



**BUDGET**  
**BUDGET MEASURES**  
**BUDGET PAPER NO. 2**

2011-12

**CIRCULATED BY**

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FOR THE INFORMATION OF HONOURABLE MEMBERS  
ON THE OCCASION OF THE BUDGET 2011-12

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# FOREWORD

Budget Paper No. 2, *Budget Measures 2011-12* ensures that the Budget Papers provide comprehensive information on all Government decisions that involve changes to its revenue, expense and investing activities since the *Mid-Year Economic and Fiscal Outlook 2010-11*.

Budget Paper No. 2 comprises three parts:

- Part 1: Revenue Measures
- Part 2: Expense Measures
- Part 3: Capital Measures

Revenue measures are defined as those measures that affect taxation or non-taxation revenues (on a Government Finance Statistics basis).

Expense measures are defined as those measures that affect expenses (on a Government Finance Statistics 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 or loans used for purposes other than investment in non-financial assets, are shown as having a zero impact on the fiscal balance.

## Notes

- (a) The following definitions are used in this Budget Paper:
- ‘real’ means adjusted for the effect of inflation;
  - real growth in expenses is measured by the Consumer Price Index (CPI);
  - the Budget year refers to 2011-12, while the forward years refer to 2012-13, 2013-14 and 2014-15; 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.
- (c) For the budget balance, a negative sign indicates a deficit while no sign indicates a surplus.

(d) The following notations are used:

*	The nature of this measure is such that a reliable estimate cannot be provided.
COAG	Council of Australian Governments
NEC/nec	not elsewhere classified
AEST	Australian Eastern Standard Time
-	nil
..	not zero, but rounded to zero
na	not available
nfp	not for publication
\$m	\$ million

(e) The Australian Capital Territory and the Northern Territory are referred to as 'the Territories'. References to the 'States' or 'each State' include the Territories. The following abbreviations are used for the names of the States, where appropriate:

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

(f) In this paper the term Commonwealth refers to the Commonwealth of Australia. The term is used when referring to the legal entity of the Commonwealth of Australia.

The term Australian Government is used when referring to the Government and the decisions and activities made by the Government on behalf of the Commonwealth of Australia.

Budget Paper No. 2, *Budget Measures 2011-12* is one of a series of Budget Papers that provides information to supplement the Budget Speech. A full list of the series is printed on the inside cover of this paper.

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# Part 1: Revenue Measures

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup>**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>AGRICULTURE, FISHERIES AND FORESTRY</b>					
	<i>Department of Agriculture, Fisheries and Forestry</i>					
8	Changes to agricultural production levies	10.5	21.9	22.3	22.7	23.0
	<b>Portfolio total</b>	<b>10.5</b>	<b>21.9</b>	<b>22.3</b>	<b>22.7</b>	<b>23.0</b>
	<b>ATTORNEY-GENERAL'S</b>					
	<i>Attorney-General's Department</i>					
103	Marriage Celebrants Program — reform(b)	-	-	-	4.2	4.0
168	Natural Disaster Recovery and Rebuilding — assistance to business affected by the Queensland Floods(b)	-	2.2	4.6	4.3	3.8
169	— assistance to business affected by Tropical Cyclone Yasi(b)	-	1.5	3.0	2.8	2.5
	<i>Australian Customs and Border Protection Service</i>					
14	Alternative fuels — delayed introduction of taxation and other changes	-	2.0	-	-	-
9	Australia New Zealand Closer Economic Relations Trade Agreement — Amendments to product specific rules of origin	-	..	..	..	..
21	Excise and excise-equivalent customs duty — refunds, remissions and drawbacks	9.7	12.1	13.4	14.1	15.1
260	Migration Program — allocation of places for 2011-12(b)	-	0.7	2.2	3.7	5.4
	<i>Australian Security Intelligence Organisation</i>					
9	National Security — Australian Security Intelligence Organisation maritime and airport security assessments — improved cost recovery	-	1.3	1.3	1.3	1.3
	<i>Insolvency and Trustee Service Australia</i>					
102	Insolvency and Trustee Service Australia — additional funding(b)	-	12.4	15.7	18.3	22.1
341	Personal Property Securities Register — additional funding(c)	-	2.0	3.0	3.0	-
	<b>Portfolio total</b>	<b>9.7</b>	<b>34.2</b>	<b>43.1</b>	<b>51.7</b>	<b>54.2</b>
	<b>BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY</b>					
	<i>Australian Communications and Media Authority</i>					
111	Australian Communications and Media Authority — revenue assurance project(b)	-	nfp	nfp	nfp	nfp
116	National Broadband Network — regulatory framework(b)	-	3.5	3.3	3.1	2.9
	<b>Portfolio total</b>	<b>-</b>	<b>3.5</b>	<b>3.3</b>	<b>3.1</b>	<b>2.9</b>

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m	\$m
<b>CLIMATE CHANGE AND ENERGY EFFICIENCY</b>					
<i>Office of the Renewable Energy Regulator</i>					
Renewable Energy Target					
124	-	6.0	3.9	2.3	1.8
10	-	-0.3	-3.4	-4.2	-4.0
<b>Portfolio total</b>	<b>-</b>	<b>5.7</b>	<b>0.6</b>	<b>-1.9</b>	<b>-2.2</b>
<b>DEFENCE</b>					
<i>Department of Defence</i>					
128	-	40.9	-	-	-
129	-	1.0	-	-	-
129	-	4.5	-	-	-
<b>Portfolio total</b>	<b>-</b>	<b>46.4</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS</b>					
<i>Department of Education, Employment and Workplace Relations</i>					
157	-	7.5	7.6	7.5	7.6
163	-	0.2	4.3	18.4	41.0
11	-	4.1	4.1	4.1	4.2
<b>Portfolio total</b>	<b>-</b>	<b>11.8</b>	<b>16.0</b>	<b>30.1</b>	<b>52.8</b>
<b>HEALTH AND AGEING</b>					
<i>Department of Health and Ageing</i>					
345	-	0.4	0.5	0.5	0.5
236	nfp	nfp	nfp	nfp	nfp
236	nfp	nfp	nfp	nfp	nfp
238	nfp	nfp	nfp	nfp	nfp
239	-	nfp	nfp	nfp	nfp
240	nfp	nfp	nfp	nfp	nfp
240	nfp	nfp	nfp	nfp	nfp
<b>Portfolio total</b>	<b>-</b>	<b>0.4</b>	<b>0.5</b>	<b>0.5</b>	<b>0.5</b>

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>IMMIGRATION AND CITIZENSHIP</b>					
	<i>Department of Immigration and Citizenship</i>					
260	Migration Program — allocation of places for 2011-12(b)	-	-26.6	-27.3	-36.1	-37.0
12	Visa Application Charge — increase	-	62.2	71.0	75.9	85.7
	<i>Migration Review Tribunal and Refugee Review Tribunal</i>					
260	Migration Review Tribunal — Refugee Review Tribunal — changes to application fees(b)	-	3.5	3.5	4.1	4.1
	<b>Portfolio total</b>	<b>-</b>	<b>39.1</b>	<b>47.2</b>	<b>44.0</b>	<b>52.9</b>
	<b>INFRASTRUCTURE AND TRANSPORT</b>					
	<i>Department of Infrastructure and Transport</i>					
266	Airport building controllers — increased funding(b)	-	3.5	3.5	3.5	3.5
	<b>Portfolio total</b>	<b>-</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>	<b>3.5</b>
	<b>RESOURCES, ENERGY AND TOURISM</b>					
	<i>Department of Resources, Energy and Tourism</i>					
305	Upstream Petroleum Regulatory Reform — revised arrangements(b)	-12.5	8.9	15.3	-	-
	<b>Portfolio total</b>	<b>-12.5</b>	<b>8.9</b>	<b>15.3</b>	<b>-</b>	<b>-</b>
	<b>TREASURY</b>					
	<i>Australian Prudential Regulation Authority</i>					
323	Stronger Super — MySuper(b)	-	5.1	10.0	8.3	6.5
325	Superannuation — financial assistance grants to compensate fund members for the failure of Trio(b)	-	55.0	-	-	-
	<i>Australian Securities and Investments Commission</i>					
316	Australian Accounting Standards Board and Auditing and Assurance Standards Board — additional funding(b)	-	1.8	1.8	1.8	1.8
318	Australian Securities and Investments Commission — additional funding(b)	-	18.8	-	-	-
319	Competition for Market Services(b)	-	8.0	9.1	6.6	6.2
324	Stronger super — self managed super funds(b)	-	-	1.0	0.4	0.4
	<i>Australian Taxation Office</i>					
13	Abolish the Entrepreneurs' Tax Offset	-	-	-	180.0	185.0
13	Additional benefits agreement — Mauritius	..	..	..	..	..
14	Alternative fuels — delayed introduction of taxation and other changes	-	-240.0	-199.0	-135.0	-69.0

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
	Border Security					
97	– enhancing regional capability to combat people smuggling(b)	-	-0.2	-0.2	-	-
256	– initiatives to address irregular population flow in source and transit countries(b)	-	..	..	..	-
98	– strengthening Customs and Border Protection Service's operational engagement overseas(b)	-	-0.1	..	..	-
	Building Australia's Future Workforce					
14	– Dependent Spouse Tax Offset — phase-out	-	60.0	220.0	230.0	245.0
15	– Low Income Tax Offset — bring forward	-	-1,370.0	65.0	25.0	30.0
	Capital gains tax					
15	– amendments to the scrip for scrip roll-over and the small business concessions	-	5.0	50.0	50.0	55.0
16	– exemption for incentives related to renewable resources or for preserving environmental benefits	-	-	*	*	*
17	– extensions to the main residence exemption in relation to special disability trusts	*	*	*	*	*
17	– limiting the trading stock exception for superannuation funds	-	-	5.0	5.0	5.0
18	– minor amendments ensuring the proper functioning of the capital gains tax provisions	..	..	..	..	..
19	Capital gains tax and other roll-overs for amalgamations of indigenous corporations	-	*	*	*	*
19	Crude oil excise — technical amendments	-	-	-	-	-
	Debt/equity tax rules					
20	– clarification of the scope of an integrity provision	*	*	*	*	*
20	– extending the debt/equity transitional period for Upper Tier 2 capital instruments	*	*	*	*	*
21	Excise and excise-equivalent customs duty — refunds, remissions and drawbacks	15.0	16.0	18.0	19.0	20.0
21	Extension of the temporary loss relief for superannuation funds mergers by three months	-	-	*	*	*
22	Farm Management Deposits — early access for primary producers suffering natural disasters and improved administration arrangements	-	*	*	*	*
	Fringe benefits tax					
22	– exemption for Australian residents working in remote areas overseas under fly-in fly-out arrangements	-	-	-	-	-
23	– reform of the car fringe benefit rules	5.0	30.0	140.0	335.0	460.0
23	Functional currency rules — extending the range of entities that can use a functional currency	*	*	*	*	*

