	4.6

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will assist socially disadvantaged communities to respond to local problems through a variety of practical, locally developed solutions. The communities will be able to tailor the initiatives to address local needs and priorities. There will be a focus on initiatives that work in a partnership approach and build capacity over the long term.

Funding for up to 500 projects over four years will be provided for individual communities to develop flexible and relevant solutions for enhancing community cohesiveness and wellbeing. It will also assist in strengthening links between communities, business and government to produce better outcomes for communities.

Stronger Families and Communities Strategy — longitudinal study of Australian children

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.2	1.8	0.5	3.6

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will conduct a national longitudinal cohort study of children and their families to inform Government policy on early childhood and effective early intervention and prevention strategies in areas of health, education, child care and family support. It will provide unique Australian data and complement other current social research on families.

Stronger Families and Communities Strategy — National Skills Development Programme for volunteers and the International Year of the Volunteer

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.8	6.0	3.0	3.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The United Nations has identified 2001 as the International Year of the Volunteer. The Government has decided to respond by offering a number of activities that communities may select to celebrate the International Year of the Volunteer. This will include promotion of volunteer activity, greater recognition of volunteers and the fostering of volunteer efforts in rural and regional areas. Funding continues beyond the International Year of the Volunteer because volunteers are an important ingredient of strong and sustainable communities.

The initiative will also enable people to develop skills as volunteers by providing the skills training necessary for volunteers to provide a better standard of service to community groups.

Stronger Families and Communities Strategy — Potential Leadership in Local Communities Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.0	11.7	11.2	11.2

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will support leadership at the community level by identifying potential community leaders in socially disadvantaged areas and those active in the community outside industry and government structures. A coaching programme will give individuals the skills and support to identify local problems and develop local solutions. This will further enhance the capacity of communities to address local problems and tap into local resources. Funding for up to 400 communities over four years will be provided.

Stronger Families and Communities Strategy — Stronger Families Fund

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.5	7.5	13.0	17.0

Explanation

This measure forms part of the *Stronger Families and Communities Strategy* announced by the Prime Minister on 16 April 2000. The Government will establish a Stronger Families Fund. The Fund will encourage communities to develop innovative ways to help families function better by focusing assistance on early childhood and parenting.

Neighbourhoods and communities will identify ways to strengthen and support families in their local community by combining Stronger Families Fund and community resources and infrastructure to respond to local needs and issues. Projects might cross a range of government portfolio areas and will focus on prevention and early intervention. Projects will build on existing infrastructure such as health and childcare centres, schools, playgroups, workplaces, churches, sporting and recreational clubs. Partnerships between local residents, volunteers and paid professionals from business, government and non-government organisations will be an integral part of this approach.

A total of about 75 projects across Australia will be established, a number of which will be developed in Aboriginal and Torres Strait Islander communities. They will utilise

opportunities for linkages with other initiatives including the National Indigenous English Literacy, Numeracy and Attendance Strategy.

The New Tax System — GST Assistance Scheme for low income earners

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	9.6	-	-	-

Explanation

The *GST Assistance Scheme for low income earners* will provide a one-off payment of \$120 to low income persons who can identify themselves as not being eligible to receive compensation from either the taxation or social security systems and not being a dependant of such a person.

Unauthorised Arrivals in Australia — apply the activity test to recipients of Special Benefits

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	4.0	0.9	-1.9	-2.0

Explanation

The Government will apply activity testing and other requirements to the holders of Temporary Protection Visas.

Under this measure, holders of Temporary Protection Visas will be subject to mutual obligation requirements similar to Australian nationals in receipt of unemployment benefits. In addition to providing access to the Job Network, this is expected to increase their integration with the workforce and therefore improve the chance of moving off Special Benefits and into employment.

This measure increases expenses in the short term, reflecting the need to implement changes to systems and to provide appropriate assessment and translating services. These expenses will be more than offset in later years as usage of Special Benefits declines.

Further Information

This measure forms part of the package of measures implemented in response to the report on *Unauthorised Arrivals in Australia*, commissioned to address the rapid growth of unauthorised arrivals by boat and to reduce outlays on detention and processing.

See also the related expense and capital measures in the Immigration and Multicultural Affairs and Attorney-General's portfolios.

Welfare reform pilots — mature age participation pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	3.0	0.1	-	-

Explanation

The Government will introduce a pilot programme to test the extent to which certain groups of older working-age Australians (aged 50 years and over) face barriers to greater economic and social participation.

The pilot programme will test the feasibility and effectiveness of a range of approaches to assist these people to be more active in work and community life. The pilot will test ways of offering new opportunities to some groups of older Australians, who may not have previously had access to the full range of employment and other services. These opportunities could offer a way of fostering a culture of self-reliance in the community, while providing an effective safety net.

Welfare reform pilots — tailored assistance for the very long term unemployed pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	1.4	-	-	-

Explanation

The Government will introduce a pilot programme to test the effectiveness of different strategies to help the very long-term unemployed. The pilot will involve intensive interviews with Newstart Allowance customers who have been on income support for five years or more. The interview will examine the extent of multiple and extreme barriers to workforce participation that interviewees face and develop strategies to address these barriers.

Welfare reform pilots — workless families assistance pilot

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	2.4	..	-	-

Explanation

The Government will introduce a pilot programme to test new ways to help families without paid work and who have school age children to increase their economic and social participation.

The pilot programme will test approaches to help couples balance their caring and economic participation roles by improving access to existing programmes such as job search, training, voluntary work, or other activities. The characteristics and reasons associated with uptake/non-uptake of services by Parenting Payment customers will also be explored.

Finance and Administration

Mapping of the Australian Antarctic Territory extended Continental Shelf

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Finance and Administration:	15.8	11.6	1.4	1.6

Explanation

The Government will undertake a programme of mapping the limits of the Continental Shelf off the Australian Antarctic Territory beyond Australia's 200 nautical mile Exclusive Economic Zone, to preserve Australia's rights under the United Nations Convention on the Law of the Sea.

Resources will be provided to the Department of Finance and Administration to manage this project in consultation with the Antarctic Division of the Department of Environment and Heritage. The Department of Finance and Administration will contract out the services to collect and analyse data necessary to delineate the outer limits of the Antarctic continental shelf for submission to the Commission on the Limits of the Continental Shelf by November 2004.

Further Information

See also related expense measures *Reallocation of departmental resources* and *Reallocation of Technology Diffusion Programme funds* in the Industry, Science and Resources portfolio and *Pricing review of departmental resourcing* in the Environment and Heritage portfolio.

Reduction in departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Finance and Administration:	-5.0	-5.0	-5.0	-5.0

Explanation

The resourcing of the Department of Finance and Administration will be reduced by \$5 million per annum reflecting further efficiencies in the use of its resources.

Continuation of resourcing for OASITO

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Office of Asset Sales and Information Technology Outsourcing:	5.0	-	-	-

Explanation

The Government will provide the Office of Asset Sales and Information Technology Outsourcing (OASITO) with funding of \$5 million in 2000-01. This will enable OASITO to continue to undertake activities associated with its asset sales programme and re-instate funding for a notional asset sales team of about 30 staff on a full year basis.

OASITO will also provide advice (in conjunction with the Department of Defence) on the Commonwealth's options for the future ownership and control of the Australian Submarine Corporation. This study is estimated to cost \$2 million in 1999-2000.

Further Information

Consistent with previous practice, the departmental expenses for OASITO are determined in the annual budget process.

Foreign Affairs and Trade

Australian Youth Ambassadors for Development Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government announced in 1998 a two-year pilot to foster links between Australia and regional countries by placing young skilled Australians in developing countries throughout the Asia-Pacific region to carry out a range of development activities. The aim of the pilot is for youth ambassadors to bring back to Australia a practical appreciation of the cultures, economies and development needs of the countries in our region. Following its success with young Australians and strong support from Australian organisations and partner countries, the programme has been established as an ongoing aid programme at a cost of \$5 million in 2000-01 (funded from the existing global aid budget) with the aim of placing 240 Youth Ambassadors each year.

Debt forgiveness for Heavily Indebted Poor Countries

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	*	*	*	*

Explanation

The Government will provide 100 per cent bilateral debt forgiveness for countries which qualify for debt relief under the enhanced Heavily Indebted Poor Countries (HIPC) Initiative co-ordinated by the International Monetary Fund and World Bank. The enhanced HIPC Initiative provides debt relief to countries with unsustainable debt burdens which are establishing sound institutional and policy frameworks and ensures that the proceeds of debt relief are directed towards poverty reduction.

Of the 40 countries that have currently been identified for possible debt relief under the enhanced HIPC Initiative, there are two — Nicaragua and Ethiopia — which have debts to Australia and are expected to qualify for relief. Australia is owed \$5.7 million by Nicaragua and \$12.6 million by Ethiopia. When Nicaragua and Ethiopia receive debt relief under HIPC, all of the debt they owe to the Australian Government will be forgiven. The cost of this measure will be additional to the aid budget.

The precise timing and magnitude of the impact on the Budget of this measure will depend on when Ethiopia and Nicaragua receive debt relief under the enhanced HIPC Initiative and on factors such as movements in exchange rates.

Establishment of an ongoing East Timor Aid Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	25.0	25.0	25.0	25.0

Explanation

The Government will provide a total of \$150 million over the next four years towards the reconstruction of East Timor. Additional funding of \$25 million per annum over four years will be provided which, together with at least an additional \$10 million per annum from the existing global aid budget, will enable Australia's aid response in East Timor to focus on long-term development activities and nation building. This measure contributes to the Government's commitment to provide substantial assistance to East Timor.

Australia will play a key role in promoting good governance, peace building, and the creation of a stable and viable East Timor. Australia's contribution will include funding to the United Nations Transitional Administration in East Timor, which will oversee reconstruction and development activities.

The programme will emphasise capacity building to enable the East Timorese to enhance their capacity for self-government and take responsibility for their future development. Humanitarian relief to assist the resettlement and rehabilitation of East Timorese communities will also be provided.

Grant to the Commonwealth's Trade and Investment Access Facility

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Commonwealth's Trade and Investment Access Facility (TIAF) was established in 1997 at the Prime Minister's initiative with an Australian grant of \$1.5 million over three years. The Government will continue its support for the Facility with an annual grant of \$0.5 million a year for the next three years (funded from the existing global aid budget). Continued funding will assist TIAF to help Commonwealth developing

countries manage the impact of globalisation and make better use of the World Trade Organisation to pursue trade and investment opportunities. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Extension of the Australia-South Pacific 2000 Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government will provide \$3 million (\$0.5 million per annum) over six years (funded from within the existing aid budget) in order to extend to 2006 the Australia-South Pacific 2000 Programme. This Programme aims to encourage development in the South Pacific and was due to end in 2000. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Increased contribution to the Commonwealth Fund for Technical Cooperation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Agency for International Development:	-	-	-	-

Explanation

The Government will increase its contribution to the Commonwealth Fund for Technical Cooperation (CFTC) by 10 per cent each year for the next three years (funded from the existing global aid budget), taking Australia's contribution from \$7.2 million in 1999-2000 to \$9.5 million in 2002-03. This funding will support CFTC's programmes in areas such as supporting democratic and legal institutions, economic management and public sector reform. This measure delivers on the Prime Minister's commitment made at the 1999 Commonwealth Heads of Government Meeting.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Foreign Affairs and Trade:	1.1	1.1	1.1	1.1

Explanation

The Government has endorsed the outcomes of a joint pricing review between the Department of Foreign Affairs and Trade (DFAT) and the Department of Finance and Administration. This review has resulted in an increase in DFAT's resourcing of \$1.1 million per annum.

This funding will be used to maintain the current level of consular service in the face of increasing demand. In particular, it will be used to ensure that essential travel advice and information is better targeted, to develop global on-line case management technology, and to extend access to the 24-hour Consular Operations Centre to as many consular clients and countries as possible.

This measure contributes to the Government's commitment to provide a comprehensive and high quality consular service for Australians abroad.

The increase in resourcing will be offset by an increase in consular notarial fees. See the related revenue measure titled *Increase in Consular notarial fees*, in the Foreign Affairs and Trade Portfolio.

Health and Aged Care

Food safety protection

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australia New Zealand Food Authority:	6.5	6.5	6.5	6.6

Explanation

Additional funding is being provided to the Australia New Zealand Food Authority (ANZFA) to enable it to continue to effectively manage current and emerging food regulatory issues. These issues include:

- foods produced using biotechnology. Rapid growth in the range and scientific complexity of genetically modified foods requires individual safety assessment and approvals; and
- a range of 'novel foods' are emerging (containing materials not traditionally found in the diet) that require individual, pre-market scientific assessment and approval to assure consumers of their safety.

ANZFA (on behalf of State and Territory Governments) has been developing uniform national food safety standards. Work is continuing to ensure that the standards do not impose unwarranted costs on business, particularly small business and primary industry.

A Better Medication Management System

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	21.6	15.7	-9.7	-16.0
Department of Veterans' Affairs:	0.5	1.0	0.1	0.2
Total:	22.1	16.6	-9.6	-15.8

Explanation

The Government will implement a new electronic system from 1 July 2001 to provide improved safety and quality for consumers in prescribing. Funding over the first two years will be provided as incentive payments to doctors and pharmacists to encourage adoption of the system, and to the Health Insurance Commission for infrastructure

costs related to implementing the electronic system. Under the new system, consumers will be able to opt to have a medication record created electronically which they can then access and which doctors and pharmacists, to whom the consumer goes, can use to avoid possible overdoses and potentially dangerous drug interactions. The new system provides a facility to enable consumers to have their safety net entitlements calculated automatically.

Savings will accrue from improvements in monitoring the Pharmaceutical Benefits Scheme (PBS). In addition to promoting improved health outcomes, the measure will generate savings by ensuring greater compliance by doctors with PBS prescribing requirements, reducing the number of payments made in error and reducing the number of prescriptions supplied to individuals in breach of PBS conditions.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small expense in DVA results from the implementation of this measure.

Consumer and community involvement in influencing health decisions

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.3	2.3	2.3	2.3

Explanation

This measure will enable the Government to more readily tap into consumer and local community views on health and aged care programmes and health issues in general. A market research programme will be implemented to track public attitudes and concerns and to provide community input to, and feedback on, health issues at a local level. In addition, the ABS National Health Survey will be expanded to become a regular, targeted triennial survey with an enhanced sample of Indigenous Australians.

Implementation of this measure will enable the community's expectations and concerns about the health system generally as well as particular issues to be identified and tracked over time. It will allow Government to collect information which will influence health policy decisions.