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
24	General interest charge — ensuring its continuous operation	-	-	-	-	-
	GST					
24	– treatment of new residential premises	20.0	10.0	10.0	10.0	10.0
25	– treatment of property in possession of a mortgagee	-	-	-	-	-
26	– certain supplies to health insurers	-	-	-	-	-
26	– Government response to Board of Taxation report: minor changes	-	*	*	*	*
27	– providing businesses in a net refund position with access to the GST instalment system	-	-	*	*	*
28	Improvements to the company loss recoupment rules	-	*	*	*	*
28	Income tax — expanding the definition of exploration to include geothermal energy	-	-	-	-5.0	-5.0
29	Income tax relief for water reforms	-	*	*	*	*
29	Infrastructure — enhanced loss utilisation for designated projects	-	-	-	*	*
	International tax					
30	– Interim Investment Manager Regime	-	*	*	*	*
31	– tax information exchange agreements	*	*	*	*	*
31	– update to the list of countries that have effective exchange of information arrangements with Australia	-	-15.0	-20.0	-22.0	-24.0
32	Look-through treatment for instalment warrants and similar arrangements	..	..	..	..	..
32	Luxury car tax — tax-free importation of cars by public museums	-	-0.5	-0.5	-0.5	-0.5
128	Middle East Area of Operations — continuation of Australia's military contribution(b)	-	-57.6	-5.6	-	-
260	Migration Program — allocation of places for 2011-12(b)	-	63.0	214.8	382.4	569.6
33	Minerals Resource Rent Tax — adoption of recommendations of the Policy Transition Group	-	-	..	..	..
	National Security					
104	– Australian Federal Police — United Nations Mission in Sudan — contribution(b)	-	-0.3	-0.2	..	-
203	– Baghdad Embassy civilian security arrangements — final transition(b)	-	-0.2	..	-	-
	Natural Disaster Recovery and Rebuilding					
33	– exempting Disaster Income Recovery Subsidy (flood relief) payments from income tax	-	-	-	-	-
34	– tax treatment of clean up and recovery business assistance grants	-	-55.0	-30.0	-10.0	-3.0
34	– Temporary flood and cyclone reconstruction levy	-	1,500.0	225.0	-	-

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
35	New tax system for managed investment trusts — clarifying the 2010-11 Budget measure	-	-	50.0	20.0	5.0
	Not-for-profit sector reforms					
322	– Australian Charities and Not-for-profits Commission — establishment(b)	-	8.0	10.0	10.0	13.0
36	– better targeting of not-for-profit tax concessions	-	-	-	-	-
37	– introducing a statutory definition of 'charity'	-	-	-	-	-
	Official development assistance					
206	– Expanding aid in Indonesia and South East Asia(b)	-	..	..	..	..
207	– Expanding aid to Africa, South and Central Asia and the Middle East(b)	-	-0.1	-0.1	-0.1	-0.1
209	– support for education and ending violence against women in Papua New Guinea and the Pacific(b)	-	..	..	..	..
38	Pacific Seasonal Worker Pilot Scheme — improved tax treatment	-	-0.8	-	-	-
193	Paid Paternity Leave — implementation — new start date(b)	-	-	0.4	0.1	-
38	Pay As You Go (PAYG) instalment taxpayers — reduction in the gross domestic product (GDP) adjustment factor	-	-700.0	700.0	-	-
	Personal income tax					
39	– disallow deductions against government assistance payments	-	-	-	-	-
39	– increasing the Medicare levy low-income thresholds	-	-50.0	-25.0	-25.0	-25.0
40	– removing minors' eligibility for low income tax offset on unearned income	-	-	240.0	250.0	250.0
40	Petroleum Resource Rent Tax — clarifying the taxing point	-	-	-	-	-
41	Philanthropy — updating the list of specifically listed deductible gift recipients	-	-0.7	-	-	-
41	Reduction in the minimum payment amounts for account-based pensions in 2011-12	-	-2.0	-5.0	-	-
195	Reform of family payments — pause indexation of upper limits and thresholds for a further two years(b)	-	-	0.5	3.5	6.5
42	Securities lending arrangements tax rules — extending the scope to address insolvency issues	-	*	*	*	*
42	Small business depreciation — accelerated initial deduction for motor vehicles	-	-	-	-200.0	-150.0
196	Social Security Agreement with Hungary(b)	-	..	..	..	..
129	Solomon Islands — continued Australia Defence Force assistance to the Regional Assistance Mission to Solomon Islands(b)	-	-1.8	-0.2	-	-

**Table 1: Revenue measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
324	Stronger super — self managed super funds(b)	-	10.0	12.0	12.0	13.0
	Superannuation					
43	– greater use of tax file numbers	-	*	*	*	*
43	– refund of excess concessional contributions	-	-0.8	-13.6	-3.3	-2.2
44	– securing super	-	-	..	..	..
44	Superannuation contribution caps — operation of the higher cap for over 50s	-	-	-	65.0	90.0
45	Tax Breaks for Green Buildings — deferral	-	-	15.0	100.0	180.0
	Tax compliance					
45	– countering fraudulent phoenix activities by company directors	-	10.0	60.0	95.0	95.0
46	– enhanced refund fraud detection and management	-	63.9	67.2	59.3	42.2
46	– reporting Government grants and payments	-	21.8	46.2	46.2	46.2
47	– reporting taxable payments	-	-	7.9	217.0	288.1
48	Tax laws — minor amendments	*	*	*	*	*
48	Tax treatment of payments made under the Sustainable Rural Water Use and Infrastructure Program	-	-10.0	-45.0	-5.0	30.0
	Taxation of Financial Arrangements					
49	– amendments to tax hedging rules	*	*	*	*	*
49	– minor amendments to ease the transition into Stages 3 and 4	*	*	*	*	*
129	Timor-Leste — continuation of Australia's commitment to helping to maintain security and stability(b)	-	-6.9	-0.9	-	-
	Trust taxation					
50	– income averaging and farm management deposits	-	-	-	-	-
50	– interim changes to improve the taxation of trust income	-	*	*	*	*
	<b>Portfolio total</b>	<b>40.0</b>	<b>-625.6</b>	<b>1,833.5</b>	<b>1,725.8</b>	<b>2,374.8</b>
	<b>Decisions taken but not yet announced</b>	<b>54.3</b>	<b>83.8</b>	<b>57.6</b>	<b>63.4</b>	<b>72.2</b>
	<b>Total impact of revenue measures(d)</b>	<b>102.0</b>	<b>-366.5</b>	<b>2,042.8</b>	<b>1,942.9</b>	<b>2,634.5</b>

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

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

(b) These measures can also be found in the expense measures summary table.

(c) These measures can also be found in the capital measures summary table.

(d) Measures may not add due to rounding.

## AGRICULTURE, FISHERIES AND FORESTRY

### Changes to agricultural production levies

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	10.5	21.9	22.3	22.7	23.0
<i>Related expense (\$m)</i>					
<i>Department of Agriculture, Fisheries and Forestry</i>	<i>10.5</i>	<i>21.9</i>	<i>22.4</i>	<i>22.7</i>	<i>23.0</i>

The Government has adjusted the following agricultural production levies to meet changes in the funding needs of the agricultural industry organisations they support:

- Cattle transaction levy: to maintain the cattle transaction levy at \$5.00 per head beyond 31 December 2010;
- Nashi levy and export charge: to reduce the levy rate to zero, with effect from 1 January 2011;
- Ginger levy: to introduce a new research and development levy of 0.5 per cent of the sale price payable on fresh ginger, seed ginger and processing ginger that is produced in Australia and sold or processed in Australia, with effect from 1 April 2011; and
- Mushroom levy: to increase the annual threshold exemption level for mushroom spawn, upon which the mushroom levy is paid, with effect from 1 July 2011.

These changes to agricultural production levies were initiated by industry representative organisations. All revenue raised by the levies is provided directly to fund industry research and development or marketing programs. The Government will also continue to provide funding to match levies for research and development up to a cap, in accordance with existing co-investment arrangements.



**ATTORNEY-GENERAL'S****Australia New Zealand Closer Economic Relations Trade Agreement — Amendments to product specific rules of origin**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	..	..	..	..

The governments of Australia and New Zealand will amend the Australia New Zealand Closer Economic Relations Trade Agreement (ANZCERTA) rules of origin to provide greater consistency for exporters. Australia and New Zealand are committed to completing their domestic processes in time to give effect to the agreement from 1 January 2012.

The measure will change the rules of origin approach taken on a small number of tariff lines from a Regional Value Content approach based on the factory cost of a good, to a Change-in-Tariff Classification approach. Under a Change-in-Tariff Classification approach, goods are required to undergo sufficient processing to bring about a change in tariff classification. These amendments will result in rules of origin that provide consistency for exporters, and ensure that ANZCERTA reflects best practice. This measure has an ongoing negligible revenue impact.

**National Security — Australian Security Intelligence Organisation maritime and airport security assessments — improved cost recovery**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Security Intelligence Organisation	-	1.3	1.3	1.3	1.3

The Government will achieve additional revenue of \$5.2 million over four years from a more accurate recoupment of costs incurred by the Australian Security Intelligence Organisation for security assessments carried out on applicants for Maritime and Airport Security Identification Cards. These cards allow unescorted access to secure maritime and airport areas.

## CLIMATE CHANGE AND ENERGY EFFICIENCY

### Renewable Energy Target — reduction of the solar credits multiplier

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Office of the Renewable Energy Regulator	-	-0.3	-3.4	-4.2	-4.0

The Government will bring forward by one year, to 1 July 2013, the scheduled phase-out of the solar credits multiplier under the Renewable Energy Target. For systems installed between 1 July 2011 and 30 June 2012, the multiplier will be reduced to a factor of three, and for systems installed between 1 July 2012 and 30 June 2013 the multiplier will be reduced to a factor of two.

This measure will result in the Government receiving less revenue from fees for the creation and surrender of Renewable Energy Certificates and from the Renewable Energy Shortfall Charge. This will involve a cost to revenue estimated to be \$11.9 million over four years.

See also the related expense measure titled *Renewable Energy Target – implementation of legislative amendments*.

## **EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS**

### **Tertiary Education Quality and Standards Agency — cost recovery**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	4.1	4.1	4.1	4.2

The Government will allow the Tertiary Education Quality and Standards Agency to charge fees to higher education providers on a cost recovery basis for the following activities:

- registration and re-registration of providers;
- accreditation and re-accreditation of courses;
- major variations to registrations and accreditations; and
- publication and provision of training programs.

The cost recovery arrangements are estimated to collect \$16.5 million over four years to offset the costs incurred by the Tertiary Education Quality and Standards Agency in providing the above services.

The Government provided funding of \$60.8 million over four years in the 2009-10 Budget to establish the Tertiary Education Quality and Standards Agency as an independent body with powers to regulate higher education providers, monitor quality and set standards. The legislation to establish the Tertiary Education Quality and Standards Agency will also include arrangements for cost recovery.

## IMMIGRATION AND CITIZENSHIP

### Visa Application Charge — increase

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	62.2	71.0	75.9	85.7

From 1 July 2011, the Government will increase a number of visa application charges by 15 per cent. The changes will help offset the wider costs associated with the operation of the migration and temporary entrant program.

This increase in visa application charges will not apply to: tourist visas; student visas; second instalment investor retirement visas; second instalment contributory parent visas (which are increased in line with health, aged care and social security costs instead of by CPI); and humanitarian protection visas lodged in Australia, which are charged at a rate of \$30 and not indexed.

A list of visa application charges is available on the Department of Immigration and Citizenship website: [www.immi.gov.au](http://www.immi.gov.au).

This measure will increase revenue by \$294.9 million over four years.

## TREASURY

### Abolish the Entrepreneurs' Tax Offset

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	180.0	185.0

The Government will abolish the Entrepreneurs' Tax Offset (ETO), with effect from the 2012-13 income year. This measure has an ongoing gain to revenue estimated to be \$365 million over the forward estimates period.

The ETO is poorly targeted, complex for taxpayers and may actually deter businesses from growing beyond the size that benefits from the concession. Small business will benefit from the Government's small business tax reform package, including a new instant write-off for the first \$5000 of a motor vehicle, to commence from the 2012-13 income year.

This reform implements a change recommended by the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

### Additional benefits agreement — Mauritius

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	..	..	..	..	..

The Government has signed an additional benefits agreement with Mauritius. This agreement allocates taxing rights between Australia and Mauritius over certain income derived by individuals. This measure will have an ongoing negligible revenue impact.

The agreement allocates taxing rights over income from pensions, annuities, government services and certain payments made to visiting students and business apprentices. The agreement also establishes an administrative mechanism to help resolve transfer pricing disputes between Australia and Mauritius.

This agreement was signed in conjunction with a tax information exchange agreement, which provides for bilateral cooperation to prevent tax avoidance and evasion.

**Alternative fuels — delayed introduction of taxation and other changes**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	2.0	-	-	-
Australian Taxation Office	-	-240.0	-199.0	-135.0	-69.0
Total	-	-238.0	-199.0	-135.0	-69.0
<i>Related expense (\$m)</i>					
Australian Taxation Office	-	-212.0	-199.0	-135.0	-69.0

The Government will delay the introduction of excise and excise-equivalent customs duty on alternative fuels until 1 December 2011 in response to representations from industry to allow additional time to implement the tax changes.

The Government will also simplify the arrangements by applying transitional tax rates to gaseous fuels and biodiesel at the scheduled effective tax rates during the transition to 2015-16, instead of imposing tax at the final rate and providing offsetting production grants.

The Government will also make several other minor changes, including revising the unit of measurement of compressed and liquefied natural gas for taxation purposes from cents per litre to cents per kilogram, consistent with general industry practice.

These changes are expected to reduce the fiscal balance by \$26 million over the forward estimates period.

Further information can be found in the press release of 24 January 2011 issued by the Assistant Treasurer.

**Building Australia's Future Workforce — Dependent Spouse Tax Offset — phase-out**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	60.0	220.0	230.0	245.0

The Government will phase out the dependent spouse tax offset (DSTO) for taxpayers with a dependent spouse born on or after 1 July 1971. This reform addresses a barrier to participation by progressively removing the tax concession for taxpayers with a non-working spouse and no children.

Taxpayers with an invalid or permanently disabled spouse, supporting a carer, or people who are eligible for the zone, overseas forces and overseas civilian tax offsets will not be affected by this change.

This reform is consistent with the recommendations of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

This measure has an ongoing gain to revenue which is estimated to be \$755 million over the forward estimates period.

### **Building Australia's Future Workforce — Low Income Tax Offset — bring forward**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-1,370.0	65.0	25.0	30.0

The Government will increase the amount of the low income tax offset (LITO) that is delivered to low and middle income earners through their regular pay during the year from 50 per cent to 70 per cent of their total entitlements. The remaining 30 per cent of their LITO benefit will still be paid as a lump sum on assessment of income tax returns. This adjustment will deliver up to \$300 in more timely tax relief to low and middle income earners in the workforce. Individuals' total LITO entitlement in any one year remains unchanged. This measure will have effect from 1 July 2011.

This measure will have a \$1.37 billion cost to revenue in the first year, associated with bringing forward the payment of the LITO in 2011-12, and subsequent years.

### **Capital gains tax — amendments to the scrip for scrip roll-over and the small business concessions**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	5.0	50.0	50.0	55.0

The Government will ensure that the scrip for scrip roll-over integrity provisions that apply to individuals and companies also apply appropriately to trusts, superannuation funds and life insurance companies.

The scrip for scrip roll-over integrity provisions apply to transactions where stakeholders in the target and acquiring entities have the potential to influence both entities. Some trusts, superannuation funds and life insurance companies consider the integrity provisions do not apply to them because as the stakeholders, they own the interests for the benefit of others (that is, the beneficiaries), rather than for their own benefit. This was never the intended interpretation of the integrity provisions, and so the Government will amend them to ensure that they apply effectively to all stakeholders.

A similar issue arises for the small business tax concessions. The Government will also ensure the provisions that limit access to a range of small business tax concessions are fully effective in that trusts will not be able to avoid being treated as connected entities for the purpose of testing eligibility for the concessions on the basis that trusts do not own assets for their own benefit. These changes will also ensure that some small businesses will be able to access the small business capital gains tax (CGT) concessions because the changes will make their business assets 'active'.

This measure will have effect for the scrip for scrip roll-over and small business CGT concessions for CGT events happening after 7.30pm (AEST) on 10 May 2011.

This measure will have an ongoing gain to revenue estimated to be \$160 million over the forward estimates period.

### **Capital gains tax — exemption for incentives related to renewable resources or for preserving environmental benefits**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	*	*	*

The Government will exempt from capital gains tax (CGT) any gains or losses arising from a right to a financial incentive granted to taxpayers under an Australian government (Commonwealth, State or Territory) scheme that encourages them to acquire renewable resource assets (for instance, photovoltaic solar cells or solar hot water systems) or for their agreeing to preserve a part of Australia's environmental amenity (for instance, for refraining from removing remnant vegetation). This measure will also turn off the income tax recoupment rules in relation to any underlying assets (for instance, a solar hot water system) to ensure that the incentive keeps its full financial value. This measure will have an ongoing small unquantifiable revenue impact.

This measure will apply to income tax assessments for the 2007-08 income year and later income years.

The measure will remove any CGT impediments from the effective operation of Australian government environmental schemes.



### Capital gains tax — extensions to the main residence exemption in relation to special disability trusts

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will extend the 2009-10 Budget measure that provides a capital gains tax (CGT) main residence exemption to special disability trusts (SDTs) with effect for income tax assessments for the 2006-07 and later income years. This measure is expected to have a small unquantifiable impact over the forward estimates period.

In particular, this measure backdates the CGT main residence exemption for SDTs and provides equivalent taxation treatment amongst SDTs established under different Acts. It also provides a CGT exemption for assets transferred into a SDT for no consideration. In addition the measure will provide a CGT exemption in the advent of the death of the principal beneficiary for the intended recipient of the principal beneficiary's main residence, if the recipient disposes of the dwelling within two years of the principal beneficiary's death.

### Capital gains tax — limiting the trading stock exception for superannuation funds

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	5.0	5.0	5.0

The Government will remove the trading stock exception to the 'capital gains tax (CGT) primary code rule' for complying superannuation entities for specified assets, with effect from 7.30 pm (AEST) 10 May 2011. This measure has an ongoing gain to revenue estimated to be \$15 million over the forward estimates period.

This measure will ensure gains or losses on specified assets (primarily shares, units in a trust and land) are subject to CGT, consistent with CGT being the primary code for taxing gains and losses of complying superannuation entities. A small number of complying superannuation entities are seeking to treat shares as trading stock, so as to deduct losses on their shares against income other than capital gains.

This measure also provides transitional rules to ensure that assets held or accounted for as trading stock before the time of announcement are unaffected.

## Capital gains tax — minor amendments ensuring the proper functioning of the capital gains tax provisions

Revenue (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	..	..	..	..	..

The Government will make a series of minor amendments to the income tax law to ensure the proper functioning of the capital gains tax (CGT) and associated provisions. This measure will have an ongoing negligible revenue impact.

The changes made by these measures include:

- Ensuring that the roll-over for the exchange of shares in one company for shares in another company operates properly, so that there is deferral of a profit or loss where the original shares are held on revenue account at the time of the exchange. This change will have effect from 7.30 pm (AEST) on 10 May 2011.
- Amending the roll-over for certain disposals of assets by a trust to allow roll-over relief to apply where a transferee company or trust holds rights, just before the disposal or transfer time, associated with a deed or similar document that is designed to facilitate the transfer of assets into the company or trust. These changes to the roll-over for the disposal of assets by a trust to a company will have effect for CGT events happening after 7.30 pm AEST on 10 May 2011 and the changes to the roll-over for the transfer of assets between certain trusts will have effect for CGT events happening on or after 1 November 2008.
- Ensuring that gains and losses arising from life insurance policies that are generally exempted from CGT are not then taxed under the ordinary income tax provisions by removing the exception to the 'CGT primary code' rule for such gains and losses. This will remove uncertainty in the application of income tax to compensation or damages payments made under life insurance policies. These changes will apply to CGT events happening in the 2005-06 income year and later income years.
- Legislating the current Tax Office practice of allowing a testamentary trust to distribute an asset of the deceased person without a CGT taxing point occurring. The income tax law in relation to deceased estates will also be rewritten using a principle based format and minor technical issues relating to deceased estates fixed. These changes will apply to CGT events happening on or after the day the legislation receives Royal Assent.

## Capital gains tax and other roll-overs for amalgamations of indigenous corporations

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will amend the income tax laws to ensure that there are no immediate taxation consequences for *Corporations (Aboriginal and Torres Strait Islander) Act 2006* (CATSI Act) corporations that amalgamate with one or more CATSI Act corporations, with effect for income tax assessments for the 2007-08 income year and later income years. This measure is expected to have a small but unquantifiable revenue impact.

The measure will provide a capital gains tax roll-over for members' interests in CATSI Act corporations that amalgamate, and will also provide a roll-over for any gains or losses realised by the original corporation when it ceases to own its CGT assets, revenue assets, trading stock and depreciating assets that become assets of the newly amalgamated entity.

These changes will remove impediments to CATSI Act corporations achieving efficiencies and help to ensure their long-term sustainability.

## Crude oil excise — technical amendments

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will make several technical legislative amendments to ensure that condensate production is subject to crude oil excise as announced in the 2008-09 Budget. This measure has no revenue impact.

The amendments include changes to the *Excise Tariff Act 1921* to introduce a statutory definition of the production area 'Rankin Trend', and to ensure that production from 'Rankin Trend' does not represent 'exempt offshore oil and condensate'. The *Petroleum Excise (Prices) Act 1987* will be amended to clarify that determinations of Volume Weighted Average Realised Price, which are integral to the operation of the excise regime, are not invalidated merely by a failure to issue a notice to the producer.

The changes will take effect from midnight (AEST) on 13 May 2008, consistent with the original 2008-09 Budget measure.

**Debt/equity tax rules — clarification of the scope of an integrity provision**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will amend the debt/equity tax rules to restrict the application of an integrity provision that deems an interest from an arrangement that funds a return through connected entities to be an equity interest under certain circumstances. The changes will ensure that this provision will only apply to arrangements where both the purpose and effect is that the ultimate investor has, in substance, an equity interest in the issuer company. Additionally, the integrity provision will not apply where the Commissioner considers that it would be unreasonable for the provision to apply.