Delete nasal sprays from the Pharmaceutical Benefits Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-7.0	-17.6	-18.4	-19.2
Department of Veterans' Affairs:	0.1	0.2	0.2	0.2
Total:	-6.9	-17.4	-18.2	-19.0

Explanation

On the advice of the Pharmaceutical Benefits Advisory Committee (PBAC), nasal sprays for the treatment of rhinitis and rhinorrhea conditions (such as, sneezing, itchy nose, and runny nose) will be deleted from the Pharmaceutical Benefits Scheme (PBS). The Repatriation Pharmaceutical Benefits Scheme (RPBS) will not be altered by this measure.

The PBAC has indicated that for many patients the benefits of these products are relatively small and PBS outlays may be better directed towards management of more severe diseases.

This is a cross-portfolio measure and will result in a small expense for the Department of Veterans' Affairs due to a substitution in demand from the PBS to the RPBS for nasal sprays.

Early detection of bowel cancer

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.6	2.0	1.9	1.7

Explanation

The Government will provide funding for a pilot to test the feasibility of implementing a general screening programme for bowel cancer. Bowel cancer screening will be offered to 50,000 people aged between 50 and 75 years.

The pilot programme will focus on the efficacy of the screening protocols to:

- validate reductions in mortality;
- demonstrate cost effectiveness of screening; and
- explore issues around practical implementation.

Around one in twenty Australians may develop bowel cancer and death is preventable if the disease is detected early. The pilot will examine practical issues around recruitment for screening, delivery of the tests, payment and funding, community acceptance of the tests, supporting infrastructure for a national effort and data collection and monitoring.

Enhancing the evaluation expertise provided to the Pharmaceutical Benefits Advisory Committee

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	0.8	0.8	0.8	0.8

Explanation

This measure will ensure that all accepted major submissions to the Pharmaceutical Benefits Advisory Committee (PBAC) for listing of medicines on the Pharmaceutical Benefits Scheme (PBS), including submissions for new drugs, are fully evaluated within the existing 7-week time frame. This timeframe is essential if the community is not to experience delays in access to valuable new medicines. It is also important that industry receive a timely service through government processes.

Submissions to the PBAC for listing of medicines on the PBS are growing in both number and complexity and evaluation capacity needs to be augmented to ensure it can cope with this and maintain the above timeframe.

Ensuring quality care

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.9	2.8	2.8	3.0

Explanation

This measure will ensure that residential aged care service providers deliver a minimum acceptable standard of care to aged care residents. It will also ensure that current concerns about the standard of care are promptly investigated and resolved.

Accreditation of aged care facilities will be supported by a strengthened Government capacity to investigate emerging evidence and serious complaints of failures to provide minimum standards of acceptable care. This measure will establish a national network of specialised investigators, comprising a registered nurse and investigation officer in each State and Territory office, to provide a rapid response to emerging problems.

Establishment of an Australian Cord Blood Banking Network

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	2.2	2.2	2.3	2.3

Explanation

This proposal will increase significantly the opportunity for life saving treatment for those Australians, especially children, with life threatening diseases such as leukemia. A national network of collection centres and umbilical cord blood banks will collect and store 20,000 units of cord blood (over four years) to be used as an alternative source of haemopoetic stem cells for transplantation. The above costs represent fifty percent of the total costs, as the costs will be shared with the States and Territories.

Given the difficulties in finding compatible bone marrow for Indigenous people, an additional 2,000 units of cord blood (over four years) will be collected from Aboriginal and Torres Strait Islander people and stored.

Further Information

A cord blood bank network of 20,000 units will provide a match for 80 per cent of searches. It is estimated that using unrelated cord blood will double the number of transplants performed.

Fringe Benefits Tax transitional grants for public and not-for-profit hospitals

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	88.0	80.5	72.0	-

Explanation

The Government will provide substantial funding to support public and not-for-profit hospital services in the transition to the new fringe benefits tax (FBT) arrangements.

In its tax reform package *A New Tax System*, the Government announced a measure designed to stop overuse of the current open-ended concessional FBT treatment available to public benevolent institutions and certain other not-for-profit organisations. *A New Tax System* noted that a cap would be imposed on the value of concessional fringe benefits that could be provided to employees of those organisations.

The cap to apply to public and not-for-profit hospitals will be \$17,000 of grossed up taxable value per employee, effective from 1 April 2000. To assist with the transition to the \$17,000 cap, the Government will provide grants for public and not-for-profit hospitals over the 2000-01 to 2002-03 period, reducing to zero in 2003-04.

See also the related revenue measure, *Change to the fringe benefits tax capping measure applying to public benevolent institutions and non-profit employers*, in the Treasury portfolio.

Further reforms to the Hearing Services Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-10.9	-4.2	-4.4	-4.5

Explanation

The Government will introduce the following measures from 1 October 2000:

- a hearing rehabilitation only item will be included in the schedule of hearing services to provide a reasonable alternative to hearing aids for people with low levels of hearing loss;
- the period between hearing services voucher reissue will be extended from one to two years (unless clinical need to have a reassessment earlier can be demonstrated); and
- the period between hearing aid refitting will be extended from four to five years (unless clinical need to have a refit earlier can be demonstrated).

Providers will be required to seek approval from the Office of Hearing Services prior to refitting clients with hearing aids within the five-year period outlined above.

These measures will improve the targeting of the programme to those with a clinical need for assistance. The savings are greatest in the first year due to the largely one-off effect from extending the periods between voucher reissue and hearing aid refitting.

Health technology quality enhancement

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	7.8	7.9	-2.2	-60.0
Department of Veterans' Affairs:	-0.8	-1.0	-0.8	-0.8
Total:	7.0	6.9	-3.0	-60.8

Explanation

The Government will introduce a number of initiatives to improve access to high technology and innovative medical services, consolidating and extending measures from previous budgets.

In pathology, the current three-year agreement with the profession will be extended to five years and a number of urban public pathology services currently funded under Health Programme Grants will be mainstreamed into the Medicare Benefits Schedule under the Pathology Agreement. In diagnostic imaging, the current three-year agreement with the profession will be extended to five years.

A small programme of support for new activities under the General Practice Memorandum of Understanding will also be provided. This includes development work in the diagnostic imaging area.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small change in expenses in DVA results from the implementation of this measure.

Improved pharmaceutical benefits entitlement monitoring

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-5.7	-18.0	-20.7	-22.2
Department of Veterans' Affairs:	..	-0.4	-0.6	-0.7
Total:	-5.7	-18.4	-21.3	-22.9

Explanation

This measure, to apply from 1 January 2001, is based on the use of the Medicare number on pharmaceutical benefit prescription information provided to the Health

Insurance Commission. It will facilitate the monitoring of entitlement to pharmaceutical benefits, for example, the status of visitors from overseas, excessive use of particular medicines and improvements in the administration of the authority prescription system.

This measure will assist in ensuring that pharmaceutical benefits are not provided inappropriately, and will result in a reduction in the number of payments made in error for prescriptions for persons not currently eligible for Pharmaceutical Benefits Scheme subsidy. It will also improve the ability of the Health Insurance Commission to identify individuals using excessive quantities of medicines.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small change in expenses results in DVA from the implementation of this measure.

National Alcohol Harm Reduction Strategy

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.0	1.0	1.0	1.0

Explanation

This measure is directed at reducing alcohol related harm in the Australian community. Particular attention will be given to those populations, including the young and Indigenous Australians where the risk of alcohol related harm is greatest.

Funding will support:

- implementation of the National Alcohol Action Plan;
- the development of Commonwealth actions to complement the National Alcohol Action Plan;
- promotion of the updated National Health and Medical Research Council Responsible Drinking Guidelines; and
- the development of partnerships aimed at reducing alcohol-related harm, and evaluation of the National Alcohol Strategy.

National Childhood Nutrition Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	6.5	6.5	-	-

Explanation

The Government's taxation reform package included a commitment to provide \$15 million over three years commencing in 1999-2000 for a national programme to improve nutrition in young children. Some \$2 million has already been committed in 1999-2000 for this initiative.

This measure will provide Commonwealth funding directly to community based projects for services and activities to improve the diet and longer term eating habits of young children. It will target all children aged 0-12 years and their parents, including those in rural and remote communities, Aboriginal and Torres Strait Islander communities and other lower socio-economic groups.

Further Information

Projects will be funded to utilise existing infrastructure such as baby health clinics, education services, child care centres, regional health services and community organisations, to fill gaps in services, to extend existing programmes and/or to develop new and innovative approaches to identified local problems.

National Depression Initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-	-	-	-

Explanation

The Government will provide \$3.5 million per annum over the next five years as part of a National Depression Initiative. This funding is to be absorbed by the Department of Health and Aged Care. Depression is one of the major causes of illness and disability in Australia, as it is internationally. Its impact on the Australian community has been recognised as considerable by the Government not only in personal, but also in social and economic terms.

The National Depression Initiative seeks to foster greater awareness through community education, promote professional training and development primarily in primary care, and research better prevention, treatment and management approaches

to deal with the burden of depression. This work will be managed by a national body with a board reflective of the broad community with funding made available from all Australian governments matched by the Australian corporate sector.

National radiotherapy single machine unit trial

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.0	2.9	2.9	2.9
Department of Veterans' Affairs:	..	..	..	..
Total:	1.0	2.9	2.9	3.0

Explanation

An innovative system of radiotherapy service delivery for rural people is to be trialed using Single Machine Units. This is based on a hub and spoke service delivery model whereby rural Single Machine Unit radiotherapy services are linked to major metropolitan services thus aiming to ensure standards of professional and service quality.

The five-year trial will test the extent to which Single Machine Units will improve access to and utilisation of radiotherapy services, without compromising quality of care. The trial will be subject to rigorous evaluation, which will include investigation of the cost effectiveness and long term financial viability of Single Machine services.

Further Information

In 1996, the Australian Health Technology Advisory Committee recommended that radiotherapy centres have at least two mega voltage machines. The five-year Single Machine Unit Trial offers an opportunity to examine alternative models of radiotherapy treatment for rural and remote patients.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA provides health care services to veterans, a small expense in DVA results from the implementation of this measure.

National Strategy for an Ageing Australia

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.5	1.5	1.5	1.5

Explanation

Building on the achievements of the 1999 International Year of the Older Persons, this measure will enable implementation of a range of partnership initiatives to be developed with other areas of Government as well as non-government organisations and the private sector.

The Strategy will focus on a whole-of-government approach to the ageing of the Australian population; promoting positive images of older Australians; healthy ageing; mature age employment; and international research and the sharing of expertise in delivering aged care services.

Initiatives will be developed to improve the profile of mature age workers and highlight the valuable contribution they will be required to make as the growth in the labourforce slows as a result of population ageing. Work will also be undertaken to build on international links through research and export initiatives, and to respond to the increasing interest in Australia's aged care services being shown by other countries.

Nucleic acid testing and other measures to improve the safety of fresh blood products

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	8.3	7.4	7.9	8.5

Explanation

This measure will enable nucleic acid testing by the Australian Red Cross Blood Service of all blood donations. The introduction of nucleic acid testing and regulatory arrangements for fresh blood products will reduce significantly the risk of transmission of blood-borne diseases through blood and blood products. In accordance with current Red Cross funding arrangements, the Commonwealth will contribute 40 per cent of the operating costs and 50 per cent of the capital costs of this measure while the States and Territories will contribute the balance.

Further Information

Nucleic acid testing is a new technology that can detect the presence of a virus in a blood donation before the donor has developed the antibodies that are detected by current testing procedures.

The new regulatory arrangements involve extending the Therapeutic Goods Administration's activities to include the collection, processing and storage of fresh blood products produced by the Red Cross. This replaces the current split of functions between the Commonwealth and the States.

Reduction in amounts payable to the Health Insurance Commission for processing Medicare and related benefits

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	-2.0	-2.0	-2.0	-2.0

Explanation

Services provided by the Health Insurance Commission (HIC) to the Department of Health and Aged Care, such as the delivery of Medicare benefits and related programmes, will cost less under a new Output Pricing Agreement to take effect from 1 July 2000.

The savings will not result in a diminution of service standards for the public and other HIC clients, as they will be achieved from efficiencies within the Commission's operations.

Reform of Public Health and Safety Regulatory Arrangements

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.5	-	-	-

Explanation

The Government will fund a study over twelve months into opportunities to coordinate public health and safety regulatory arrangements in order to achieve a more efficient, accountable and transparent regulatory framework for food, medicines, medical devices, gene technology and chemicals. The study will be conducted in close cooperation with the States, Territories, New Zealand, industry and consumers.

Future arrangements should provide more effective decision making processes and streamlined interactions between industry, consumers and health regulators, whilst maintaining confidence in public health and safety regulation in both Australia and New Zealand.

Further Information

Health and safety regulation involves a multiplicity of Commonwealth Government authorities with different funding and governance regimes across the regulators. There are overlaps and fragmentation of responsibility for food, medicines and medical devices, agricultural and veterinary chemicals, household chemicals and gene technology.

Regional Health Package – More Doctors, Better Services

Expenses (\$m)

	2000-01	2001-02	2002-03	2003-04
New general practitioner registrars	10.1	20.6	31.6	39.7
Enhanced RAMUS	2.0	2.0	2.0	2.0
HECS reimbursement (DETYA)	0.3	0.6	1.3	2.0
Bonded scholarships for medical students to practice in rural areas				
Health component	1.8	3.3	5.2	7.3
DETYA component	1.4	2.9	4.5	6.0
Medical training – additional University departments of rural health and clinical schools	8.7	25.3	38.1	45.6
Medical specialist outreach assistance	5.0	14.3	14.5	14.7
More allied health services	10.5	11.4	12.6	14.9
Workforce support for rural general practitioners	2.1	2.6	2.7	2.7
Regional health services expansion	4.9	14.1	21.6	28.3
Chronic Disease Rural Strategy	2.5	2.1	3.7	5.9
Enhanced Rural and Remote Pharmacy Package	8.0	11.5	11.1	11.0
Bush nursing, small community and regional hospitals	4.1	7.6	8.2	10.4
Aged Care – adjustment grants for small rural aged care facilities	4.6	7.2	9.4	9.6
Communications Strategy	2.0	1.0	0.5	0.5
TOTAL – Department of Education, Training and Youth Affairs	1.8	3.6	5.8	8.1
TOTAL – Department of Health and Aged Care	66.2	123.0	161.3	192.5
TOTAL – More Doctors, Better Services	67.9	126.6	167.1	200.6

Note: All expenses shown are for the Department of Health and Aged Care, except for amounts indicated as being for the Department of Education, Training and Youth Affairs, (DETYA).

The Government is committed to improving access to health and aged care services for regional and rural communities, right across Australia.