The amendments will apply from the commencement of the debt/equity tax rules (generally 1 July 2001). This measure will have an ongoing unquantifiable but small revenue impact.

**Debt/equity tax rules — extending the debt/equity transitional period for Upper Tier 2 capital instruments**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government has extended the debt/equity transitional period for Upper Tier 2 capital instruments to 1 July 2011, with effect from the date of Royal Assent of the enabling legislation. This measure has an ongoing unquantifiable revenue impact that is not expected to be significant.

The extension will give issuers of relevant financial instruments, mainly Authorised Deposit-Taking Institutions, the opportunity to amend relevant instruments to come within the terms of regulations which were made on 10 March 2011. The new regulations ensure that certain Upper Tier 2 perpetual subordinated notes are not precluded from being a debt interest under the debt/equity tax rules. The measure will apply to Upper Tier 2 instruments issued before 1 July 2001.

Further information can be found in the press release of 20 April 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### Excise and excise-equivalent customs duty — refunds, remissions and drawbacks

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	15.0	16.0	18.0	19.0	20.0
Australian Customs and Border Protection Service	9.7	12.1	13.4	14.1	15.1
Total	24.7	28.1	31.4	33.1	35.1

The Government will not proceed with the 2007-08 Budget measure to expand access to refunds, remissions and drawbacks of duty for particular excisable goods.

In developing the legislation, compliance and administration issues emerged, raising concern that the proposed legislative amendments would impose unforeseen compliance and administration costs.

Not proceeding with this measure will save \$152.4 million over five years (including \$24.7 million in 2010-11).

### Extension of the temporary loss relief for superannuation funds mergers by three months

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	*	*	*

The Government has extended the end date of the temporary loss relief for complying superannuation fund mergers by three months, from 30 June 2011 until 30 September 2011, to provide additional time for mergers in progress to be completed. This extension has an unquantifiable but small revenue impact.

The additional three months will allow affected funds to complete their merger transactions in an orderly manner. It will also reduce the risk of inadvertent breaches of the eligibility requirements for the current loss relief that may potentially prevent the merging funds from accessing the loss relief.

Further information about the extension can be found in the press release of 3 May 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

**Farm Management Deposits — early access for primary producers suffering natural disasters and improved administration arrangements**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will allow primary producers affected by natural disasters to access their farm management deposits (FMDs) within 12 months of making a deposit while retaining concessional tax treatment under the scheme. This measure provides the same taxation relief as provided to primary producers affected by severe drought to those who are affected by other types of natural disaster. This measure has an ongoing unquantifiable revenue impact.

The Government will also make some minor changes to the administration of the FMD scheme which will require more timely and frequent reporting from authorised deposit taking institutions holding FMDs and allow primary producers to hold FMDs with more than one financial institution. The Government will also amend the unclaimed monies provisions of the *Banking Act 1959* so that FMD accounts that have not been operated for at least seven years are only treated as unclaimed monies if the financial institution is unable to contact the FMD holder following reasonable efforts to do so.

**Fringe benefits tax — exemption for Australian residents working in remote areas overseas under fly-in fly-out arrangements**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will extend the fringe benefits tax (FBT) exemption for domestic fly-in fly-out arrangements to cover Australian residents working in remote areas overseas. This measure will apply from 1 July 2009 and has no revenue impact.

Currently, transport from an employee’s usual place of residence to their usual place of employment for employees working in remote areas of Australia under fly-in fly-out arrangements is exempt from FBT.

In line with the current arrangements, the expanded exemption will only apply where employees cannot live anywhere other than in employer-provided accommodation at or near the work site, and no reasonable alternative accommodation is available.

**Fringe benefits tax — reform of the car fringe benefit rules**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	5.0	30.0	140.0	335.0	460.0
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	-	5.0	10.0	15.0	20.0
<i>Department of Families, Housing, Community Services and Indigenous Affairs</i>	-	-1.4	-5.4	-11.2	-15.9
<i>Total</i>	-	3.6	4.6	3.8	4.1

The Government will reform the current 'statutory formula' method for determining the taxable value of car fringe benefits by replacing the current statutory rates with a single rate of 20 per cent that applies regardless of the distance travelled. This reform will remove the current incentive for people to drive salary-sacrificed and employer-provided vehicles further to increase their tax concession. This reform will apply to new contracts entered into after 7:30pm (AEST) on 10 May 2011, and will be phased in over four years.

Under the current statutory formula method, the calculated car fringe benefit decreases as the distance travelled by the vehicle increases. People can therefore increase their tax concession by driving their vehicle further. This reform will remove the unintended tax incentive for people to drive more to access higher concessions.

This measure has an ongoing gain to revenue estimated to be \$970 million over the forward estimates. This measure is also expected to increase GST payments to the States by \$50 million over this period and decrease Government expenditure by \$33.9 million over that same period.

This reform implements another recommendation of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

**Functional currency rules — extending the range of entities that can use a functional currency**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will allow certain trusts and partnerships that keep their accounts solely or predominantly in a particular foreign currency to calculate their net income by reference to that currency. This measure will take effect from the date of Royal Assent of the amending legislation and has an ongoing unquantifiable but small revenue impact.

### General interest charge — ensuring its continuous operation

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will rectify a technical deficiency with the law relating to the general interest charge (GIC) that prevents the ongoing imposition of the GIC in some circumstances. The amendments will have effect from 1 July 2010. This measure has no revenue impact.

The tax law imposes an interest charge, known as the GIC, for the late payment of income tax and shortfall interest charge (SIC) liabilities. However, a deficiency arose from the rewrite and transfer of the GIC rules from the *Income Tax Assessment Act 1936* to the *Income Tax Assessment Act 1997* in 2010. The current transitional rules do not impose GIC on income tax and SIC liabilities due on or after 1 July 2010 which relate to financial years ending on 30 June 2010 or earlier.

### GST — treatment of new residential premises

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	20.0	10.0	10.0	10.0	10.0
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	15.0	10.0	10.0	10.0	10.0

The Government will amend the goods and services tax (GST) law to protect the GST revenue base and to ensure the law applies appropriately to supplies of new residential premises. This measure results in an ongoing gain to GST revenue which is estimated to be \$60 million over the forward estimates period, with cash receipts from this measure paid to the States and Territories. This results in additional payments of \$55 million to the States and Territories over the forward estimates period, with the difference between payments due to a timing delay between the accrual of GST revenue and cash collections.

This measure restores the policy intent of the law following a recent Federal Court decision (*Commissioner of Taxation v Gloxinia Investments (Trustee)* [2010] FCAFC 46) which found that the sale by developers of certain newly constructed residential premises to owner-occupiers and investors was input taxed rather than taxable. The measure ensures that GST applies to the value added to real property by developers constructing new residential premises.

The amendments will ensure that:

- from 3 October 2007, new residential premises constructed under development lease arrangements are treated as taxable supplies;



- from 1 July 2000, the granting of individual strata lot leases over newly constructed residential premises is not sufficient by itself to make future supplies of the premises input taxed; and
- from 1 July 2000, any change in property title arrangements will not result in the premises once again becoming new residential premises.

Transitional arrangements will apply to ensure that taxpayers who entered into arrangements on a basis consistent with the Court's findings, prior to the Government's announcement on 27 January 2011, are not disadvantaged.

Further information can be found in the press release of 27 January 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### **GST — treatment of property in possession of a mortgagee**

Revenue (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	-	-	-	-	-

The Government will amend the goods and services tax (GST) law in relation to the mortgage lending sector to clarify its operation and reduce compliance costs, with effect from 1 July 2012. This measure has no revenue impact.

The measure will clarify that Division 105 of the GST Act operates to the exclusion of Division 58 of the GST Act where a mortgagee in possession or control sells the property of a corporation. This will provide certainty and reduce compliance costs for entities in the mortgage lending sector by allowing mortgagees in possession or control of property of corporations to continue to report and account for their GST obligations under a single registration.

### **GST — certain supplies to health insurers**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	-	-	-	-	-

The Government will amend the goods and services tax (GST) law to ensure that certain supplies made to health insurers in the course of settling health insurance claims will be GST-free with effect from 1 July 2000. This follows the decision of the Full Federal Court in *Commissioner of Taxation v Secretary to the Department of Transport (Victoria)* [2010] FCAFC 84. This measure will have no revenue impact and no impact on GST payments to the States and Territories, as the legislative amendment restores the status quo.

The measure is subject to the unanimous agreement of the States and Territories.

### **GST — Government response to Board of Taxation report: minor changes**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	-	*	*	*	*

The Government will defer the start date for a number of components of the 2009-10 Budget measure implementing recommendations of the Board of Taxation's review of the legal framework for the administration of the goods and services tax (GST) that were to commence from 1 July 2011. The revised start date will be the first quarterly tax period after Royal Assent, or, where appropriate, a later quarterly tax period after Royal Assent. This measure will have an unquantifiable revenue impact and an unquantifiable impact on GST payments to the States and Territories.

The revised start dates will apply to the following components of the 2009-10 Budget measure:

- adopt the income tax self assessment regime for indirect taxes and refresh the period of review;
- reform the change of use adjustments;
- allow adjustments for pre-registration acquisitions;
- clarify the treatment of tax law partnerships;

- simplify the GST grouping membership rules, including grandfathering of current membership rules, and allowing grouping of non-operating holding companies and trusts;
- amending indirect tax sharing agreement provisions; and
- introduce a reverse charge for supplies of going concerns and farmland.

This measure will allow additional time for the development of these components in consultation with taxpayers.

The Government will also not proceed at this stage with the component of the 2009-10 Budget measure to provide an option to treat certain business-to-business supplies as taxable, which was scheduled to take effect on 1 July 2010. The deferral will enable more extensive consideration of the possible wider use of reverse charging or GST-free business-to-business transactions.

### **GST — providing businesses in a net refund position with access to the GST instalment system**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	*	*	*
<i>Related expense (\$m)</i>					
<i>Department of the Treasury</i>	-	-	*	*	*

The Government will extend the current goods and services tax (GST) instalment system to allow access for small businesses that are in a net refund position. The measure will come into effect following Royal Assent of the enabling legislation. This measure will have an ongoing unquantifiable but minimal revenue impact and an ongoing unquantifiable but minimal impact on payments to the States and Territories.

The current legislation does not allow a business that is in a net refund position to pay GST by instalments. A business is in a net refund position when it is entitled to receive more input tax credits on its purchases than it is required to pay GST on its sales.

This measure will allow small businesses in a net refund position to choose to access the GST instalments system, with an instalment amount each quarter of zero. Any refunds or liability due to the taxpayer will be reconciled in their annual GST return.

### Improvements to the company loss recoupment rules

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will improve the operation of the company loss recoupment rules by making it easier for companies to satisfy the continuity of ownership test in certain circumstances, with effect from the 2011-12 income year. The measure will have an ongoing unquantifiable but minimal cost to revenue.

A company can deduct prior year losses if it satisfies the continuity of ownership test or the same business test. This measure will modify the continuity of ownership test so that ownership does not need to be traced through certain superannuation entities. It will also remove technical deficiencies in the modified rules for widely held entities where:

- an entity is interposed between certain stakeholders and the loss company in certain circumstances;
- an interposed entity demerges;
- an interposed foreign entity issues bearer depository receipts; or
- a corporate change arising from the issue of new shares happens.

This measure will also ensure that all membership interests held in an entity are treated as a single asset for the purpose of applying the low value asset exclusions under the loss integrity rules.

### Income tax — expanding the definition of exploration to include geothermal energy

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-5.0	-5.0

The Government will incorporate geothermal exploration into the wider definition of exploration, with effect from 1 July 2012.

This measure is consistent with advice on this matter from the Policy Transition Group (PTG). The PTG was established to advise on the development of the technical design of the Minerals Resource Rent Tax and the transition of existing petroleum projects to the Petroleum Resource Rent Tax regime.

Geothermal energy is an emerging energy source with significant potential to provide emissions free energy in Australia. Geothermal exploration requires deep drilling and exploration which involves relatively high capital costs. Currently, geothermal exploration expenditure does not attract the same tax treatment as applies to traditional hydrocarbon energy sources that require exploration and drilling.

This measure is expected to cost \$10 million over the forward estimates period.

See also the related revenue measure titled *Minerals Resource Rent Tax – adoption of recommendations of the Policy Transition Group*.

### **Income tax relief for water reforms**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will ensure that income tax, including capital gains tax (CGT), does not discourage State and Territory reforms to streamline governance arrangements applying to private water supply and drainage systems. This measure has an unquantifiable but small revenue impact over the forward estimates period.

This measure will provide CGT and capital allowance roll-overs to ensure that taxation is not an impediment to water reforms implemented by State and Territory governments. These State and Territory government reforms provide greater certainty to taxpayers about the application of the federal *Water Market Rules 2009*, remove unnecessary regulation and give water users flexibility to reconfigure their water delivery systems.

This measure will apply to income tax assessments for the 2009-10 income year and later income years.

### **Infrastructure — enhanced loss utilisation for designated projects**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	*	*

The Government will uplift project losses associated with designated infrastructure projects at the government bond rate and exempt those losses from the continuity of ownership test and the same business test, with effect from the date of Royal Assent of the enabling legislation. This measure has a small unquantifiable revenue impact over the forward estimates period given the lead times in building and earning income from infrastructure.

Infrastructure projects often experience long lead times between incurring deductible expenditure and earning income leading to tax losses being incurred in the early stages of the project. Under current arrangements, this leads to the erosion of the real value of tax deductions over time. Further, investors face a risk that a change in ownership of an infrastructure project and change in business operation, means future owners will not be able to access previous years' losses.

A decision maker will be empowered to confer designated infrastructure project status on privately financed public infrastructure of national significance based on a range of criteria, including a global capital expenditure cap of \$25 billion over the period from Royal Assent of the enabling legislation to 30 June 2017.

This measure improves certainty for investors by ensuring that the value of losses will be maintained through time and making it more likely they will be able to utilise their tax losses.

This reform is consistent with the recommendations of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

See also the related expense measure titled *Infrastructure Australia – expansion*.

### **International tax — Interim Investment Manager Regime**

Revenue (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will introduce interim Investment Manager Regime (IMR) arrangements to address uncertainty regarding the taxation arrangements for certain portfolio investment income of foreign managed funds. This measure will have an unquantifiable but small cost to revenue over the forward estimates period.

Under this measure, the Government will amend the law so that where a foreign managed fund has never lodged an Australian tax return, the Australian Taxation Office will generally not raise an assessment in respect of certain portfolio investment income of the fund for the 2010-11 or prior income years. This measure, which was initially announced on 17 December 2010 to apply for the 2009-10 and prior income years, has been extended to 2010-11 as part of this Budget. The Government's actions will improve investor certainty in relation to the treatment of past transactions of foreign managed funds.

The Government will also amend the law to provide that to the extent relevant investment income of a foreign managed fund is taxed only because the fund is taken to have a 'permanent establishment' in Australia, such income will be exempt from tax (except for the arm's length fee for services provided by Australian investment advisors). This will remove an impediment to foreign funds engaging Australian investment advisers to manage primarily offshore assets, and will apply to the 2010-11 and later income years.

Further details can be found in the press releases issued by the Assistant Treasurer and Minister for Financial Services and Superannuation of 17 December 2010 and 19 January 2011.

### **International tax — tax information exchange agreements**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government has signed tax information exchange agreements with Montserrat and Mauritius, which entered into force on 1 July 2010 and 1 January 2011 respectively. This measure is expected to have an ongoing unquantifiable but small increase in revenue.

This measure allows for the full exchange of information in relation to Australia's federal taxes and the taxes of Montserrat and Mauritius.

Since the beginning of 2010 the Government has signed tax information exchange agreements with 16 countries.

### **International tax — update to the list of countries that have effective exchange of information arrangements with Australia**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-15.0	-20.0	-22.0	-24.0

The Government will update the list of countries reported in the *Taxation Administration Regulations 1976* whose residents are eligible to access a reduced rate of withholding tax on certain distributions from Australian managed investment trusts. This measure has an ongoing cost to revenue, estimated at \$81 million over the forward estimates period.

The reduced withholding tax rate is restricted to residents of countries with which Australia has effective exchange of information arrangements and which are listed in the Regulations. This requirement safeguards the integrity of the managed investment trust withholding tax system and signals Australia's commitment to using effective exchange of information to reduce opportunities for international tax evasion and avoidance.

This measure updates the list to include Belize; the Cayman Islands; the Commonwealth of the Bahamas; the Principality of Monaco; the Republic of San Marino; the Republic of Singapore; St Christopher and Nevis; and St Vincent and the Grenadines.

### Look-through treatment for instalment warrants and similar arrangements

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	..	..	..	..	..

The Government will extend the look-through treatment of instalment warrants for income tax purposes, with effect for income tax assessments for the 2007-08 income year and later income years. This measure has an ongoing negligible revenue impact.

This measure will extend look-through treatment beyond single exchange traded securities to instalment warrants and receipts over direct and indirect interests in listed securities, as well as unlisted securities in widely held entities and bundles of these assets. This will confirm the practice of treating an investor in an instalment warrant or instalment receipt over specified assets as the owner of the security for income tax purposes. As a result, there will be no capital gains tax applicable at the time the last instalment is paid for instalment warrants over these types of assets.

Further information can be found in the press release of 17 January 2011 issued by the Assistant Treasurer.

### Luxury car tax — tax-free importation of cars by public museums

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-0.5	-0.5	-0.5	-0.5

The Government will amend the luxury car tax legislation to allow eligible entities, such as endorsed public museums and art galleries, to import cars free from the luxury car tax. The change will apply from the date of Royal Assent of the enabling legislation and will cost \$2 million over the forward estimates period.



This measure will ensure consistent treatment of imports by these entities which are currently able to import works of art or collectors' pieces free from Customs duty and goods and services tax. Allowing imports of museum pieces by these entities to be free of all import taxes will bring Australia fully into line with our international treaty obligations.

### **Minerals Resource Rent Tax — adoption of recommendations of the Policy Transition Group**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	..	..	..

The Government will adopt the recommendations of the Policy Transition Group (PTG) as the basis of the detailed design for Australia's new resource tax arrangements.

The PTG was established to advise on the development of the technical design of the Minerals Resource Rent Tax (MRRT) and the transition of existing petroleum projects to the Petroleum Resource Rent Tax (PRRT) regime. The PTG made 94 recommendations on the new resource tax arrangements relating to the MRRT and the PRRT extension and four additional recommendations on exploration.

With respect to the MRRT, key PTG recommendations cover issues regarding the taxing point, starting base and starting base losses, deductions and test for deductibility, a phased extension of the \$50 million threshold and transferability of expenditure and project losses.

Overall the PTG recommendations are estimated to have no net impact on the Budget over the forward estimates.

See also the related revenue measure titled *Income tax – expanding the definition of exploration to include geothermal energy*.

### **Natural Disaster Recovery and Rebuilding — exempting Disaster Income Recovery Subsidy (flood relief) payments from income tax**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government has made the Disaster Income Recovery Subsidy payments for the recent floods in Australia and for Cyclone Yasi exempt from income tax.

The Disaster Income Recovery Subsidy provides financial assistance to employees, small business owners and farmers who have experienced a loss of income as a direct consequence of the flooding that commenced on 29 November 2010, or Cyclone Yasi.

The Government has also made the ex-gratia payments to New Zealand non-protected special category visa holders affected by the 2010-11 disasters in Australia exempt from income tax. These ex-gratia payments are equivalent to the tax-exempt Australian Government Disaster Recovery Payment (AGDRP) and provide assistance to New Zealanders who would have been eligible for AGDRP, but for their visa status.

This measure has no revenue impact.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **Natural Disaster Recovery and Rebuilding — tax treatment of clean up and recovery business assistance grants**

Revenue (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-55.0	-30.0	-10.0	-3.0

The Government will provide an income tax exemption for certain Category C clean up and recovery grants paid to small businesses and primary producers under the Natural Disaster Relief and Recovery Arrangements. The exemption will apply where the grants relate to flooding that occurred in Australia on or after 29 November 2010, and those small businesses and primary producers affected by Cyclone Yasi. The payments will be made non-assessable non-exempt income.

This measure has a cost to revenue estimated at \$98 million over the forward estimates period.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **Natural Disaster Recovery and Rebuilding — Temporary flood and cyclone reconstruction levy**

Revenue (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	1,500.0	225.0	-	-
<i>Related expense (\$m)</i>					
Australian Taxation Office	2.8	7.4	7.0	2.9	-
<i>Related capital (\$m)</i>					
Australian Taxation Office	1.1	-	-	-	-

The Government will introduce a temporary flood and cyclone reconstruction levy from 1 July 2011 to contribute towards the cost of rebuilding flood and cyclone affected regions. This measure will apply only for the 2011-12 income year. This measure has a gain to revenue estimated to be \$1.725 billion over the forward estimates period.

Those taxpayers with a taxable income in 2011-12 of \$50,000 or less will not pay the levy. Taxpayers with taxable income between \$50,001 and \$100,000 will pay 0.5 per cent of their taxable income above \$50,000. Taxpayers with taxable income over \$100,000 will pay 0.5 per cent of their taxable income between \$50,001 and \$100,000 and 1.0 per cent of their taxable income over \$100,000.

The Government has also provided some specific exemptions from the levy to anyone who:

- received an Australian Government Disaster Recovery Payment (AGDRP) for a disaster event in 2010-11;
- is directly affected by a National Disaster Recovery and Relief Arrangements (NDRRA) declared disaster in 2010-11 and would have met the AGDRP criteria; or
- is a New Zealand non-protected special category visa holder who received an ex-gratia payment from the Australian Government in relation to a disaster that occurred in 2010-11.

There will be a related expense of \$19.9 million over the forward estimates period for the Australian Taxation Office to administer this measure.

Capital funding of \$1.1 million will be provided to the Australian Tax Office.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **New tax system for managed investment trusts — clarifying the 2010-11 Budget measure**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	50.0	20.0	5.0

The Government will defer the start date and clarify aspects of the new tax system for managed investment trusts (MITs) announced on 7 May 2010.