The Budget introduces an extensive and integrated package of measures designed to provide more doctors and better health services in rural areas, at a cost of \$562 million over four years.

This package will increase the number of general practitioners and specialists working in rural Australia in the short term, and provides for this increase to continue into the future. Incentives will be provided for medical graduates to undertake their vocational training in rural Australia, immediately increasing the supply of qualified medical practitioners working in these areas.

Better services will be available in rural areas, through a new focus on allied health professionals and chronic disease. Communities will be able to access allied health services not previously available in some areas, including practice nurses, psychologists, physiotherapists and podiatrists, reducing the load on general practitioners and complementing the services they provide. Funding will also be available to assist communities to combat the burden of chronic disease amongst their local population.

Underpinning these initiatives is funding to support and increase the health and aged care infrastructure in the country with more regional health services and support to ensure the ongoing viability of small rural community hospitals and aged care facilities. New rural medical educational facilities in the form of nine new clinical schools and three new University Departments of Rural Health will be established to enable medical students to be exposed to rural practice, and to support existing rural practitioners with ongoing training. The Government will establish an Office of Rural Health in the Department of Health and Aged Care to oversee the implementation of this programme.

All of the elements of this package are mutually reinforcing, ensuring that rural and regional Australians will have more doctors and better services now, and into the future. The package has been carefully designed around a partnership approach that recognises that needs will vary between communities. It will focus on local solutions to local problems—recognising that communities are often best placed to know what will work best for them.

New general practitioner registrars

The Government will provide \$102.1 million over four years to immediately increase access to general practice services in regional Australia. There will be an increase of 50 places per year during the next three years for general practice vocational training in rural and regional areas, taking the total number of registrar places to 450 per year. The distribution of existing training places will also be changed to favour rural areas. This rural emphasis in the allocation of places will be complemented by financial incentives to encourage medical practitioners to undertake their vocational training in rural and remote locations.

This proposal will immediately increase access to general practice services. It also aims to increase the number of registrars who gain confidence-building experience in rural areas, which can assist their choice to take up practice in rural areas following

completion of their training. There will also be improved retention of practitioners in these areas as registrars who go to rural areas will be better prepared for handling the professional and personal demands of rural work. This initiative will be reviewed after four years to assess its effectiveness.

Enhanced Rural Australian Medical Undergraduate Scholarships (RAMUS)

To enable more students with rural backgrounds to undertake medical training, the Government will provide an additional \$8.0 million over four years through the Rural Australian Medical Undergraduate Scholarships (RAMUS) scheme. This will double the number of scholarships available under the scheme, bringing the total number of students receiving payments to almost 400 in each year.

These scholarships support undergraduate medical students who have completed their secondary education in a rural area. The scholarships provide financial assistance towards the cost of accommodation, living and travel expenses.

Evidence suggests that medical graduates originally from rural areas are more likely to return to rural areas to practice once they have completed their training and this initiative is designed to increase the number of doctors practising in rural areas in the longer term.

HECS reimbursement

To further promote careers in rural medicine, the Government will provide financial incentives of \$4.3 million over four years to attract graduating medical students by offering them the opportunity to 'acquit' their HECS debt in a designated rural area.

Under this scheme, graduating medical students who are willing to commit to rural practice will be better off financially. One fifth of the HECS debt will be foregone for each year worked in a designated rural area.

Bonded scholarships for medical students to practice in rural areas

The Government will provide \$32.4 million over 4 years to create 100 scholarships of \$20,000 per annum, and an associated increase in medical student places. These scholarships will be offered to new medical students each year in return for a commitment to practice in rural areas for a period of at least six years at the completion of their training. Students accepting these scholarships would be issued with a restricted provider number for the period of the bond, and only become eligible to provide Medicare rebateable services in urban areas after their obligations have been discharged.

Medical Training — Additional University Departments of Rural Health and Clinical Schools

The Government will provide significant funds for regionally based medical education infrastructure over the next four years, at a cost of \$117.6 million.

To enable all medical students to be exposed to rural practice as a part of their medical training, and to facilitate a greater focus on rural issues in the medical training

curriculum, nine new clinical schools will be established over the next three years. This initiative will mean that every Australian medical faculty has a clinical school in regional Australia, thereby increasing the opportunities for medical students to complete training in rural service delivery and encourage country students to pursue a career in medicine (and in particular rural medicine).

In addition, the Government will establish three new University Departments of Rural Health over the next three years, bringing the total number of Departments of Rural Health to ten. This will enhance support for rural health practitioners, training opportunities and facilitating greater collaboration and integration of service delivery.

Medical Specialist Outreach Assistance

The Government will provide \$48.4 million over four years in incentives and/or travel costs to specialists to provide outreach specialist services. It will also provide for the establishment of an administering body to identify regions and potential visiting specialists.

Specialists who participate in the programme will also act as mentors for the up-skilling of local health professionals. This will ensure that when specialist services are not directly available, regional communities will have access to the skills and services required to meet their health needs.

More Allied Health Services

This measure will provide \$49.4 million over four years to improve access to allied health services. Communities will be able to employ allied health practitioners, such as practice nurses, psychologists, physiotherapists and podiatrists, in line with locally identified needs, to ensure that they are able to access a wide range of services and to complement the skills of local general practitioners.

Workforce Support for Rural General Practitioners

This initiative will provide \$10.2 million over four years to ensure that rural and remote Divisions of General Practice can provide effective support to practitioners in their areas, especially newly arrived doctors.

Under this initiative, rural Divisions will be resourced to expand their role in attracting and retaining general practitioners through, for example: professional and family support, integration with other health care providers, mentoring of medical students, early immersion of registrars into rural general practice, and continuing medical education for local general practitioners (particularly Other Medical Practitioners).

Regional Health Services Expansion

The Government will provide \$68.9 million over four years to build on the successful Regional Health Services programme, making provision for 85 additional services over the next four years. Regional Health Services have proven to be a flexible way to deliver a range of health and aged care services to communities that are often too small to support stand-alone services.

The aim of the programme is to work with rural communities to identify local priorities and develop and support integrated health and aged care services to address those priorities. A very wide range of services can be supported under the programme, including medical services, community health care, child health services, substance misuse and abuse counselling, mental health services and aged care.

Chronic Disease Rural Strategy

The Government will provide \$14.2 million over four years to assist rural communities prevent and better manage chronic diseases such as asthma, heart disease, stroke, renal failure, Type 2 diabetes, osteoporosis, cancers, depression, vaccine preventable diseases and disabilities caused by preventable injuries.

Funding will be available to develop health delivery models specifically for small communities where people do not have the easy access to the full range of health care services available in urban areas. These models will be evidence based suitable for implementation through Regional Health Services as well as other community based structures. A system to monitor the incidence of chronic disease and behavioural risk factors will also be established.

Enhanced Rural and Remote Pharmacy Package

The Government will provide an additional \$41.6 million over four years in order to maintain and improve access to quality pharmacy services in rural and remote areas, recognising that pharmacists are an important part of the rural health infrastructure. These funds will be combined with existing funding from the Isolated Pharmacy Allowance and the Remote Pharmacy Allowance, with funding for the package totalling \$60.4 million over 4 years.

This initiative establishes a new Rural Pharmacy Maintenance Allowance to support existing pharmacies in rural and remote locations, and provide start-up assistance to encourage establishment of pharmacies in particular rural and remote areas. Start-up funding will target areas where there is a need for a community pharmacy and where it has proven difficult to attract a pharmacy to date.

This initiative will utilise regional placements of undergraduates to encourage increased numbers of pharmacy graduates to take up rural practice, and introduce an Aboriginal pharmacist scholarship scheme. It will also introduce a proprietor succession programme and a locum relief scheme to support existing pharmacists and ensure that pharmacy services are maintained in regional areas despite a significant proportion of regional pharmacists nearing retirement age.

Bush Nursing, Small Community and Regional Private Hospitals

The Government will provide \$30.3 million over four years to assist community hospitals in rural areas to identify the need for, and implement, refurbishment, reorganisation, business re-engineering or restructuring. Many of these small country community hospitals are run by religious and charitable organisations. The initiative will protect the ongoing viability of small rural private health services and ensure

continuity of health service delivery and choice in health service provision for people living in rural communities.

Aged Care — Adjustment Grants for Small Rural Aged Care Facilities

The Government will provide increased funding of \$30.8 million over four years to ensure that older Australians and their families, living in rural areas, have access to good quality, appropriate residential aged care facilities.

Funding will support aged care facilities in rural areas where the costs of overheads and other costs are higher than comparable facilities in non-rural areas.

Communications Strategy

Funding of \$4.0 million over four years has been provided for a communications strategy to ensure that rural and regional communities are fully informed of the range of initiatives that are available.

Residential Aged Care Funding Equalisation and Assistance Package

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	8.9	27.0	41.4	29.4
Department of Veterans' Affairs:	1.1	3.3	5.1	3.6
Total:	10.0	30.4	46.5	33.1

Explanation

The new *Funding Equalisation and Assistance Package* provides an additional \$148 million over six years to 2005-06. For those States and Territories with nursing home subsidy rates currently below the national average the package means that they will reach the standard national rates two years earlier. Those States above the national average will reach the standard national rates two years later. This will soften the transition to standard national rates in those States.

There will be no nominal decreases in subsidy rates over the period of the package in any State or Territory.

Further Information

The additional funds allow funding rates in Queensland, South Australia, Western Australia and the Australian Capital Territory to be accelerated so they reach national standard subsidy rates by 1 July 2002, two years earlier than under the original proposal.

The additional funds also smooth the transition of the funding rates in Victoria and Tasmania so that they reach national standard subsidy rates by 1 July 2006, two years later than under the original proposal.

The combined effect of these transition paths is that additional funding peaks in 2002-03 and then tapers off.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs (DVA). As DVA funds residential aged care services to veterans, a small expense in DVA results from the implementation of this measure.

Simpler income testing arrangements for residential aged care fees

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.8	2.2	2.6	3.1
Department of Veterans' Affairs:	0.3	0.3	0.3	0.4
Total:	2.0	2.5	2.9	3.4

Explanation

The Government will simplify the income testing process for residential aged care fees by moving from a daily to quarterly assessment of fees. It will reduce by two-thirds letters to residents notifying fee changes, and eliminate retrospective fee increases and administratively inefficient small fees.

Aged care residents, families and providers will benefit from fewer fee variations and retrospective increases to fees. This initiative will also reduce the administrative effort for aged care providers.

This is a cross portfolio measure between the Department of Health and Aged Care and the Department of Veterans' Affairs.

Simplified billing for no or known gaps

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	4.0	4.1	4.1	4.2

Explanation

This measure promotes the widespread take-up of the Government initiative of simplified billing throughout the private health industry. This will be achieved through the promotion of electronic commerce for the simplified billing and processing of Medicare claims, and through further promotion and implementation of simplified billing as a means of making private health insurance more attractive and therefore encouraging greater private health care usage. Elements of the measure are:

- promotion of the establishment of new billing agencies;
- provision of incentives for billing agencies to lodge Medicare claims processed under simplified billing electronically via private health funds to the Health Insurance Commission (HIC); and
- provision of funding to the HIC for Medicare systems development to track the electronic lodgment of Medicare claims from billing agencies.

Further Information

This measure particularly supports the Government's introduction of new legislation on 17 February 2000 to allow the private health industry to develop 'no gap' or 'known gap' schemes which will operate without the need for contracts. These schemes will include simplified billing arrangements for episodes of in-hospital care, which promote informed financial consent for patients. The establishment of new billing agencies will facilitate the introduction of these schemes.

Subsidisation of the accreditation fee for small residential aged care facilities

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	1.8	1.3	1.3	1.9

Explanation

The accreditation of residential aged care facilities ensures continuous improvement to enhance the level of care provided to residents and to improve the business practices of services.

To ensure that the accreditation process does not cause undue financial hardship to aged care facilities, a tapered fee subsidy will be paid to facilities with between 20 and 25 residents, and the Government will pay the accreditation fee for facilities with 19 places or less.

This measure largely benefits smaller rural and remote service providers, and will assure residents of these facilities and their families that quality care will be provided.

Immigration and Multicultural Affairs

Enhanced integrity of the family migration stream

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	-0.2	-0.2	-0.2	-0.2
Department of Immigration and Multicultural Affairs:	-	-	-	-
Total:	-0.2	-0.2	-0.2	-0.2

Explanation

The Government will implement two measures to enhance the integrity of the family migration arrangements. These are:

- the implementation of the Social Security Appeals Tribunal (SSAT) as the independent review mechanism for health assessments of sponsors in the carer category; and
- tightening the operation of the domestic violence provisions, which allow spouse visa holders to remain in Australia following separation from their Australian spouse if they are victims of domestic violence. Following a review, the Government has decided to introduce an independent assessment of the claims of domestic violence to replace the current requirements for applicants to seek out and present a full court order or statutory declarations from 'competent persons' (that is, certain health/welfare professionals).

The Department of Immigration and Multicultural Affairs will absorb within current resourcing the costs of \$1.5 million over four years for these measures. Reduced expenses shown under the Family and Community Services portfolio reflect the saving in income support payments to people who are not able to gain access to domestic violence provisions under the new assessment regime.

Future directions for the Overseas Student Visa Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	0.6	1.6	2.4	2.6

Explanation

The Government will implement revised arrangements for the Overseas Student Visa Programme (OSVP) to provide for the continued expansion of the education export sector under arrangements that ensure the integrity of the programme and continuing economic benefits to Australia. These enhancements, to be implemented from 1 July 2000 include:

- the current system of gazetted/non-gazetted countries and special arrangements for students of the Peoples Republic of China will be replaced with sector specific visa subclasses, which allow for minimum qualifying standards to be set for each sector;
- the enactment of regulations for establishing entry standards for the nationals of any given country in accordance with the assessed risk of non-compliance with visa conditions; and
- stronger integrity arrangements to provide for the automatic cancellation of a student visa where the course requirements are not satisfied.

In addition, the Government has decided to extend the existing Pre-Qualified Institutions (PQI) pilot. The PQI pilot provides priority visa processing for high quality and high integrity educational institutions, in exchange for the acceptance of greater responsibility in assessing the bona fides of student applicants and ensuring that students comply with visa conditions.

The expenses provided under this measure reflect the additional workload funding that would be provided to the Department under its Purchasing Agreement as a result of the increase in student visa applications. The Department will absorb the implementation and administration costs of the new arrangement, worth \$2.3 million over four years, within current allocations.

This measure will also increase revenue as a result of higher student visa applications, as shown in the related revenue measure titled *Future directions for the overseas student visa programme*, in the Immigration and Multicultural Affairs portfolio.

Increased permanent migrant intake

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Education, Training and Youth Affairs:	1.2	3.6	5.0	6.4
Department of Family and Community Services:	2.9	4.7	5.5	8.9
Department of Health and Aged Care:	0.7	3.7	7.2	10.7
Department of Immigration and Multicultural Affairs:	3.8	7.0	7.8	8.0
Total:	8.6	19.0	25.5	34.0

Explanation

The Government announced on 3 April 2000 that it would increase the planning level for the permanent Migration (Non-Humanitarian) Programme from 70,000 to 76,000 places in 2000-01. The increase in expenses shown under this measure reflects the expected impact of increased migration on a range of demand driven programmes.

Expenses within Immigration and Multicultural Affairs portfolio primarily reflect the costs of providing English language training to adult migrants who have been assessed as not having functional English language skills. Under the migrant two-year waiting period, new migrants are excluded from most welfare benefits. Therefore, the costs under the Family and Community Services portfolio primarily reflect the expected usage of the Special Benefit payment that is available in cases of extreme hardship. Expenses in the Health and Aged Care and Education, Training and Youth Affairs portfolios reflect the expected usage of health and schools services, respectively, by the additional migrants.

Further Information

The increase in permanent migration includes 5,000 places in the Skill Stream, which will deliver additional economic benefits, by addressing skill shortages that have emerged in the Australian economy. The planning levels for 2000-01 also include the provision of an additional 2,400 places under the Family Stream and a reduction of 1,400 places in the Special Eligibility category, in line with the expected demand under that category.

The increase in the permanent migrant intake also provides additional revenue from user charging under the Adult Migrant English Programme as set out in the related revenue measure titled *Increased permanent migrant intake*, in the Immigration and Multicultural Affairs portfolio.

This is a cross portfolio measure between the Department of Immigration and Multicultural Affairs, the Department of Family and Community Services, the Department of Health and Aged Care and the Department of Education, Training and Youth Affairs.

Initiatives relating to unauthorised arrivals

Expense and capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Unauthorised Arrivals in Australia Package				
Immigration and Multicultural Affairs Portfolio				
Unauthorised Arrivals in Australia — combating people smuggling in transit countries	1.0	1.0	1.0	1.0
Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility (expense)	-1.5	-5.4	-5.5	-5.6
Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility (capital)	2.8	-0.2	-0.2	-0.2
Unauthorised Arrivals in Australia — initiatives to address the situation of displaced Afghan and Iraqi refugees	5.0	5.1	5.3	5.4
Unauthorised Arrivals in Australia — offshore resources to support the integrity of migration entry processes	4.6	3.6	3.7	3.7
Unauthorised Arrivals in Australia — pilot programme for targeted reintegration assistance and to support character checking	2.0	-	-	-
Unauthorised Arrivals in Australia — resources to expedite offshore processing, information flows and cooperation in relation to the humanitarian programme	1.7	1.2	1.2	1.2
Sub-total	14.8	5.3	5.5	5.5
Attorney-General's Portfolio				
Unauthorised Arrivals in Australia — legislative changes to support law enforcement	-	-	-	-
Unauthorised Arrivals in Australia — lease a charter vessel to transport unauthorised arrivals intercepted at sea or at islands off the mainland	nfp	nfp	nfp	nfp
Unauthorised Arrivals in Australia — additional resourcing to investigate and detect organised people smuggling	3.9	4.0	4.1	4.1
Sub-total	3.9	4.0	4.1	4.1
Family and Community Services Portfolio				
Unauthorised Arrivals in Australia — apply the activity test to recipients of Special Benefits	4.0	0.9	-1.9	-2.0
Total Unauthorised Arrivals in Australia Package	23.5	10.3	7.7	7.6
Other measures				
Immigration and Multicultural Affairs Portfolio				
Long term strategy for immigration detention facilities	1.0	1.0	8.7	10.7
Revised resourcing arrangements for detention costs	-2.7	-24.5	-25.1	-25.6
Total all measures	21.8	-13.3	-8.7	-7.3

The Government has adopted a range of measures to address the increasing costs associated with unauthorised arrivals. These costs primarily relate to detention and processing arrangements. The individual expense initiatives in the Immigration and Multicultural Affairs portfolio are outlined below. Measures within the Attorney-General's and Family and Community Services portfolios are outlined in the respective portfolios under measures titled *Unauthorised Arrivals in Australia*.

Unauthorised Arrivals in Australia Package

Following consideration of a report on Unauthorised Arrivals in Australia commissioned in late 1999, the Government is implementing a package of measures to address the rapid growth of unauthorised arrivals by boat.

On current trends, expenses associated with the interception, detention and processing of unauthorised arrivals by boat are expected to approach \$1 billion over the forward estimates period. Under this package, the Government has developed a coordinated strategy involving the commitment of more than \$49 million over four years (including the capital measure referred to below) to address this pressure. While the impact of this strategy is not immediately quantifiable, the successful implementation of initiatives in the package is expected to substantially reduce the costs to Australia from unauthorised arrivals.

The initiatives in this package focus on four key priorities:

- countering the impact of organised people smuggling, which has been identified as a central influence in the recent growth of unauthorised arrivals;
- reducing the incentives for unauthorised arrivals to undertake the journey to Australia;
- improving coordination amongst government agencies involved in addressing the problem of unauthorised arrivals and increasing the efficiency of arrangements to manage them; and
- bolstering the international protection framework to improve the prospects of displaced people through repatriation to home countries, integration in first-asylum countries or resettlement in third countries.

Combating people smuggling in transit countries

The Government will commit \$4 million over four years to the development of programmes designed to assist key transit countries to combat people smuggling and illegal immigration. The Department of Immigration and Multicultural Affairs, in cooperation with the Australia Agency for International Development and the Australian Customs Service, will develop a package of technical and physical assistance aimed at institutional strengthening and capacity building for border control agencies in those countries.

Establish a new detention facility at Darwin and close the Curtin facility

The Government will establish a new permanent Immigration Reception and Processing Centre (IRPC) in the Darwin region when the current temporary detention facility at the Curtin Air Force Base in Western Australia is returned to defence use. Locating a new IRPC near a major regional centre will reduce costs in a number of areas, such as transport for unauthorised arrivals from the point of interception, travel and accommodation for relevant departmental and legal staff, and the general costs of running the facility.

A new Darwin facility would incorporate a core facility for 500 people with significant additional places to be provided through flexible demountable accommodation, allowing for expected surges in capacity requirements.

The Government has provided a \$3 million capital injection for the establishment of the new facility in Darwin. See the related capital measure *Unauthorised Arrivals in Australia - Establish a new detention facility at Darwin and close the Curtin facility* in the Immigration and Multicultural Affairs portfolio.

Initiatives to address the situation of displaced Afghan and Iraqi refugees

The Government will increase its diplomatic efforts, working with countries who share an interest in the problem of unauthorised arrivals, to build a coordinated international approach to the development of a long-term solution for Afghan and Iraqi refugees.

Key aims in this strategy include:

- seeking the agreement of first-asylum and key transit countries to provide protection to displaced people who require it until repatriation or other solutions become feasible;
- assisting the United Nations High Commissioner for Refugees (UNHCR) in processing claims of asylum in first-asylum and transit countries;
- seeking cooperation from other donors to provide financial support to the UNHCR for Afghan and Iraqi asylum seekers; and
- developing a process for managing people whose claims to protection have been unsuccessful.

The Government will provide the Department of Immigration and Multicultural Affairs with some \$5 million per annum to provide targeted aid contributions and resettlement support, in cooperation with the Australian Agency for International Development, where this will support the achievement of the above aims.

The Government will also provide a \$1.5 million contribution to the UNHCR's appeal for Afghanistan, Pakistan and Iran from within the 1999-2000 aid programme. A further \$4.5 million from within the 2000-01 aid programme may be allocated to support relevant aid activities.

Offshore resources to support the integrity of the migration programme

The Government has committed additional resources to the Department of Immigration and Multicultural Affairs (DIMA) to ensure the integrity of Australia's migration and temporary entry arrangements by addressing people smuggling and immigration fraud at the source:

- Some \$12.4 million over four years to expand DIMA's network of compliance officers to help Australia's overseas posts combat document and identity fraud, and irregular people movements, particularly where people smuggling is involved; and
- DIMA's network of airline liaison officer (ALOs) will be expanded through the commitment of around \$3.1 million over four years to focus on key transit airports for unauthorised arrivals in Australia. ALOs advise airlines on the acceptability of passengers and their documentation for entry to Australia and provide training to airline staff in identifying false documents.

Pilot programme for targeted reintegration assistance and to support character checking

The Government will provide \$2 million in 2000-01 to the Department of Immigration and Multicultural Affairs to develop a pilot programme for the provision of targeted reintegration assistance for unauthorised arrivals returned to their home country or previous country of residence. This pilot will provide small amounts of assistance to countries that accept the return of unauthorised arrivals intercepted at the border or en route to Australia. This assistance will help to ensure that return arrangements for unauthorised arrivals are sustainable.

The pilot programme will also investigate means of reducing the time taken to undertake character checking associated with protection visa assessments. This would deliver benefits to Government by reducing the time spent in detention for unauthorised arrivals seeking asylum in Australia.

Resources to expedite offshore processing, information flows and cooperation in relation to humanitarian migration

The Government will allocate more offshore resources to work with host governments and the United Nations High Commissioner for Refugees to shorten the time taken for checks associated with protection visa assessments. Further, the Government will provide an additional \$5.3 million over four years to speed-up offshore humanitarian migration processing to avoid the false perception amongst some that unauthorised arrival is the only realistic mechanism for migration to engage Australia's protection regime.

Other measures

Long term strategy for immigration detention facilities

The Government will implement a long-term strategy for the provision of immigration detention facilities to address the expected detention needs arising from unauthorised arrivals and the detection of over-stayers or those who breach visa conditions.

Under the strategy, capacity will be increased and facilities will be refurbished at the existing Immigration Detention Centres (IDCs) in Sydney and Melbourne to ensure that these facilities remain viable in the long term. The current facility at Perth will be replaced and a new IDC will be established in Brisbane. The strategy also includes the retention of Woomera as an emergency Immigration and Reception Processing Centre (IRPC).

The strategy will be reviewed within five years and incorporates an ongoing confirmation process to ensure that the timing of each project is in line with the detention needs as they emerge.

Revised resourcing arrangements for detention costs

The Government has revised resourcing arrangements for the detention of unauthorised arrivals by boat in order to provide enhanced managerial flexibility to the Department of Immigration and Multicultural Affairs (DIMA). The single most significant cost associated with unauthorised arrivals is the duration of stay in detention, which is largely determined by the time taken to assess their claims for protection under Australia's international obligations.

Under DIMA's interim Purchasing Agreement, detention costs have been supplemented on the basis of a daily rate per detainee. From 1 July 2000, the revised funding arrangements will provide a fixed level of supplementation per arrival. This measure, which will be subject to ongoing monitoring and review, is aimed at providing the Department with the ability to make strategic investments to reduce the average time taken to assess the claims of unauthorised arrivals, while maintaining the integrity of the assessment process.

Introduction of new entry requirements for aged parent migrants

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	0.5	2.7	3.1	1.8
Department of Health and Aged Care:	-2.8	-1.7	5.1	7.6
Department of Immigration and Multicultural Affairs:	1.0	4.1	4.2	2.8
Total:	-1.3	5.1	12.4	12.3

Explanation

The Government has decided to introduce a new permanent visa class for aged parents in 2000-01 aimed at ensuring that the positive benefits of migration for the budget and the economy are maintained.

The increase in expenses arises primarily from increased demand on a number of demand driven programmes. Within the Immigration and Multicultural Affairs portfolio, expenses will increase in the *Adult Migrant English Programme (AMEP)*, which provides English language training for migrants without functional English. Expenses in the Family and Community Services portfolio reflect benefits paid to migrants that cannot be recovered through the Assurance of Support Bond.

The increase in expenses in the Health and Aged Care portfolio, as a result of additional aged parent migrants, is partly offset by the Government's decision to remove access to Medicare from parents temporarily in Australia with ongoing migration applications.

Further Information

The Government has provided for a contingency reserve of 4,000 places under the migration programme, subject to the enactment of suitable legislative arrangements. It is anticipated that places in this reserve will be utilised primarily in 2001-02, with an ongoing allocation to accommodate an expanded parent migration programme in future years. The new arrangements provide for a social security bond of \$10,000 for the principal applicant and \$4,000 for each adult dependent, with a ten year assurance of support period. Aged parent migrants will also be required to either take out private health insurance to cover the first ten years after arrival (if such a product is made available by the health insurance industry), or to pay a health services charge of \$25,000 per person.

This measure responds to the recent community consultations undertaken by the Minister for Immigration and Multicultural Affairs, which indicated that many people were prepared to guarantee to provide support to parents if they were allowed to migrate to Australia. These guarantees are essential if the Government is to ensure that

the migration programme arrangements do not impose unreasonable costs on the broader community.

The estimated revenue effect of the health services charge is shown under the related revenue measure titled *Introduction of new entry requirements for aged parent migrants*, in the Immigration and Multicultural Affairs portfolio.

This is a cross portfolio measure between the Department of Immigration and Multicultural Affairs, the Department of Family and Community Services and the Department of Health and Aged Care.

Response to the Review of Illegal Workers in Australia

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	13.1	12.2	11.9	11.8

Explanation

The Government has responded to the recommendations of the recently released Review of Illegal Workers in Australia by implementing a range of initiatives that will make it easier for employers to identify people without work rights. These initiatives include:

- the implementation of improved visa labelling to make work rights more evident;
- the provision of information and support through a toll-free telephone service; and
- an Employer Awareness campaign to ensure that employers and labour suppliers are fully informed in relation to their obligations.

To facilitate access by employers to legal workers the Government will pursue measures to expand the Working Holiday Maker programme and expand the number of countries with access to the free electronic Business Visitor visa.

The Government will also provide a new sponsored visitor visa class, which will allow families and organisations to sponsor visitors from high risk countries that may not otherwise be granted a visa. A condition of the visa is the requirement to give an explicit undertaking that the person they sponsor would return. A security bond may be required in some cases.

To support these enhanced arrangements, the Government will also strengthen the penalties for recruiting illegal workers by introducing a revised system of penalties.

The increased expenses under this measure will provide for the costs of the employer awareness arrangements, the introduction of the sponsored visitor visa and the improvements to visa labelling.

Further Information

The Review of Illegal Workers in Australia was compiled by an External Reference Group and released by the Minister for Immigration and Multicultural Affairs on 17 December 1999. The review found that additional measures were required to make Australia less attractive to people seeking to work illegally to ensure that Australia's labour markets operate efficiently and fairly.