This measure will defer by 12 months the start date of the new tax system for MITs to 1 July 2012. This will provide MITs and other parts of the financial services industry with sufficient time to make any necessary trust deed amendments and systems changes to operate effectively within the new tax system.

In addition, the measure will make two minor changes to the new tax system for MITs to facilitate the entry of MITs into the new tax system and to reduce compliance costs for MITs and beneficiaries.

This measure has a gain to revenue estimated to be \$75 million over the forward estimates period.

Further information can be found in the press release of 8 April 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

**Not-for-profit sector reforms — better targeting of not-for-profit tax concessions**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will reform the tax concessions provided to not-for-profit (NFP) entities to ensure they are targeted only at those activities that directly further a NFP's altruistic purposes. The new arrangements will commence on 1 July 2011 and will initially affect only new unrelated commercial activities that commence after 10 May 2011.

Under this measure, the NFP income tax concessions will only apply to profits generated by unrelated commercial activities that are directed back to a NFP entity to carry out its altruistic work. This means NFP entities will pay income tax on profits from their unrelated commercial activities that are not directed back to their altruistic purpose (that is, the earnings they retain in their commercial undertaking).

NFP entities, in respect of their unrelated commercial activities, will also not have access to the fringe benefits tax exemptions or rebate, goods and services tax concessions, or deductible gift recipient support in relation to those activities.

Commercial activities that further a NFP entity's altruistic purposes, and small-scale and low-risk unrelated commercial activities, will not be affected by the reforms.

NFP entities with existing unrelated commercial activities will initially be able to continue to use their tax concessions to support these activities. The Government will consult on transitional arrangements for these existing activities, with the intention of phasing these out over time.

NFP entities that have entered into a government service delivery contract as at 10 May 2011 will be allowed to use their tax concessions in support of that contract. Likewise, the 50,000 National Rental Affordability Scheme allocations will be unaffected by the tax changes.

See also the related expense measure titled *Not-for-profit sector reforms – Australian Charities and Not-for-profits Commission – establishment*, and the related revenue measure titled *Not-for-profit sector reforms – introducing a statutory definition of 'charity'*.

**Not-for-profit sector reforms — introducing a statutory definition of 'charity'**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-
<i>Related expense (\$m)</i>					
Australian Taxation Office	-	-	0.7	1.6	0.6

The Government will consult on and introduce a statutory definition of 'charity' for all Commonwealth laws to take effect from 1 July 2013. It will be based on the 2001 *Report of the Inquiry into the Definition of Charities and Related Organisations*, taking account of the findings of recent judicial decisions, such as *AidWatch Incorporated v Commissioner of Taxation*. This measure is not expected to have an impact on revenue.

The Government will also consult with the states and territories with the intention of developing and introducing a definition of 'charity' that can be adopted by all jurisdictions. The adoption of a consistent definition across all jurisdictions would considerably assist the sector.

The Government will provide the proposed Australian Charities and Not-for-profits Commission with \$2.9 million over four years to develop new guidance for the sector, implement system changes, and re-assess the charitable status of entities on the basis of the new statutory definition.

This measure is part of the Government's commitment to *Not-for-profit sector reforms*, which aim to deliver smarter regulation, reduce red tape and improve transparency and accountability of the sector.

This reform progresses another recommendation of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

See also the related expense measure titled *Not-for-profit sector reforms – Australian Charities and Not-for-profits Commission – establishment*, and the related revenue measure titled *Not-for-profit sector reforms – better targeting of not-for-profit tax concessions*.

**Pacific Seasonal Worker Pilot Scheme — improved tax treatment**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-0.8	-	-	-

The Government will reduce the bottom marginal tax rate for non-resident individuals participating in the Pacific Seasonal Worker Pilot Scheme (the Scheme) to 15 per cent. This rate will apply from the first dollar of income up to \$37,000, with effect from the 2011-12 income year. The measure will have a cost to revenue of \$0.8 million.

Currently, scheme participants face a marginal tax rate of 29 per cent from the first dollar of income up to \$37,000. The 15 per cent rate is more appropriate to the circumstances of participants in the Scheme and, by improving remittance outcomes, will also strengthen the development and strategic objectives of the Scheme.

The 15 per cent rate reflects the marginal tax rate that would usually apply to Australian residents earning a similar level of income to participants in the Scheme. However, workers qualifying for the reduced rate will not have access to the tax free threshold or low income tax offset.

**Pay As You Go (PAYG) instalment taxpayers — reduction in the gross domestic product (GDP) adjustment factor**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-700.0	700.0	-	-

The Government will reduce the GDP adjustment factor for PAYG instalment taxpayers who use the GDP adjustment method, from 8 per cent (which is the rate that would apply for the 2011-12 income year under the current law) to 4 per cent for the 2011-12 income year. This measure is estimated to be revenue neutral over the forward estimates period.

The GDP adjustment factor for the PAYG instalment taxpayers increases the previous year’s adjusted taxable income by the previous year’s nominal GDP growth, to determine the tax instalments to be paid in the income year.

The GDP adjustment method is used by the overwhelming majority of taxpayers required to pay quarterly income tax instalments, mainly small businesses, but also some individual investors, certain trustees and small superannuation funds. This measure provides a significant cash flow benefit to such tax payers who are required to remit less income tax instalments in 2011-12. The measure also smooths the transition from the two per cent GDP adjustment that has applied for the last two years as the economy recovered from the GFC.

### Personal income tax — disallow deductions against government assistance payments

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will amend the tax law to prevent deductions being claimed against all government assistance payments, with effect from 1 July 2011, in response to the 2010 High Court decision in *Commissioner of Taxation v Anstis*.

This measure will maintain the integrity of the deductions system and provide certainty as to the scope of eligible deductions. As it seeks to restore the previous policy intent, and because the impact of the High Court decision for income years 2010-11 and earlier has already been incorporated into the Budget, this measure has no revenue impact over the forward estimates period.

Commencing the measure from 1 July 2011 will allow individuals who receive Youth Allowance (Student) to claim a deduction for expenses incurred in gaining their payment for the 2010-11 income year. This is to ensure individuals who have maintained records of their expenditure following the High Court decision are not precluded from claiming a deduction. For each of the years 2006-07 to 2009-10, the Commissioner of Taxation has determined that he will administer the law to allow eligible taxpayers to receive an automatic deduction of \$550 or make potentially higher claims if expenses can be substantiated.

Further details can be found in the press release of 17 December 2010 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### Personal income tax — increasing the Medicare levy low-income thresholds

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-50.0	-25.0	-25.0	-25.0

The Government will increase the Medicare levy low income thresholds to \$18,839 for individuals and \$31,789 for families, with effect from 1 July 2010. This measure has an ongoing cost to revenue which is estimated to be \$125 million over the forward estimates period.

The additional amount of threshold for each dependent child or student will also increase to \$2,919. The increase in these thresholds takes into account movements in the Consumer Price Index and ensures that low income families and individuals are not liable to pay the Medicare levy.

The Government will also increase the Medicare levy threshold for single pensioners below Age Pension age to \$30,439, with effect from 1 July 2010. This increase will ensure that pensioners below Age Pension age do not pay the Medicare levy when they do not have an income tax liability.

**Personal income tax — removing minors' eligibility for low income tax offset on unearned income**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	240.0	250.0	250.0

The Government will remove the ability of minors (children under 18 years of age) to access the low income tax offset (LITO) to reduce tax payable on their unearned income, such as dividends, interest, rent, royalties and other income from property, with effect from 1 July 2011.

This measure will discourage income splitting between adults and children.

Income earned by minors from work will still be eligible for the full benefit of the LITO. Unearned income of minors who are orphans or disabled, as well as compensation payments and inheritances received by minors, will not be affected by this measure.

This measure has an ongoing gain to revenue, estimated at \$740 million over the forward estimates period.

**Petroleum Resource Rent Tax — clarifying the taxing point**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will amend the tax law to provide greater certainty around how the taxing point is calculated for the purposes of the Petroleum Resource Rent Tax (PRRT), with effect from 1 July 1990. This measure will confirm existing application of the PRRT in relation to the taxing point and will provide greater certainty for PRRT taxpayers.

The location of the taxing point within a PRRT project is used in determining PRRT liabilities, and was the central issue recently considered by the Federal Court in *Esso Australia Resources Pty Ltd v The Commissioner of Taxation*.

The amendments will provide further statutory support for the Court's judgment, and will be consistent with the established application of the PRRT law. As such, this measure has no revenue impact.



**Philanthropy — updating the list of specifically listed deductible gift recipients**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-0.7	-	-	-

Since the *Mid-Year Economic and Fiscal Outlook 2010-11*, the following organisations have been approved as deductible gift recipients (DGRs):

- The Christchurch Earthquake Appeal Trust, from 22 March 2011 to 22 March 2013.

Taxpayers may claim an income tax deduction for certain gifts of money or property to DGRs. This measure has an estimated cost to revenue of \$0.7 million in 2011-12.

**Reduction in the minimum payment amounts for account-based pensions in 2011-12**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-2.0	-5.0	-	-
<i>Related expense (\$m)</i>					
<i>Department of Families, Housing, Community Services and Indigenous Affairs</i>	-	9.0	-	-	-

The Government will phase out the pension drawdown relief that has been provided over the last three years. Minimum payment amounts for account-based, allocated and market linked (term allocated) pensions will be reduced by 25 per cent for 2011-12 and will return to normal in 2012-13. This measure has an estimated cost to revenue of \$7 million over two years. The measure is also expected to increase Government expenditure by \$9 million in 2011-12 through higher pension outlays.

Reducing the minimum payment amounts for account-based pensions will assist holders of these products to recoup capital losses incurred as a result of the global financial crisis. The Government previously provided pension drawdown relief in the 2008-09, 2009-10 and 2010-11 years by halving the minimum payment amounts.

### Securities lending arrangements tax rules — extending the scope to address insolvency issues

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will amend the tax rules for securities lending arrangements to ensure that the lender under a securities lending arrangement is treated as not having disposed of the lent securities where:

- the borrower does not return the securities, or identical securities, within 12 months due to the borrower's insolvency; and
- no later than 30 days after the resulting default (or within such longer period that the Commissioner of Taxation allows), the lender restores their original position prior to the securities lending arrangement by using the collateral received under the arrangement to purchase identical securities.

The amendments will apply to securities lending arrangements in existence as at 1 July 2008 and those arrangements entered on or after that date. This measure has an ongoing unquantifiable but small revenue impact.

The Government will also consult on whether and, if so, what changes are required to address the suspension of securities on a stock exchange.

### Small business depreciation — accelerated initial deduction for motor vehicles

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-200.0	-150.0

The Government will allow small businesses to claim up to \$5,000 as an immediate deduction for motor vehicles, with effect for vehicles acquired from the 2012-13 income year. The remainder of the motor vehicle value will be pooled in the general small business pool (depreciated at 15 per cent in the first year and then 30 per cent). This measure is estimated to have a cost to revenue of \$350 million over the forward estimates period.

Under the existing simplified depreciation rules for small business, motor vehicles are pooled in the general small business pool and depreciated at 30 per cent (15 per cent in the first year).

The Government has previously announced that any new business asset worth less than \$5,000 can be written off immediately from the 2012-13 income year.