See also the related capital and revenue measures, titled *Response to the Review of Illegal Workers in Australia*, in the Immigration and Multicultural Affairs portfolio.

Pricing review of departmental resourcing – Migration Review Tribunal

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Migration Review Tribunal:	-	-	-	-

Explanation

Following a pricing review of the Migration Review Tribunal (MRT), the Government has endorsed the development of a Purchasing Agreement for the Tribunal. Under the Purchasing Agreement, the MRT will reduce its output price per finalised case by around 25 per cent between 1999-2000 and 2002-03.

The efficiency savings identified through the review will be retained by the MRT and redirected towards the reduction of waiting lists for migration review cases. Under the Purchasing Agreement, the Government will ensure that the quality of the MRT's outputs is maintained.

Further Information

The development of the purchasing agreement will recognise the Government's decision to amalgamate the MRT into the Administrative Review Tribunal to be established in February 2001.

Pricing review of departmental resourcing — Refugee Review Tribunal

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Refugee Review Tribunal:	-0.8	-0.7	-1.2	-1.2

Explanation

Following a pricing review of the Refugee Review Tribunal (RRT), the Government has endorsed the development of a Purchasing Agreement for the Tribunal. Under the Agreement, the RRT will reduce its output price by 5 per cent from 1999-2000, delivering total savings of \$5.1 million, including \$1.2 million in savings realised in 1999-2000.

The savings identified follow a fundamental review of the RRT's cost structure, which identified the ability to reduce the costs of merits review processes for refugee applicants. Under the Purchasing Agreement, the Government will ensure that the quality of the RRT's outputs is maintained.

Further Information

The development of the purchasing agreement will recognise the Government's decision to amalgamate the RRT into the Administrative Review Tribunal to be established in February 2001.

Industry, Science and Resources

Reallocation of departmental resources

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Geological Survey Organisation:	-0.8	-0.8	-0.8	-0.8
Department of Industry, Science and Resources:	-0.5	-0.6	-0.6	-
Total:	-1.3	-1.4	-1.4	-0.8

Explanation

The Government has decided to reallocate monies from the Australian Geological Survey Organisation and the Department of Industry, Science and Resources to meet the cost associated with defining the limits of the Continental Shelf off the Australian Antarctic Territory beyond Australia's 200 nautical mile Exclusive Economic Zone.

Further Information

See also the related expense measures titled *Reallocation of Technology Diffusion Programme funds* in the Industry, Science and Resources portfolio, and *Mapping of the Australian Antarctic Territory extended Continental Shelf* in the Finance and Administration portfolio and *Pricing review of departmental resourcing* in the Environment and Heritage portfolio.

Building on our sporting achievements

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Sports Commission:	5.0	-	-	-

Explanation

To continue the Government's commitment to our elite athletes, an additional \$5 million will be provided to the Australian Sports Commission in 2000-01. The Government will bring forward a major policy statement on sport and recreation during the year which will include the Government's response to the Oakley report *Shaping Up: A Review of Commonwealth Involvement in Sport and Recreation in Australia*.

The Government will develop a broadly based, comprehensive sports strategy, including measures to improve participation in sport and junior sports development.

Tough on Drugs in Sport — blood tests as part of our anti-doping programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Sports Drug Agency:	-	-	-	-

Explanation

Subject to an acceptable test being validated and introduced at the Sydney 2000 Olympic Games, the Government has made a commitment to provide \$1.0 million in 2000-01 to the Australian Sports Drug Agency to undertake blood testing for Erythropoietin (EPO) as part of our anti-doping programme.

The Government's commitment and support is a further statement of Australia's leading role in the international fight against drugs in sport.

Further Information

As a result of Australian research, there is every likelihood that a blood test for the detection of EPO will be available in time for the Sydney Olympics. If this occurs, the Australian Sports Drugs Agency should be in a position to include such a test in its public interest testing programme.

This commitment builds upon the \$3 million provided in 1997-98 for research, sampling and analysis programmes to assist preparations for the drug testing requirements of the Sydney Olympics. In the last two and a half years the Government provided a further \$3.3 million for a programme of research undertaken by the Australian Institute of Sport and the Australian Sports Drug Testing Laboratory to develop and validate a test for detecting EPO.

Supplementation for commercial rents and sales costs

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Commonwealth Scientific and Industrial Research Organisation:	-	5.9	8.4	10.7

Explanation

Following an independent review of the Commonwealth Scientific and Industrial Research Organisation's (CSIRO) property holdings based on the Commonwealth Property Principles, six properties (in Canberra, Sydney, Brisbane and Perth) will be sold and leased back over the next three years. To ensure these sales have no adverse

financial impact on CSIRO's research activities, CSIRO will receive funding for additional sale and rental costs.

Further Information

See also the related capital measure titled *CSIRO Property Review — proceeds from sales*, in the Industry Science and Resources portfolio.

Continued resourcing for the Science and Technology Awareness Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	2.8	1.4	-	-

Explanation

The Government will provide continued support for the Science and Technology Awareness Programme (STAP). This programme is designed to raise community awareness about the importance of science and technology and to encourage young people to undertake science based careers. The programme includes the Prime Minister's Prize for Science which is an award for outstanding achievement in science and technology promoting human welfare, support for National Science Week, and a number of science and technology awareness raising projects.

Further Information

See the related expense measure *Reallocation of Technology Diffusion Programme funds* in the Industry, Science and Resources portfolio.

Continued resourcing for the Australian Building Codes Board

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	1.0	-	-	-

Explanation

The Government will extend funding to the Australian Building Codes Board (ABCB) in 2000-01 to finalise the implementation of a nationally consistent framework for building regulation. The Commonwealth, States and Territories established the ABCB in 1994 to develop a nationally consistent framework. The Commonwealth provides funding for the ABCB on a matching dollar for dollar basis with the States and

Territories. In addition, the ABCB receives income from royalties for subscriptions to publications and other services.

Further Information

The work of the ABCB aims to increase consistency in building regulations between jurisdictions. These regulations provide important benefits to the community in terms of safety, health and amenity. A high level of consistency in these regulations minimises the cost to business of compliance. In addition, the performance based approach of the Building Code of Australia allows scope for greater innovation in the design and construction of new buildings.

Implementing the National Biotechnology Strategy

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	0.1	1.2	1.2	1.2
Department of the Environment and Heritage:	-	-	-	-
Department of Industry, Science and Resources:	-	8.2	9.2	9.2
Total:	0.1	9.4	10.4	10.4

Explanation

The Government has developed a National Biotechnology Strategy and a \$30.5 million package of assistance for the assessment and development of biotechnology in Australia. The Department of the Environment and Heritage will absorb \$0.3 million of this package.

Important elements of the strategy cover the provision of information on biotechnology to the public; ensuring that effective regulatory controls are put in place; assisting with the conduct and application of appropriate research in Australia; strengthening Australia's involvement in relevant international forums; and managing access to biological and genetic resources.

A major emphasis (\$20 million) of the package will be on assistance with the commercialisation of Australian biotechnology research over the period 2001-02 to 2003-04. The package also includes \$4 million for the coordination and implementation of the strategy; \$3.3 million for an on-going examination to assist agriculture and food industries make judgements on supplying genetically modified products and adopting identity preservation; \$3 million to provide the public with information on biotechnology; and \$0.25 million for research into some of the most immediate environmental risks arising from gene technology.

Further Information

The National Biotechnology Strategy has been developed over the past year on the basis of research and consultation with the community.

This is a cross portfolio measure between the Department of Industry, Science and Resources, the Department of the Environment and Heritage, and the Department of Agriculture, Fisheries and Forestry.

See also the three related expense measures titled *Pricing review of departmental resourcing*; and *Reallocation of Technology Diffusion Programme funds* in the Industry, Science and Resources portfolio.

Pricing review of departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	-5.0	-5.0	-5.0	-5.0

Explanation

The Government has endorsed the outcomes of a joint review between the Department of Industry, Science and Resources (DISR) and the Department of Finance and Administration. This will result in a reduction in the resourcing for DISR of \$5 million per annum. An important element of pricing reviews is the collection of performance information from a range of providers to identify and promote better practices in the delivery of government services.

The Department will meet this reduction in resourcing through the implementation of a range of improvements to efficiency that were identified through this review. The savings generated will be used to partially offset the cost of the new National Biotechnology Strategy.

See also the related expense measure titled *Introduce a new National Biotechnology Strategy* in the Industry, Science and Resources portfolio.

Reallocation of Technology Diffusion Programme funds

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	-4.7	-8.0	-	-

Explanation

The Government will reallocate Technology Diffusion Programme (TDP) funds to the National Biotechnology Strategy (\$6.6 million) to develop and promote new biotechnologies in Australia and to the Science and Technology Awareness Programme (\$2.8 million). Each reallocation is broadly consistent with technology diffusion purposes, as the TDP encourages awareness and adoption of new leading edge technologies.

The cost of mapping the extended continental shelf in the Australian Antarctic Territory will also be partly funded through a reallocation of \$3.3 million in funds from this programme.

Further Information

See also the related expense measures titled *Implementing the National Biotechnology Strategy, Continued resourcing for the Science and Technology Awareness Programme*, in the Industry, Science and Resources portfolio; *Mapping of the Australian Antarctic Territory extended continental shelf* in the Finance and Administration portfolio and *Pricing review of departmental resourcing* in the Environment and Heritage portfolio.

Reallocation of funds from the Textile Clothing and Footwear Post 2000 initiative

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	-0.5	-0.5	-0.5	-0.5

Explanation

The Government will reallocate \$0.45 million a year from the Textile Clothing and Footwear Post 2000 package of assistance to meet the costs of assistance to Pacific Island countries under the new South Pacific and Regional Free Trade Agreement (SPARTECA) — TCF Scheme.

The Government has decided to change the way in which local area content (LAC) is calculated for Textile Clothing and Footwear products under the existing SPARTECA.

This will allow a greater range of Forum Island Country (FIC) products to be imported into Australia duty free.

Further Information

The Import Credit Scheme (ICS), introduced in 1991 to assist the TCF industry, terminates later this year. The scheme permitted TCF exporters to earn import credits on the value of their exports, which could be used to offset duty payments on their imports of other TCF goods. Relaxation of the LAC rules under SPARTECA will assist in ameliorating some of the deleterious effects that the termination of ICS may have on FIC trade.

See also the related expense measure titled *South Pacific and Regional Free Trade Agreement — Textiles, Clothing and Footwear Scheme*, in the Industry, Science and Resources portfolio; and the related revenue measure titled *South Pacific and Regional Free Trade Agreement — Textiles, Clothing and Footwear Scheme* in the Attorney General's portfolio.

South Pacific and Regional Free Trade Agreement — Textiles, Clothing and Footwear Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	0.4	0.4	0.4	0.4

Explanation

The Government has decided to change the way in which local area content (LAC) is calculated for Textile Clothing and Footwear products under the existing South Pacific and Regional Free Trade Agreement (SPARTECA). This will allow a greater range of Forum Island Country (FIC) products to be imported into Australia duty free.

The administrative costs arising from these changes will be \$0.35 million per annum.

Further Information

The Import Credit Scheme (ICS), introduced in 1991 to assist the TCF industry, terminates on 30 June 2000. The scheme permitted TCF exporters to earn import credits on the value of their exports, which could be used to offset duty payments on their imports of other TCF goods. Relaxation of the LAC rules under SPARTECA will assist in ameliorating some of the deleterious effects that the termination of ICS may have on FIC trade.

See also the related expense measure titled *Reallocation of funds from the Textile Clothing and Footwear Post 2000 initiative*, in the Industry, Science and Resources portfolio; and the related revenue measure titled *South Pacific and Regional Free Trade Agreement — Textiles Clothing and Footwear Scheme* in the Attorney General's portfolio.

Prime Minister and Cabinet

Expansion of the Community Development Employment Projects Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Aboriginal and Torres Strait Islander Commission:	9.2	19.0	19.5	20.0
Department of Family and Community Services:	-6.9	-14.2	-14.6	-15.0
Torres Strait Regional Authority:	0.5	1.0	1.1	1.1
Total:	2.8	5.9	6.0	6.1

Explanation

The Government will enhance the economic development and employment opportunities for Indigenous people by expanding the Community Development Employment Projects (CDEP) scheme. Under this measure an additional 1,500 places will be provided in 2000-01. These additional places will be directed towards rural and remote regions of Australia.

The CDEP scheme provides the opportunity for more than 32,000 Indigenous people to meet their mutual obligation responsibilities through voluntary work for wages that are roughly equivalent to income support payments. The scheme operates through community managed work projects that contribute to community development, social cohesion and cultural maintenance, as well as encouraging skills enhancement and mainstream employment opportunities for Indigenous people.

This is a cross portfolio measure with the expenses incurred under the CDEP attributed to the Aboriginal and Torres Strait Islander Commission and the Torres Strait Regional Authority. These expenses are offset by a reduction in income support payments made by the Department of Family and Community Services.

Commonwealth Heads of Government Meeting — 2001

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Prime Minister and Cabinet:	16.4	16.4	-	-

Explanation

The Government will provide funding of \$32.8 million to the Department of the Prime Minister and Cabinet (PM&C) for the costs of staging the Commonwealth Heads of Government Meeting (CHOGM) in Brisbane in October 2001. CHOGM will be the largest and most prestigious international summit ever held in Australia, bringing together 54 Heads of Government, combined with a visit by The Queen, as Head of the Commonwealth.

The Commonwealth is committed to providing a range of security services to support the Queensland Police. The above funding will enable PM&C to engage the services of several Commonwealth agencies including the Australian Security Intelligence Organisation (ASIO), Australian Federal Police (AFP), Protective Security Coordination Centre (PSCC) and the Australian Defence Organisation.

Systems and desktop replacement for the Office of the Commonwealth Ombudsman

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Office of the Commonwealth Ombudsman:	0.2	0.1	0.1	0.1

Explanation

The Government will provide \$0.5 million over four years to the Office of the Commonwealth Ombudsman for systems development, integration and other costs to replace and enhance its case management system (CMS) and desktop equipment. The development of a new CMS will facilitate the maintenance and improvement of complaint handling performance.

Further Information

See also the related capital measure titled *Systems and desktop replacement for the Office of the Commonwealth Ombudsman* in the Prime Minister and Cabinet portfolio.

Transport and Regional Services

Adelaide Airport noise amelioration

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	10.3	24.2	23.7	5.5

Explanation

The Government will establish a new programme aimed at reducing the impact of aircraft noise in areas around Adelaide Airport. Under the programme, owners of residences and public buildings in areas surrounding the Adelaide Airport which are subject to high levels of aircraft noise will be eligible to have their buildings insulated. This will help ensure that Adelaide Airport continues to maintain its important contribution to the development of the surrounding region.

Further Information

See also the related revenue measure titled *Extension of the application of the Aircraft Noise Levy Collection Act (1995) to Adelaide Airport* in the Transport and Regional Services portfolio.

Beef 2000 Exposition

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	-	-	-	-

Explanation

The Commonwealth was an event partner in the staging of the Beef 2000 Exposition held in Central Queensland during April 2000 and contributed \$0.25 million in 1999-2000 in sponsorship. The Exposition promoted the Australian beef industry nationally and internationally, and provided members of the industry with opportunities to enhance their knowledge and skills.

National Parking Regime at leased Federal Airports

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	0.4	0.5	0.6	0.7

Explanation

The Government will provide additional funding to the Department of Transport and Regional Services for the administration costs of implementing a new parking regime at leased federal airports. The parking regime is consistent with the Australian Road Rules being implemented nationally by states and territories. The Australian Road Rules ensure common signs for parking throughout Australia and national uniformity of rules and signage will promote a greater understanding and interpretation by the public.

Further Information

See also the related revenue measure titled *National Parking Regime at leased Federal Airports* in the Transport and Regional Services portfolio.

Improvement in services to the Indian Ocean Territories

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	2.9	2.9	2.9	2.9

Explanation

The Government will implement a range of measures to provide the communities of Christmas Island and the Cocos (Keeling) Islands with improved services. Funding will be used to improve services such as vocational education and training; health services covering carer and patient and specialist services; welfare services, home and community care; and environment protection. It will also allow for possible applications by the Indian Ocean Territories communities for grants in the areas of welfare services, culture and recreation and assistance to industry. Air services to the islands will also be maintained.

This measure ensures that the Indian Ocean Territories have access to a level of services and support comparable with that available in small remote communities on the mainland. It implements the recommendations contained in the Commonwealth Grants Commission's 1999 report on the Indian Ocean Territories.

Further Information

See also the related capital measure titled *Indian Ocean Territories Infrastructure Development programme* in the Transport and Regional Services portfolio.

Reduction in departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	-2.0	-2.0	-2.0	-2.0

Explanation

This measure provides for a reduction in the cost of outputs for the Department of Transport and Regional Services through increased efficiencies in the delivery of its activities.

Year 2002 — Year of the Outback

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	-	0.2	0.4	-

Explanation

The Government has designated 2002 as the 'Year of the Outback'. This programme is in recognition of the contribution that the outback has played in the development of Australia's cultural and economic wealth. The Government will provide additional funding to the Department of Transport and Regional Services for a range of communication and community activities prior to, and during, 2002 to celebrate outback history and achievements. This measure includes funding of \$1.4 million in 1999-2000, to organise and manage the programme and provide seed funding to support a range of national and regional specific events over the next three years.

Treasury

Reduction in departmental resourcing

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Bureau of Statistics:	-3.0	-3.0	-3.0	-3.0

Explanation

The Australian Bureau of Statistics will deliver savings of \$3 million per annum from reductions in departmental expenses. These funds will be used to offset the cost of a number of other high priority measures in the Treasury portfolio.

Retention of name identified census forms

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Bureau of Statistics:	0.8	5.8	4.0	-

Explanation

The Government is providing the Australian Bureau of Statistics (ABS) with additional funding to develop a Centenary of Federation gift to the nation in the form of name identified census information. If the household agrees, the name identified census data will be transferred by the ABS to the National Archives of Australia for a closed access period of 99 years and made available to the community in 2100.

Airport regulation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	0.9	0.9	0.9	0.9

Explanation

The Government will provide the Australian Competition and Consumer Commission (ACCC) with \$3.6 million over four years to undertake its regulatory responsibilities in relation to airports.

The funding will enable the ACCC to improve airport access arrangements, assess compliance with airport price caps including pass through of necessary new

investment, monitor prices of aeronautical-related services at airports, monitor quality of service and perform other related functions.

The ACCC's costs will be recovered from the industry. See also the related revenue measure titled *Airport regulation cost recovery* in the Treasury portfolio.

Further Information

The Federal Government granted long-term leases at Melbourne, Brisbane and Perth airports in 1997, and at Adelaide, Alice Springs, Canberra, Coolangatta, Darwin, Hobart, Launceston and Townsville airports in 1998. As part of the privatisation process, the Government introduced a framework for economic regulation of these airports under the *Airports Act 1996*, the *Prices Surveillance Act 1983* and the *Trade Practices Act 1974*.

Extend communications regulation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	0.9	-	-	-

Explanation

The Government will provide additional funding in 2000-01 to the Australian Competition and Consumer Commission (ACCC) to administer a number of powers in relation to competition notices and arbitration activities. This will maintain funding at 1999-2000 levels.

The measure responds to increased demands on the ACCC, in particular to those flowing from amendments contained in the *Telecommunications Legislation Amendment Act 1999*.

Specifically, the measure will assist the ACCC to speed up the workings of the competition notice regime in Part XIB of the *Trade Practices Act 1974* and the processing of arbitration and the associated legal issues under Part XIC of the Act.

The ACCC's costs will be recovered from industry in 2001-02. See the related revenue measure titled *Increase in annual carrier licence fees* in the Communications, Information Technology and the Arts portfolio.

Provisioning for legal services

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	10.0	-	-	-

Explanation

The Government will provide the Australian Competition and Consumer Commission (ACCC) with additional funding to enable it to meet increased legal expenses. This will enable the ACCC to maintain its compliance and enforcement activity. In addition, it will enable the ACCC to undertake representative actions, under Part IV of the *Trade Practices Act 1974*, where it identifies that there is a misuse of market power or other restrictive trade practices.

Monitoring of the prices of certain milk products

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	-	-	-	-

Explanation

The Government has provided additional funding of \$0.5 million in 1999-2000 for the Australian Competition and Consumer Commission (ACCC) to monitor prices, costs and profits of businesses selling liquid milk products. This is to examine whether the prices of these products are being appropriately set given the introduction of a dairy industry adjustment levy and industry deregulation.

Further Information

The Commonwealth dairy industry adjustment package will assist dairy farmers to make the transition to a deregulated environment. This follows the agreement by the State and Territory Governments to the deregulation of the dairy industry by removing current farm gate pricing arrangements. The package will be funded by a levy of 11 cents per litre that will be applied to liquid milk products. The farm gate price of milk is expected to fall following deregulation on 1 July 2000.

See also the related expense measure titled *Dairy Regional Assistance Programme*, in the Employment, Workplace Relations and Small Business portfolio.

Monitoring tax reform price exploitation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	15.5	6.5	-	-

Explanation

The Government is providing additional funding of \$22 million over two years for the Australian Competition and Consumer Commission (ACCC) to undertake activities to ensure compliance with the price exploitation provisions of the *Trade Practices Act 1974* (TPA). The ACCC will expand its monitoring of retail prices function to include further data collections in 2000-01 and in 2001-02; increase its capacity to respond to inquiries from business and consumers through its telephone hotline; and improve Australia-wide management of GST compliance by undertaking compliance and enforcement actions to counter deceptive and misleading conduct by unincorporated entities and individuals. The States were previously responsible for this activity.

The Government has also provided the ACCC with an additional \$1 million in 1999-2000 for preparatory work on the second and third items above.

Further Information

In the 1999-2000 Budget the Government provided the ACCC with \$28 million over three years to monitor retail prices and to report to the Treasurer on instances where consumers have not benefited from reductions in the tax rate, or have been exposed to greater than necessary price rises. Funding was also allocated to provide information to the community at large through a national advertising campaign and to enable the ACCC to take enforcement action where there are breaches of the new prohibition on price exploitation in the *Trade Practices Act 1974*.

The Government announced in the Mid-Year Economic and Fiscal Outlook 1999-2000 that it would provide the ACCC with an additional \$5 million in 1999-2000 to expand its monitoring of retail prices function to include four additional data collections before the implementation of the GST on 1 July 2000.

Postal services regulation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Competition and Consumer Commission:	1.0	1.0	1.0	1.0

Explanation

The Government will fund the Australian Competition and Consumer Commission (ACCC) to carry out its proposed role as the competition regulator for postal services. The ACCC will undertake tasks associated with administration of functions under the access regime, including declaration inquiries; arbitration of the terms and conditions of access; and assessment of access undertakings offered by providers of postal services. It will also oversee record keeping for the purpose of accounting separation between the reserved services and other services.

This measure will be funded by a levy on Australia Post (see related revenue measure, *Postal services regulation cost recovery*).

Further Information

The proposed access regime is a key feature of the postal reform package that the Government announced in July 1998 following a review of the *Australian Postal Corporation Act 1989*. The access regime allows competitors to access Australia Post's network. The regime will promote competition in the postal services industry. The current nationwide letter service at a uniform price for standard letters up to 250 grams — the Universal Service Obligation — will be unaffected by the reforms.

Continuation of managed investments regulation

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Securities and Investments Commission:	2.9	-	-	-

Explanation

The Government will provide the Australian Securities and Investments Commission (ASIC) with funding in 2000-01 so it can continue to monitor and regulate managed investment funds. This will enable ASIC to promote and maintain high standards of disclosure and compliance in the managed investments industry. Ongoing funding is pending the outcome of a review of the *Managed Investments Act 1998* by a Parliamentary committee in 2000-01.

Further Information

The *Managed Investments Act 1998* established a new regime for the regulation and structure of managed investment schemes, such as unit trusts. Resources were allocated to ASIC in the 1998-99 Budget to fund the establishment of the regime and the initial registration and licensing of the schemes in existence at that time during a two year transitional period.

Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Securities and Investments Commission:	3.3	3.3	3.2	3.2

Explanation

The Government will provide the Australian Securities and Investments Commission (ASIC) with funding to administer unclaimed moneys from non-bank Authorised Deposit-taking Institutions.

The above figures include provision for the refund of unclaimed moneys, administered through the *Banking Act 1959*.

Further Information

The Commonwealth, through ASIC, will now administer the unclaimed moneys from non-bank Authorised Deposit-taking Institutions. With the proclamation of the *Financial Sector Reform (Amendments and Transitional Provisions) Act 1999*, this administrative function has been transferred from the States and Territories to the Commonwealth of Australia.

By consolidating the administration of unclaimed moneys for all financial institutions with ASIC, depositors will now only have to deal with one agency.

See also the related revenue measure titled *Transfer of responsibility for unclaimed moneys from the States and Territories to the Commonwealth* in the Treasury portfolio.

Administration of the Fuels sales grants scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	9.5	-	-	-

Explanation

From 1 July 2000 the Government will introduce a tiered grants scheme which will be paid to retailers of petrol and diesel in non-metropolitan and remote regions. This scheme will be administered by the Australian Taxation Office (ATO). Funding under this measure will contribute towards staffing and other implementation costs. The Government has provided the ATO with an additional \$3.2 million in 1999-2000 to implement the scheme.

Further Information

See also the related expense measure *Fuels sales grants scheme* and capital measure *Administration of the Fuels sales grants scheme*, in the Treasury portfolio.

Business tax reform

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	20.6	22.9	-	-
Department of the Treasury:	4.5	5.5	6.5	6.5
Total:	25.1	28.4	6.5	6.5

Explanation

The Government will provide the Australian Taxation Office (ATO) with funding to meet the administrative and systems costs for implementing the Business Taxation Reform measures including an additional \$20 million in 1999-2000 to assist business to implement the new arrangements. This funding will assist the ATO in designing and developing legislation, along with the development of its business processes which flow from the implementation of the Government's business tax reforms. It will also be used to train ATO staff in the new policy, law and work procedures.

The Government will also provide funds to the Department of the Treasury to establish a non-statutory Board of Taxation, and to respond to increased demands for tax policy advice. The Board will be supported by a secretariat based in the Department of the Treasury and the Board will be able to commission research from external consultants. The Board will consult with a wide range of bodies and individuals on taxation policy. This will allow access to private expertise (at a high level) on a regular basis, on all aspects of the tax law.

Further Information

This is a cross agency measure between the Australian Taxation Office and the Department of the Treasury.

See also the related capital measure *Business tax reform*, in the Treasury portfolio.

Fuels sales grants scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	110.0	120.0	125.0	135.0

Explanation

From 1 July 2000 the Government will introduce a tiered grants scheme which will be paid to retailers of petrol and diesel. A grant will be paid for sales to consumers in non-metropolitan areas with a higher rate of grant provided for sales in remote areas. Petrol and diesel prices are generally higher in non-metropolitan and remote areas compared with metropolitan areas. The grants scheme will help address the divergence in fuel prices between the cities and regional areas.

As part of the *A New Tax System* package, the Government will also reduce excise on petrol and diesel so the pump price of these commodities for consumers need not rise. Taken together, these measures will ensure that the Government's commitment that the price of petrol and diesel for consumers need not rise as a result of the introduction of the GST is met.

Further Information

The Government will continue to monitor fuel prices in the lead up to 1 July 2000 to set the grants rate. Further details on the exact entitlement to the grant scheme along with the grant rates will be announced before 1 July 2000 and will be prescribed in regulations to the legislation.

See also the related expense and capital measures titled *Administration of the Fuel sales grants scheme*, in the Treasury portfolio.

Veterans' Affairs

Change the date of effect for grants and variations to compensation payments

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Family and Community Services:	..	0.1	0.1	0.1
Department of Veterans' Affairs:	0.9	-2.3	-2.5	-2.8
Total:	0.9	-2.2	-2.5	-2.7

Explanation

The Government will modify the *Veterans' Entitlements Act 1986* to change the way that disability and war widows' pensions are calculated to more accurately reflect pensioners' true entitlements.

Currently pensioners receive a full fortnight's instalment at the new or varied rate on the payday following the determination. Under these new arrangements, pensioners will receive a payment that reflects only the number of days prior to that payday for which they are entitled to the new or varied rate.

Where a reduction in pension occurs, the pensioner will receive a more generous first payment in the next fortnight. This is because the reduction is only made for the number of days prior to the pay day for which the reduced rate applies, rather than for a full fortnight.

As a result of this change, a disability or war widow/er pensioners assessable income for Family and Community Services and Veterans' Affairs payments income test purposes may reduce slightly. This leads to a small increase in the Department of Family and Community Services income support payments.

Further Information

See also the related capital measure titled *Change the date of effect for grants and variations to compensation payments*, in the Veterans' Affairs portfolio.

This is a cross portfolio measure between the Department of Veterans' Affairs and the Department of Family and Community Services.