Motor vehicles, like cars and vans, are major assets used by many small businesses. Small businesses will benefit from accelerated depreciation for motor vehicles through increased cash flow and a reduction in tax payable, which will allow them to reinvest in their businesses' growth and expansion.

This reform is consistent with the recommendations of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

### Superannuation — greater use of tax file numbers

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will allow superannuation fund trustees and retirement savings account (RSA) providers to make greater use of tax file numbers (TFNs) to locate member accounts and to facilitate the consolidation of multiple member accounts. This measure has an ongoing unquantifiable but minimal cost to revenue.

This measure will improve superannuation industry administration by removing the existing requirement for fund trustees and RSA providers to use other methods of identification to locate accounts before TFNs can be used, with effect from 1 July 2011. It will also assist fund trustees and RSA providers to carry out more efficient consolidation of multiple member accounts, with effect from 1 January 2012, if not proclaimed earlier.

This measure delivers on the Government's election commitment.

### Superannuation — refund of excess concessional contributions

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-0.8	-13.6	-3.3	-2.2
<i>Related expense (\$m)</i>					
<i>Australian Taxation Office</i>	-	3.1	4.3	5.1	3.2

The Government will provide eligible individuals with the option to have excess concessional contributions taken out of their superannuation fund and assessed as income at their marginal rate of tax, rather than incurring excess contributions tax.

The measure will apply where an individual has made excess concessional contributions of up to \$10,000 (not indexed) in a particular year and is only available for breaches in respect of 2011-12 or later years, and only for the first year, commencing from 2011-12, in which a breach occurs.

Excess contributions tax is incurred where an individual exceeds their concessional contributions cap. Concessional contributions include compulsory superannuation guarantee payments, salary sacrifice contributions, and other deductible contributions. Excess concessional contributions are taxed at 31.5 per cent, in addition to 15 per cent tax when contributions are made to the fund.

This measure makes the super system fairer by allowing those who have breached the cap for the first time, by \$10,000 or less, the option to have these contributions refunded and taxed at their potentially lower marginal tax rate rather than the 46.5 per cent effective excess contributions tax rate.

This measure is expected to reduce revenue by \$19.9 million over the forward estimates period. The Australian Taxation Office will be provided with \$15.6 million to administer this measure.

### Superannuation — securing super

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	..	..	..

The Government will ensure that employees receive information on their payslips about the amount of superannuation actually paid into their account; and employees and employers will receive quarterly notification from their superannuation fund if regular payments cease, with effect from 1 July 2012.

This measure will help employees to keep track of their employer's contributions, and take action where there is a shortfall.

This measure has an ongoing negligible revenue impact.

This measure delivers on the Government's election commitment.

### Superannuation contribution caps — operation of the higher cap for over 50s

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	65.0	90.0

The Government will set the higher concessional superannuation contributions cap for eligible individuals aged 50 and over with total superannuation balances of less than \$500,000, due to apply from 1 July 2012, to \$25,000 above the general concessional cap. This measure clarifies the operation of the higher cap for the over 50s which was introduced in the 2010-11 Budget, and means those eligible Australians over 50 will be able to contribute \$25,000 more per year than other workers.

The general concessional contribution cap is set at \$25,000. When it increases due to indexation, the higher cap will increase by the same dollar amount.

This measure will have an ongoing gain to revenue estimated to be \$155 million over the forward estimates period, reflecting that the previous forward estimates contained different indexation assumptions.

### **Tax Breaks for Green Buildings — deferral**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	15.0	100.0	180.0
<i>Related expense (\$m)</i>					
<i>Department of Climate Change and Energy Efficiency</i>	-1.9	-1.0	0.3	0.7	2.0

The Government has deferred the start date of the Tax Breaks for Green Buildings measure to 1 July 2012 in order to allow more time to consider stakeholder proposals on the most effective way to implement the program. While this deferral is estimated to save \$295 million in revenue over the forward estimates period, overall support provided by this measure will be maintained at \$1 billion.

### **Tax compliance — countering fraudulent phoenix activities by company directors**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	10.0	60.0	95.0	95.0
<i>Related expense (\$m)</i>					
<i>Australian Taxation Office</i>	0.6	5.8	7.5	4.4	3.8

The Government will strengthen the tax law to counter fraudulent phoenix activity, which involves a company intentionally accumulating debts to improve cash flow or wealth and then liquidating to avoid paying the debt. The business is then continued as another corporate entity, controlled by the same person or group and free of their previous debts and liabilities.

With effect from 1 July 2011:

- the director penalty regime will be extended to superannuation guarantee amounts, making directors personally liable for their company's failure to pay employee superannuation;
- the Australian Taxation Office (ATO) will be given the power to commence recovery against directors under the director penalty regime, without providing a 21 day grace period, for certain unpaid company liabilities that remain unreported after three months of becoming due; and

- in certain circumstances directors and associates of directors will be prevented from obtaining credits for withheld amounts in their individual tax returns where the company has failed to pay withheld amounts to the ATO.

This measure is estimated to result in an additional \$260 million in revenue in fiscal balance terms over the forward estimates period. There is a related increase in ATO departmental expenses of \$22.1 million over the same period. In underlying cash terms, the estimated increase in receipts is \$245 million over the forward estimates period.

This measure delivers on the Government’s election commitment.

### **Tax compliance — enhanced refund fraud detection and management**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	63.9	67.2	59.3	42.2
<i>Related expense (\$m)</i>					
Australian Taxation Office	-	14.4	15.1	14.3	12.6

The Government will provide \$56.4 million over four years to the Australian Taxation Office (ATO) to address fraudulent tax refund claims.

Refund fraud is a compliance risk with the potential to undermine community confidence in the integrity of the tax system. These increased resources will help ensure greater equity and confidence in the tax system.

This measure is estimated to result in an additional \$232.6 million in revenue in fiscal balance terms over four years. In underlying cash terms, the estimated increase in receipts is \$225.6 million over four years.

This measure delivers on the Government’s election commitment.

### **Tax compliance — reporting Government grants and payments**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	21.8	46.2	46.2	46.2
<i>Related expense (\$m)</i>					
Australian Taxation Office	-	6.7	12.3	12.1	12.2

The Government will provide \$43.3 million over four years to the Australian Taxation Office (ATO) to allow it to monitor the accurate accounting of government grants and payments.

This increased funding will enable the ATO to collect payment information from government agencies across all three levels of government, and will provide for sophisticated data-matching techniques to examine compliance by the recipients of such payments. This will help ensure greater equity and tax compliance.

This measure is estimated to result in an additional \$160.4 million in revenue in fiscal balance terms over four years. In underlying cash terms, the estimated increase in receipts is \$137.8 million over four years.

This measure delivers on the Government's election commitment.

### **Tax compliance — reporting taxable payments**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	7.9	217.0	288.1
<i>Related expense (\$m)</i>					
Australian Taxation Office	-	3.6	8.8	17.2	15.4
Department of the Treasury	-	-	7.9	16.5	17.2
<i>Total</i>	-	3.6	16.7	33.7	32.6
<i>Related capital (\$m)</i>					
Australian Taxation Office	-	-	1.4	-	-

The Government will require certain businesses to report annually on payments made to contractors in the building and construction industry, with effect from 1 July 2012. The reporting regime will require businesses to report information that they should already collect under existing tax arrangements.

This measure, which will improve voluntary compliance, also includes an increase in funding for the Australian Taxation Office (ATO) of \$46.4 million over the forward estimates period which will allow the ATO to undertake data matching, reviews of contractors' tax liabilities and targeted audits. The funding for the Australian Taxation Office will also be used to provide further assistance and education to industry. This will create a more level playing field for businesses and improve tax fairness within the building and construction industry.

This measure is expected to result in an additional \$513.0 million in revenue over the forward estimates period. This amount includes \$41.6 million over four years in underlying cash GST collections that will be paid to the States and Territories.

The Government will also consult publicly on options to introduce a similar reporting regime for payments to contractors in the commercial cleaning industry.

### Tax laws — minor amendments

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will make minor amendments to the tax laws to:

- provide the Commissioner of Taxation with a discretion to extend the two-year ownership period in which the trustee of a deceased estate or beneficiary of such an estate must dispose of their interest in the deceased’s dwelling to access a full capital gains tax main residence exemption (or a more generous partial exemption);
- ensure that taxpayers can have a non-zero direct small business participation percentage in situations where:
  - shares in a company are held jointly by taxpayers; and
  - a discretionary trust has not made a distribution in an income year where the trust had a tax loss or no net income for that year; and
- the superannuation legislation so that where the trustee of a self managed superannuation fund is a body corporate, a parent or guardian may be director of the body corporate in place of a member that is a minor.

This measure has an ongoing unquantifiable but small revenue impact.

### Tax treatment of payments made under the Sustainable Rural Water Use and Infrastructure Program

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-10.0	-45.0	-5.0	30.0
<i>Related expense (\$m)</i>					
<i>Department of Sustainability, Environment, Water, Population and Communities</i>	-	-10.0	-30.0	-20.0	30.0

The Government will amend the tax law to eliminate the timing difference between when payments under the Sustainable Rural Water Use and Infrastructure Program (SRWUIP) are taxed and when deductions are available for amounts spent under program agreements, with effect from 1 April 2011. This measure has no net cost to the Budget over the forward estimates period. The estimated cost to revenue of \$30 million over this period will be offset by corresponding changes to expenditure under the SRWUIP.



**Taxation of Financial Arrangements — amendments to tax hedging rules**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will amend the Taxation of Financial Arrangements (TOFA) tax hedging rules to ensure that the rules operate as intended and to provide further certainty and reduce compliance costs for affected taxpayers.

The amendments will apply from the start of the income year in which the TOFA Stages 3 and 4 rules start to apply to the particular taxpayer. This measure is estimated to have an ongoing unquantifiable but small revenue impact.

The amendments will ensure that for taxpayers who have elected to apply both the TOFA tax hedging rules and the TOFA reliance on financial reports tax timing method, only the effective portion of the gains and losses from hedging financial arrangements will be subject to the TOFA tax hedging treatment.

The amendments will also clarify that gains and losses from hedging financial arrangements that hedge a risk or risks in relation to a firm commitment (as defined in the accounting standards) are brought to account for tax purposes when gains, losses or other amounts in relation to the assets or liabilities arising out of the cessation of the firm commitment are recognised for tax purposes.

**Taxation of Financial Arrangements — minor amendments to ease the transition into Stages 3 and 4**

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	*	*	*	*	*

The Government will amend the Taxation of Financial Arrangements (TOFA) Stages 3 and 4 transitional election provisions to give the Commissioner of Taxation a discretion to allow taxpayers further time, under certain circumstances, for the notification of the transitional election to apply the TOFA Stages 3 and 4 rules to their existing financial arrangements.

The amendments will apply from the start of the income year in which the TOFA Stages 3 and 4 rules start to apply to the taxpayer. This measure is estimated to have an ongoing unquantifiable but small revenue impact.

The Government will also make regulations to allow taxpayers additional time to comply with certain tax hedging documentation requirements. Affected taxpayers will be given until 30 June 2011 to comply with tax hedging documentation requirements relating to the tax allocation of gains and losses.