Extension of 'Their Service — Our Heritage' Commemorative Programme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	5.0	5.0	3.6	3.6

Explanation

The Government will build on the 'Their Service — Our Heritage' Commemorative Programme. The Programme will be extended through the Centenary of Federation and into the new millennium with a range of initiatives including commemorative missions, community awareness programmes and commemorative events.

Managing health care information

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	-4.2	-8.3	-8.5	-8.7

Explanation

The Government will provide funding for the third stage in the development of a data warehouse system that will allow for more effective management of the Department of Veterans' Affairs health care information.

Services to the veteran community will be improved through collection of data to allow analysis of linked health care activities and assessment of the impact of treatment. The system will also be a single authoritative source of health related management data that can then be used to benchmark the performance of different providers and provider organisations.

The measure is expected to generate savings in expenses in a number of areas including improving contract negotiations and performance monitoring and consequentially moving towards better quality outcomes and efficiency.

Further Information

See also the related capital measure titled *Managing health care information*, in the Veterans' Affairs portfolio.

Refurbishment of war cemeteries and Gardens of Remembrance in Australia and overseas

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	1.1	1.1	1.1	1.1

Explanation

The Government will enhance the maintenance programme undertaken by the Office of Australian War Graves (OAWG).

The OAWG maintains memorials, cemeteries and associated facilities in Australia and overseas. This includes more than 70 war cemeteries and war plots, and more than 215,000 official post war memorials. The number of post war memorials increases at a rate of approximately 8,000 memorials per year.

Residential Care Development Scheme

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	6.8	-	-	-

Explanation

The Government will continue funding for the Residential Care Development Scheme, demonstrating its commitment to the best possible residential care services for the veteran community. The Scheme supports the improvement of residential care facilities run by ex-service organisations (ESOs) to meet certification and accreditation standards.

The Scheme helps both ESOs and community based organisations, where there is identified direct benefit to the veteran community, to improve access of entitled veterans and their widow(er)s to high quality residential aged care services and Community Care Packages.

Response to findings of the Vietnam Veterans' Health Study

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Health and Aged Care:	0.7	0.7	0.7	0.7
Department of Veterans' Affairs:	8.2	7.0	7.2	7.1
Total:	8.9	7.7	7.9	7.8

Explanation

The Government will provide a package of assistance for Vietnam veterans and their families. Preventive health regimes already available under the *Veterans' Entitlements Act 1986* will be expanded and enhanced through both physical and mental health initiatives. For veterans' dependants, the initiative provides health care and support to supplement community care already available through the Home and Community Care Programme.

This package has been developed following the Government's consideration of the Vietnam Veterans' Health Study. The Study was undertaken to address veterans' concerns that their health, and the health of family members, had been adversely affected by their service in Vietnam. The Study found that veterans perceive their health as much poorer than others their age, and indicates that they have some chronic illnesses at higher rates than the community norm.

This is a cross portfolio measure between the Department of Veterans' Affairs and the Department of Health and Aged Care.

Review of service entitlements anomalies with respect to South-East Asian service 1955-75

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	-	-	-	-
Department of Family and Community Services:	-12.9	-26.6	-27.2	-27.8
Department of Health and Aged Care:	-0.8	-1.5	-1.5	-1.5
Department of Veterans' Affairs:	16.2	36.4	36.9	36.8
Total:	2.5	8.3	8.3	7.5

Explanation

The Government will extend repatriation benefits and medals to certain deployments to South-East Asia in the period 1955-75.

A review of service entitlements anomalies with respect to South-East Asian service 1955-75 concluded that anomalies existed in the determination of entitlements to medals and repatriation benefits for a number of deployments of Australian Defence Force and other personnel. The Department of Defence has reassessed each deployment, and this measure rectifies anomalies determined in the award of medals and repatriation entitlements.

An additional 43,000 medals will be awarded, and an additional 2,600 veterans will be entitled to repatriation benefits. The Department of Defence will absorb the cost (\$1.7 million in 2000-01) for the provision of medals.

As the Department of Veterans' Affairs will provide service pensions and health care for those entitled to repatriation benefits, savings will be realised in the Departments of Health and Aged Care and Family and Community Services.

This is a cross portfolio measure between the Department of Veterans' Affairs, the Department of Health and Aged Care, the Department of Family and Community Services and the Department of Defence.

Veterans' Home Care

Expense (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	6.4	-29.4	-15.4	-18.9

Explanation

The Government will transfer responsibility for the provision of home care services for entitled veterans from the Home and Community Care (HACC) programme in the Department of Health and Aged Care to the Department of Veterans' Affairs (DVA). This will result in net savings for DVA as the current costs of high level care will lessen due to more clients being able to access home care services.

This programme will be available to eligible Gold and White Card holders who are assessed as needing home support services. The initiative is part of a strategy for improving and maintaining the health, well-being and independence of veterans through the provision of better targeted support in the home.

As a result of this transfer of responsibility for home care services for veterans, there will be additional capacity in the HACC programme to service the needs of the wider community.

Part III: Capital Measures

Table 5: Capital Measures since the 1999-2000 MYEFO

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Agriculture, Fisheries and Forestry				
<i>Department of Agriculture, Fisheries and Forestry</i>				
Creation of a new Horticultural Service Company	-	-	-	-
Portfolio total	-	-	-	-
Attorney-General's				
<i>Attorney-General's Department</i>				
Establishment of the Administrative Review Tribunal	-	-	-	-
<i>Australian Federal Police</i>				
Microwave video link capacity for law enforcement agencies	1.1	-	-	-
<i>Australian Security Intelligence Organisation</i>				
Investment in ASIO capabilities(a)	-	2.9	2.0	2.2
Microwave video link capacity for law enforcement agencies	0.2	-	-	-
Portfolio total	1.3	2.9	2.0	2.2
Communications, Information Technology and the Arts				
<i>Australian Broadcasting Corporation</i>				
Digital broadcasting - resourcing for digital equipment	20.0	7.9	2.5	-4.4
Loan facility to the Australian Broadcasting Corporation	-	-	-	-
<i>Special Broadcasting Service Corporation</i>				
Digital broadcasting - resourcing for digital equipment	18.3	2.2	1.5	3.8
Portfolio total	38.3	10.1	4.0	-0.6
Defence				
<i>Department of Defence</i>				
Achievement of improved submarine capability	128.0	-	-	-
Additional resourcing for logistic support and corporate management systems	80.0	-4.0	-4.0	-4.0
Sale of Defence property	-480.2	-7.9	-50.0	-2.5
Portfolio total	-272.2	-11.9	-54.0	-6.5
Family and Community Services				
<i>Centrelink</i>				
Family Assistance Office review mechanism	1.1	-0.1	-0.1	-0.1
Revised means test treatment of private trusts and private companies	4.0	-	-	-
Portfolio total	5.1	-0.1	-0.1	-0.1

Table 5: Capital Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Finance and Administration				
<i>Department of Finance and Administration</i>				
Future of Employment National	-	-	-	-
Portfolio total	-	-	-	-
Immigration and Multicultural Affairs				
<i>Department of Immigration and Multicultural Affairs</i>				
Response to the Review of Illegal Workers in Australia	0.5	-0.1	-0.1	-0.1
Unauthorised Arrivals in Australia - establish a new detention facility at Darwin and close the Curtin facility	2.8	-0.2	-0.2	-0.2
Portfolio total	3.4	-0.3	-0.3	-0.3
Industry, Science and Resources				
<i>Commonwealth Scientific and Industrial Research Organisation</i>				
CSIRO Property Review - proceeds from sales	-23.0	-31.0	-53.0	-
<i>Department of Industry, Science and Resources</i>				
Support for the development of Gas to Liquids Technology	-	-	-	-
Portfolio total	-23.0	-31.0	-53.0	-
Prime Minister and Cabinet				
<i>Office of the Commonwealth Ombudsman</i>				
Systems and desktop replacement for the Office of the Commonwealth Ombudsman	0.2	-0.1	-0.1	-0.1
Portfolio total	0.2	-0.1	-0.1	-0.1
Transport and Regional Services				
<i>Department of Transport and Regional Services</i>				
Indian Ocean Territories Infrastructure Development Programme	21.9	15.7	15.7	15.7
Portfolio total	21.9	15.7	15.7	15.7
Treasury				
<i>Australian Taxation Office</i>				
Administration of the Fuels sales grants scheme	1.7	-	-	-
Business tax reform	17.2	21.1	-	-
<i>Department of the Treasury</i>				
Australia's policy towards Papua New Guinea	-	-	-	-
Capital payment to the European Bank for Reconstruction and Development	-	-	-	-
Capital payment to the Multilateral Investment Guarantee Agency	-	-	-	-
Portfolio total	18.9	21.1	-	-

Table 5: Capital Measures since the 1999-2000 MYEFO (continued)

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Veterans' Affairs				
<i>Australian War Memorial</i>				
Bradbury Aircraft Hall exhibition fit-out	1.0	-	-	-
<i>Department of Veterans' Affairs</i>				
Change the date of effect for grants and variations to compensation payments	2.9	-	-	-
Managing health care information	5.1	4.5	4.3	4.4
Portfolio total	9.0	4.5	4.3	4.4
Total capital measures(b)	-197.1	11.0	-81.6	14.7

- (a) Measures for ASIO and ASIS are listed in the summary table but are not further disclosed in the explanation of measures for security reasons.
- (b) Measures may not add due to rounding.

Table 6: Capital Measures up to the 1999-2000 MYEFO

	2000-01 \$m	2001-02 \$m	2002-03 \$m	2003-04 \$m
Attorney-General's				
<i>Australian Customs Service</i>				
Enhanced Border Protection	-0.8	-0.8	-0.8	-
Portfolio total	-0.8	-0.8	-0.8	-
Environment and Heritage				
<i>National Parks and Wildlife</i>				
Equity injection for Kakadu and Uluru Kata-Tjuta National	-	-	-	-
Portfolio total	-	-	-	-
Immigration and Multicultural Affairs				
<i>Department of Immigration and Multicultural Affairs</i>				
Enhanced Border Protection	-0.3	-0.3	-0.3	-0.3
Portfolio total	-0.3	-0.3	-0.3	-0.3
Defence				
<i>Department of Defence</i>				
East Timor peace enforcement and peace keeping	256.0	111.0	27.0	27.0
Portfolio total	256.0	111.0	27.0	27.0
Total capital measures	254.9	109.9	25.9	26.7

Capital Measures introduced since the 1999-2000 MYEFO^(a)

Agriculture, Fisheries and Forestry

Creation of a new Horticultural Service Company

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Agriculture, Fisheries and Forestry:	-	-	-	-

Explanation

The Government has decided to establish a new marketing and research and development service delivery company for horticulture. The key function of this company will be to deliver world class marketing and research and development services to the horticulture industry under a purchaser-provider model of service delivery. This single company will replace two statutory authorities: the Australian Horticultural Corporation and the Horticultural Research and Development Corporation.

The establishment of a single corporation will provide efficiencies to the industry in terms of streamlined delivery of administration services, resulting in efficient use of company resources and lower operating costs.

The creation of the new Horticulture Service Company outside the General Government Sector involves the Commonwealth divesting its \$16.3 million interest in two current statutory authorities (which is classified as a financial asset). For this reason, this measure is shown as having a zero impact on fiscal balance.

(a) Capital in this section is defined as 'net capital investment', the capital component used in the calculation of the fiscal balance. This includes: purchases of capital equipment, less any proceeds from their sale, and any reduction in the value of capital equipment (as measured by depreciation) plus net investment in other non-financial assets, including inventories. Capital policy decisions that involve only financial assets will not affect the fiscal balance and are therefore reported in this section as having no impact on the fiscal balance.

Attorney-General's

Establishment of the Administrative Review Tribunal

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Attorney-General's Department:	-	-	-	-

Explanation

The Government is providing a capital injection of up to \$15 million to establish a single federal merits review tribunal, the Administrative Review Tribunal (ART), by merging four existing merits review tribunals, namely the Administrative Appeals Tribunal, the Social Security Appeals Tribunal, the Refugee Review Tribunal and the Migration Review Tribunal. It is anticipated that the ART will commence on 1 February 2001.

This measure provides working capital to establish the ART. The capital injection will be used primarily to fund lease breaks and transitional staffing costs (including the engagement of consultants) involved in establishing the ART.

Establishing the ART will achieve administrative efficiencies, a more efficient and accessible merits review structure, and will introduce more flexible, cost-effective and non-legalistic procedures. Increased economies of scale, administrative efficiencies and structural reforms will result in annual cost reductions of some \$9.0 million in a full year from the merger of the existing tribunals.

Further Information

This measure affects the Commonwealth's investment in financial assets through the application of a capital injection to the ART. For this reason it is shown as having a zero impact on fiscal balance.

See also the related expense measure titled *Establishment of the Administrative Review Tribunal*, in the Attorney-General's portfolio.

Microwave video link capacity for law enforcement agencies

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Federal Police:	1.1	-	-	-
Australian Security Intelligence Organisation:	0.2	-	-	-
Total:	1.3	-	-	-

Explanation

The Government will provide additional funding to Commonwealth and State law enforcement and security agencies to purchase new equipment following the Government's decision to reallocate part of the radio frequency spectrum.

This is a cross agency measure between the Attorney-General's Department, the Australian Federal Police and the Australian Security Intelligence Organisation.

Further Information

See also the related expense measure titled *Microwave video link capacity for law enforcement agencies* in the Attorney-General's portfolio.

Communications, Information Technology and the Arts

Digital broadcasting — resourcing for digital equipment

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Broadcasting Corporation:	20.0	7.9	2.5	-4.4
Special Broadcasting Service Corporation:	18.3	2.2	1.5	3.8
Total:	38.3	10.1	4.0	-0.6

Explanation

The Government will provide a capital injection of \$66.2 million over four years for the Australian Broadcasting Corporation (ABC) and Special Broadcasting Service Corporation (SBS) to purchase capital equipment required for digital broadcasting. This will enable these public broadcasters to meet the Government's legislated requirement for the introduction of digital television broadcasting from 1 January 2001.

This measure affects the Commonwealth's investment in non-financial assets through the purchase of capital equipment.

Further Information

See also the related expense measure titled *Digital broadcasting — resourcing for digital distribution and transmission*, in the Communications, Information Technology and the Arts portfolio.

Loan facility to the Australian Broadcasting Corporation

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Broadcasting Corporation:	-	-	-	-

Explanation

The Government will provide a loan facility of up to \$150 million over four years to the Australian Broadcasting Corporation (ABC). The loan will assist the ABC to finance the construction of additional purpose built accommodation at its existing Sydney headquarters at Ultimo, NSW, as well as refinance a number of existing commercial debt facilities. The total cost of the Ultimo building project is estimated at \$130 million. Loan funds are to be repaid and the building debt free by November 2010.

Further Information

This building project will enable the co-location of the majority of ABC Sydney staff in modern digitally equipped facilities. The majority of the ABC's current television facilities at Gore Hill will be sold and the proceeds used to assist in the ABC's conversion to digital technology.

The provision of a loan facility to the ABC affects the Commonwealth's financial asset position. For this reason, this measure is shown as having a zero impact on fiscal balance.

Defence

Achievement of improved submarine capability

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	128.0	-	-	-

Explanation

The Government will provide additional funding to the Department of Defence for the enhancement of two Collins Class Submarines. This reflects the Government's acceptance of the McIntosh/Prescott Report that further remedial work be undertaken on the Collins Class Submarines as a matter of priority. The enhancement is due to be completed by December 2000.

Additional resourcing for logistic support and corporate management systems

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	80.0	-4.0	-4.0	-4.0

Explanation

The Government will provide additional funding to the Department of Defence to meet budget pressures in the areas of logistic support and information systems, in particular:

- capital funding of \$40 million for logistic support activities such as remediation of Reserve unit equipment that was used in the East Timor operation and ship refit works; and
- capital funding of \$40 million to be used on expenditure on corporate management systems, which support the introduction of the new resource management framework, including purchaser provider arrangements.

Further Information

The increase for 2000-01 in the non-financial assets of the Department of Defence is to meet budget pressures in the areas of logistic support and information systems. The net value of these assets is reduced by depreciation over the following years. This depreciation expense is funded by the Government, and included in the Department of Defence's departmental resourcing.

See related expense measure, *Increasing operational availability of Reserves* in the Defence portfolio.

Sale of Defence property

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Defence:	-480.2	-7.9	-50.0	-2.5

Explanation

The Government has agreed to a programme of Defence property sales. The sales mainly involve metropolitan office sites and are being sold in accordance with the Commonwealth Property Principles. The proceeds from the sale of these properties will be returned to the Budget under this measure. Certain properties will be leased back and Defence will be provided with rental supplementation in respect of the commercial rental rates charged (see the related expense measure titled *Supplementation for commercial rents* also in the Defence portfolio).

Defence will retain proceeds from other property sales (\$324.2 million over four years) to help offset budgetary pressures. This is in addition to the usual on-going assets sales programme undertaken by Defence.

Family and Community Services

Family Assistance Office review mechanism

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Centrelink:	1.1	-0.1	-0.1	-0.1

Explanation

The Government will provide \$1.1 million to the Family Assistance Office for capital acquisition including computer software and systems development for the administration of the Family Assistance Office review mechanism for the new Family Assistance arrangements and the Goods and Services Tax (GST).

Further Information

See also the related expense measure *Family Assistance Office review mechanism* in the Family and Community Services portfolio.

Revised means test treatment of private trusts and private companies

Capital (\$m)

	2000-01	2001-02	2002-03	2003-2004
Centrelink:	4.0	-	-	-

Explanation

The Government will provide \$4 million to Centrelink for capital acquisitions including internally developed software and office fitout. This will allow Centrelink to assess and review eligibility for entitlements under the new means testing arrangements. These arrangements will now include consideration of assets held in discretionary and non-discretionary trusts and private companies.

Further Information

See also the related expense measure *Revised means test treatment of private trusts and private companies* in the Family and Community Services portfolio.

Finance and Administration

Future of Employment National

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Finance and Administration:	-	-	-	-

Explanation

The Government will provide equity funding to support the continued operation of Employment National Limited over the next three years. It is estimated that equity funding of around \$56 million will be required. Some \$35 million will be provided in 2000-01, \$14 million in 2001-02 and \$7 million in 2002-03 to facilitate a major organisational restructure to maintain the company's solvency.

Further Information

Equity injections to agencies outside the General Government Sector affect the Commonwealth's investment in financial assets. For this reason, this measure is shown as having a zero impact on fiscal balance.

Immigration and Multicultural Affairs

Response to the Review of Illegal Workers in Australia

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	0.5	-0.1	-0.1	-0.1

Explanation

The Government has responded to the recommendations of the recently released Review of Illegal Workers in Australia by implementing a range of initiatives that will make it easier for employers to identify people without work rights.

The increase for 2000-01 in the non-financial assets of the Department of Immigration and Multicultural Affairs provides for additional office and equipment facilities. The net value of these assets is reduced by depreciation over the following years. This depreciation expense is funded by the Government, and included in the Department of Immigration and Multicultural Affairs' departmental resourcing.

Further Information

The Review of Illegal Workers in Australia was compiled by an External Reference Group and released by the Minister for Immigration and Multicultural Affairs on 17 December 1999. The review found that additional measures were required to make Australia less attractive to people seeking to work illegally to ensure that Australia's labour markets operate efficiently and fairly.

See also the related expense and revenue measures, titled *Response to the Review of Illegal Workers in Australia*, in the Immigration and Multicultural Affairs portfolio.

Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Immigration and Multicultural Affairs:	2.8	-0.2	-0.2	-0.2

Explanation

The Government has decided to establish a new permanent Immigration Reception and Processing Centre (IRPC) in the Darwin region when the current temporary detention facility at the Curtin Air Force Base in Western Australia is returned to defence use. Locating a new IRPC near a major regional centre will reduce costs in a number of areas, such as transport for unauthorised arrivals from the point of interception, travel and accommodation for relevant departmental and legal staff, and the general costs of running the facility.

The measure provides for an increase in net capital of \$2.8 million in 2000-01, reflecting the Government's decision to provide a capital injection of \$3 million in 2000-01 for the capital costs of establishing a new immigration detention facility in the Darwin region. The net value of these assets is reduced by depreciation, which is also funded as an expense through departmental resourcing. The facility will incorporate core accommodation for 500 people with significant additional places to be provided through flexible demountable accommodation, allowing for expected surges in capacity requirements.

Further Information

See related expense measure titled *Unauthorised Arrivals in Australia — establish a new detention facility at Darwin and close the Curtin facility* in the Immigration and Multicultural Affairs portfolio.

Industry, Science and Resources

CSIRO Property Review – proceeds from sales

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Commonwealth Scientific and Industrial Research Organisation:	-23.0	-31.0	-53.0	-

Explanation

Following an independent review of the Commonwealth Scientific and Industrial Research Organisation's (CSIRO) property holdings, six properties (in Canberra, Sydney, Brisbane and Perth) will be sold and leased back over the next three years. CSIRO will make equity repayments to the Budget of the proceeds from the sale of these properties.

Further Information

A sub-committee of the CSIRO Board will undertake the sale and leaseback arrangements. Leasing arrangements will ensure, under commercial arrangements, that CSIRO retains appropriate management and operational control so that the special needs and risks of research are covered and that no inappropriate risks are imposed on the Commonwealth.

See also the related expense measure titled *Supplementation for commercial rents and sales costs* in the Industry Science and Resources portfolio.

Support for the development of Gas to Liquids Technology

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Industry, Science and Resources:	-	-	-	-

Explanation

Capital funding of \$70 million (\$42 million in 1999-2000, \$8 million in 2000-01, and \$20 million in 2001-02) has been approved to facilitate the development of Gas to Liquids (GTL) fuel technology and add value to Australia's currently under-utilised gas resources.

In a commercial arrangement with the US based Syntroleum Corporation, a research consortium will develop synthetic fuel products for the Australian market free of sulphur and other contaminants.

Further Information

A \$30 million licence agreement with Syntroleum Corporation to be reached in 1999-2000 will give the Commonwealth access to its technology. A \$40 million conditional loan to Syntroleum will facilitate further research and development, leading to the commercialisation of the GTL technology in Australia. Synthetic fuel products free of sulphur and other contaminants are expected to be produced for the Australian market.

The arrangement with Syntroleum will put Australia at the forefront of innovation in this field, with the possibility of greatly expanding the commercial potential of Australia's gas resources.

The Prime Minister's Strategic Investment Coordinator has facilitated this arrangement with Syntroleum Corporation.

The provision of a loan facility to the Syntroleum Corporation affects the composition of the Commonwealth's financial assets, and for this reason, this measure is shown as having a zero impact on fiscal balance.

Prime Minister and Cabinet

Systems and desktop replacement for the Office of the Commonwealth Ombudsman

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Office of the Commonwealth Ombudsman:	0.2	-0.1	-0.1	-0.1

Explanation

The Government will provide an equity injection of \$0.3 million in 2000-01 to the Office of the Commonwealth Ombudsman for the development of an enhanced case management system (CMS). After taking depreciation into account, this will provide for a net capital investment of \$0.2 million. The development of a new CMS will facilitate the maintenance and improvement of complaint handling performance.

The increase for 2000-01 in the non-financial assets of the Office of the Commonwealth Ombudsman provides for systems and desktop replacement. The net value of these assets is reduced by depreciation over the following years. This depreciation expense is funded by the Government, and included in the Office of the Commonwealth Ombudsman's departmental resourcing.

Further Information

See also the related expense measure titled *Systems and desktop replacement for the Office of the Commonwealth Ombudsman*, in the Prime Minister and Cabinet portfolio.

Transport and Regional Services

Indian Ocean Territories Infrastructure Development Programme

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Transport and Regional Services:	21.9	15.7	15.7	15.7

Explanation

The Government will undertake a programme of capital works in the Indian Ocean Territories. This will bring infrastructure in the Indian Ocean Territories up to a standard similar to that found in comparable communities in the rest of Australia. Projects include:

- public housing;
- improvements to marine and port facilities; and
- replacement of sewerage and water supply infrastructure.

This measure implements the recommendations contained in the Commonwealth Grants Commission's 1999 report on the Indian Ocean Territories.

Further Information

See also the related expense measure titled *Improvement in services to the Indian Ocean Territories* in the Transport and Regional Services portfolio.

Treasury

Administration of the Fuels sales grants scheme

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	1.7	-	-	-

Explanation

From 1 July the Government will introduce a tiered grants scheme which will be paid to retailers of petrol and diesel. This scheme will be administered by the Australian Taxation Office (ATO).

The Government will provide the ATO with funding for computer software and systems development for the administration of the Fuels sales grants scheme. This funding includes \$5.2 million in 1999-2000.

Further Information

See also the related expense measures *Fuels sales grants scheme* and *Administration of the Fuels sales grants scheme* in the Treasury portfolio.

Business tax reform

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian Taxation Office:	17.2	21.1	-	-

Explanation

The Government will provide the Australian Taxation Office (ATO) with a capital injection to meet the costs of developing the necessary information technology systems required to implement the Business Taxation Reform measures. A range of ATO business processes and computer systems will need to be redeveloped, including significant changes to many of the ATO's major mainframe computer systems such as Electronic Lodgement Service and the National Taxpayer System which generates income tax assessments.

Further Information

The Review of Business Taxation led by Mr John Ralph AO titled *A Tax System Redesigned* (the Report), was released to the public on 21 September 1999. The Government's response was announced in two stages on 21 September 1999 and

11 November 1999. The reforms arising from this Report will be implemented primarily by the ATO.

See also the related expense measure, *Business tax reform* in the Treasury portfolio.

Australia's policy towards Papua New Guinea

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Treasury:	-	-	-	-

Explanation

The Government has indicated to the Government of Papua New Guinea (PNG) that it will consider providing a longer-term government-to-government loan (under the *International Monetary Agreements Act 1947*) in support of the International Monetary Fund (IMF) Board's approval on 29 March 2000 of a Stand-by Arrangement for PNG. This is on the understanding that agreement would also soon be reached on a Structural Adjustment Loan with the World Bank. This loan would help meet PNG's external financing needs and would be provided in tranches covered by separate loan agreements, over 1999-2000 and 2000-01, on terms that more than cover the Commonwealth's cost of funding.

The provision of a loan facility to Papua New Guinea affects the Commonwealth's investment in financial assets, and for this reason, it is shown as having a zero impact on fiscal balance.

Capital payment to the European Bank for Reconstruction and Development

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Treasury:	-	-	-	-

Explanation

The Government will participate in a capital payment or General Capital Increase (GCI) to the European Bank for Reconstruction and Development (EBRD) by subscribing to an additional 10,000 shares, through the provision of \$46 million in cash contributions over a period of ten years and \$159 million at call. By participating in the GCI, Australia will increase its participation in the region, which has increasing demands arising particularly from the war in Kosovo and the Russian crises.

Further Information

The EBRD seeks to help its 26 countries of operations to implement structural and sectoral economic reforms, promoting competition, privatisation and entrepreneurship, taking into account the particular needs of countries at different stages of transition.

The purchase of shares affects the composition of the Commonwealth's investment in financial assets, and for this reason, it is shown as having a zero impact on fiscal balance.

Capital payment to the Multilateral Investment Guarantee Agency

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of the Treasury:	-	-	-	-

Explanation

The Government will participate in a capital payment or General Capital Increase (GCI) to the Multilateral Investment Guarantee Agency (MIGA) by subscribing to an additional 1,306 shares. Participation in the GCI will involve the provision of two cash contributions: \$1.96 million in both March 2001 and March 2002, and \$19.0 million at call.

Further Information

Australia became a member of MIGA in February 1999, securing its investment by subscribing to 1,713 shares. MIGA is an affiliate of the World Bank and it provides political risk insurance in developing countries.

The purchase of shares affects the composition of the Commonwealth's investment in financial assets, and for this reason, it is shown as having a zero impact on fiscal balance.

Veterans' Affairs

Bradbury Aircraft Hall exhibition fit-out

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Australian War Memorial:	1.0	-	-	-

Explanation

The Government will provide funding to complete exhibition fit-out of Bradbury Aircraft Hall. The total cost is \$3 million, which was to be raised by the Australian War Memorial Foundation. However, fundraising difficulties have resulted in a \$1 million shortfall, which the Government will contribute.

Change the date of effect for grants and variations to compensation payments

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	2.9	-	-	-

Explanation

The Government is changing the way that disability and war widows' pensions are calculated to more accurately reflect pensioners' true entitlements. This funding contributes to the purchase of required information technology, as well as other set-up costs.

Further Information

See also the related expense measure titled *Change the date of effect for grants and variations to compensation payments*, in the Veterans' Affairs portfolio.

Managing health care information

Capital (\$m)

	2000-01	2001-02	2002-03	2003-04
Department of Veterans' Affairs:	5.1	4.5	4.3	4.4

Explanation

The Government will provide a capital injection for the third stage in the development of a data warehouse system to better manage financial and management information on veterans' health. Services to the veteran community will be improved through collection of data to allow analysis of linked health care activities and assessment of the impact of treatment.

Further Information

See also the related expense measure, *Managing health care information*, in the Veterans' Affairs portfolio.

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