Further information can be found in the press release of 29 November 2010 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### Trust taxation — income averaging and farm management deposits

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-	-	-

The Government will amend the income tax law to ensure that trust beneficiaries can continue to use the primary production averaging and farm management deposits provisions in a loss year, with effect from 1 July 2010. This measure has no revenue impact.

The measure will continue the position that existed before the High Court's decision in *Commissioner of Taxation v Bamford* (2010) 240 CLR 481 (Bamford) and the Australian Taxation Office's (ATO) consequent withdrawal of Taxation Ruling TR 95/29 (about the availability of income averaging to a beneficiary of a trust, the trustee of which carries on a business of primary production). Before Bamford, the ATO accepted that a beneficiary could be taken to carry on a primary production business that was actually carried on by the trustee, in a year where the trust had a loss for trust law purposes. Following Bamford, the ATO no longer took that view and on 30 June 2010 withdrew Taxation Ruling TR 95/29.

Further information can be found in the press release of 16 December 2010 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### Trust taxation — interim changes to improve the taxation of trust income

Revenue (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	*	*	*	*

The Government will implement the recommendations of the Board of Taxation to take interim steps to improve the trust income tax provisions, with effect from 1 July 2010. These interim steps are necessary to provide certainty while the Government updates and rewrites the trust income tax provisions in Division 6 of Part III of the *Income Tax Assessment Act 1936*. The measure is expected to have a small unquantifiable revenue impact over the forward estimates period.

To implement the Board's recommendations, the Government will introduce legislation to:

- enable the streaming of capital gains and franked distributions; and
- target the use of low tax entities, especially exempt entities, to reduce the tax payable on the taxable income of a trust.

The measure will provide increased certainty and will reduce opportunities for taxpayers to manipulate their tax liabilities.

Further information can be found in the press release of 13 April 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.



## Part 2: Expense Measures

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup>**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>AGRICULTURE, FISHERIES AND FORESTRY</b>					
	<i>Australian Fisheries Management Authority</i>					
107	National Security – reduced costs in responding to illegal foreign fishing in northern waters	-1.0	-2.1	-2.1	-2.1	-
	<i>Department of Agriculture, Fisheries and Forestry</i>					
86	Animal and Plant Pest and Disease Eradication Programs – meeting existing commitments	-	-	-	-	-
8	Changes to agricultural production levies(b)	10.5	21.9	22.4	22.7	23.0
86	Department of Agriculture, Fisheries and Forestry – departmental efficiencies	-	0.8	-11.1	-11.2	-11.3
	Drought Assistance					
87	– Exceptional Circumstances assistance for primary producers	2.2	6.6	-	-	-
88	– Exceptional Circumstances assistance for small businesses	0.2	0.5	-	-	-
88	– interim income support for primary producers – Delungra area	1.0	-	-	-	-
89	– interim income support for small business – Delungra area	0.1	-	-	-	-
90	– professional advice and planning grant – wind up costs	-	-	-	-	-
90	– re-establishment assistance – extension	-	9.6	-	-	-
91	– transitional income support – extension	-	12.8	-	-	-
91	Drought policy reform – pilot of new measures in Western Australia – extension and expansion	-	13.6	-	-	-
340	Future Post-Entry Quarantine Arrangements – initial work(c)	-	5.4	-	-	-
92	Maintain funding for Quarantine Border Security – extension	-	-	-	-	-
93	Reform of Australia's biosecurity system – enhancement of Information Communication and Technology systems	-	4.2	-	-	-
	<b>Portfolio total</b>	<b>12.9</b>	<b>73.3</b>	<b>9.2</b>	<b>9.4</b>	<b>11.7</b>
	<b>ATTORNEY-GENERAL'S</b>					
	<i>Attorney-General's Department</i>					
94	Attorney-General's Department – efficiencies	-	-0.5	-0.5	-0.5	-0.5
99	Border Security – strengthening regional legal frameworks – combating people smuggling and transnational organised crime	-	3.3	3.4	-	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>ATTORNEY-GENERAL'S (continued)</b>					
100	Crime Stoppers Australia – continuation of funding	-	0.5	0.5	0.5	0.5
101	Family Law and International Criminal Court – savings	-	-2.0	-2.0	-2.0	-2.1
101	Family Relationship Services – extension of financial support	-	1.5	-	-	-
102	Financial Assistance Schemes for Commonwealth legal matters – efficiencies	-	-0.7	-3.2	-3.2	-3.2
103	Legal aid costs in Commonwealth law-related cases	17.6	4.2	7.1	-	-
103	Marriage Celebrants Program – reform	-	-	-	0.7	0.7
103	National Broadband Network – regional legal assistance	-	0.5	1.2	1.1	1.1
	National Security					
105	– National Counter-Terrorism Committee – efficiencies	-	-3.0	-3.0	-3.0	-3.0
106	– National Emergency Call Centre surge capability – continuation	-	-	-	-	-
106	– protecting Australia from terrorist use of chemicals	-	2.8	3.4	2.8	1.0
106	– public information campaign	-	0.6	-	-	-
	Natural Disaster Recovery and Rebuilding					
168	– assistance to business affected by the Queensland Floods	6.9	6.9	-	-	-
169	– assistance to business affected by Tropical Cyclone Yasi	4.5	4.5	-	-	-
107	– assistance to individuals affected by floods in Queensland and other states	704.3	-	-	-	-
108	– assistance to individuals affected by Tropical Cyclone Yasi	314.1	-	-	-	-
109	– Commission of Inquiry into Queensland Floods	1.0	1.0	-	-	-
109	– donation to the Perth Lord Mayor's Appeal Fund	-0.5	-	-	-	-
110	– donations to flood appeals	-	-	-	-	-
341	Personal Property Securities Register – additional funding(c)	-	0.7	-	-	-
110	Secure Schools Program – continuation	-	5.0	5.0	5.0	-
	<i>Australian Crime Commission</i>					
94	Australian Crime Commission – reduced involvement in Project Wickenby	-	-1.3	-1.3	-	-
	<i>Australian Customs and Border Protection Service</i>					
95	Australian Customs and Border Protection Service – savings	-	-	-	-	-5.3
	Border Security					
95	– ACV Triton – extension of lease	-	30.4	31.5	-	-
96	– Aerial surveillance – efficiencies	-	-4.1	-4.1	-4.2	-8.4
96	– counter people smuggling communications campaign	-	1.5	1.5	-	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>ATTORNEY-GENERAL'S (continued)</b>					
	Border Security					
97	– maintaining increased aerial surveillance of Australia's northern waters	-	7.6	7.7	-	-
98	– passenger facilitation at international airports – efficiencies	-	-7.7	-8.7	-8.7	-8.9
98	– post-interdiction management of suspected irregular entry vessels	-	0.7	0.7	-	-
98	– strengthening Customs and Border Protection Service's operational engagement overseas	-	4.0	4.0	-	-
92	Maintain funding for Quarantine Border Security – extension	-	-	-	-	-
107	National Security – reduced costs in responding to illegal foreign fishing in northern waters	-	-2.5	-2.5	-2.5	-2.5
	<i>Australian Federal Police</i>					
97	Border Security – enhancing regional capability to combat people smuggling	-	4.9	5.8	-	-
	National Security					
104	– Australian Federal Police – forensics facility project	-	-0.2	-	-	-
104	– Australian Federal Police – United Nations Mission in Sudan – contribution	-	1.4	1.4	-	-
107	– United Nations Mission in Cyprus – reduced contribution	-	-0.9	-2.0	-2.0	-2.0
	<i>Australian Human Rights Commission</i>					
100	Discrimination Commissioners	-	0.7	0.7	0.7	0.7
	<i>Australian Security Intelligence Organisation</i>					
96	Border Security – Australian Security Intelligence Organisation protective security assessments – improved targeting	-	-1.7	-1.7	-1.7	-1.7
	National Security					
105	– Australian Security Intelligence Organisation – operating costs of new central office	-25.3	-7.5	28.0	21.1	14.2
105	– Australian Security Intelligence Organisation training and overseas liaison activities – savings through improved targeting	-	-2.2	-2.2	-2.2	-2.2
	<i>Australian Transaction Reports and Analysis Centre</i>					
94	Anti-money laundering and counter-terrorism financing activities – continuation	-	-	-	-	-
95	Australian Transaction Reports and Analysis Centre – operational efficiencies	-	-3.1	-3.0	-3.0	-3.0
	<i>Federal Magistrates Court of Australia</i>					
101	Federal Magistrates Court – improved superannuation contributions	-	-	-	-	-
262	Refugee Status Determinations for offshore entry persons – streamlined processes	-	2.0	2.0	2.1	2.1

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>ATTORNEY-GENERAL'S (continued)</b>					
	<i>High Court of Australia</i>					
102	High Court – increase in base level funding	-	1.5	1.5	1.5	1.6
	<i>Insolvency and Trustee Service Australia</i>					
99	Confiscated Assets Account – deferral of expenditure	-	-8.0	-8.0	-8.0	-8.0
102	Insolvency and Trustee Service Australia – additional funding	-	13.8	15.8	18.1	20.7
341	Personal Property Securities Register – additional funding(c)	-	1.4	-	-	-
	<b>Portfolio total</b>	<b>1,022.6</b>	<b>56.4</b>	<b>78.9</b>	<b>12.6</b>	<b>-8.3</b>
	<b>BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY</b>					
	<i>Australian Broadcasting Corporation</i>					
113	Digital Television Switchover – conversion of Australian Broadcasting Corporation and Special Broadcasting Service analog television self-help services	-	nfp	nfp	nfp	nfp
	<i>Australian Communications and Media Authority</i>					
111	Australian Communications and Media Authority – revenue assurance project	-	1.5	1.5	-	-
112	Digital Television Switchover – assistance	-	..	1.6	0.8	-
116	National Broadband Network – regulatory framework	-	1.8	1.6	1.9	1.9
118	Spectrum – digital dividend and 2.5GHz band – valuing, replanning and auctioning	-	2.8	2.7	0.9	-
	<i>Department of Broadband, Communications and the Digital Economy</i>					
111	Community broadcasting – additional funding	-	3.0	3.1	3.2	3.2
	Digital Television Switchover					
112	– assistance	-	46.0	195.1	86.0	2.1
113	– enhancement	2.3	-	-	-	-
114	– Satellite Subsidy Scheme savings	-	-2.6	-0.6	-16.8	-
115	National Broadband Network – implementation	11.0	9.6	5.0	4.8	4.0
117	National Transmission Network – Residual Funding Pool – cessation	-	-0.1	-0.5	-1.0	-1.0
117	Review of communications regulation	1.5	1.6	-	-	-
118	Review of the Australian Government's Investment in the Indigenous Broadcasting and Media Sector – interim response	-	15.2	-	-	-
	Spectrum					
118	– digital dividend and 2.5GHz band – valuing, replanning and auctioning	-	1.1	0.8	-	-
119	– reissue of 15-year licences	1.4	-	-	-	-



**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY (continued)</b>					
120	Untimed Local Calls in the Extended Zones – continuation	-	2.2	-	-	-
120	Voluntary Internet Filtering Grants Program – cessation	-5.5	-2.2	-1.9	-	-
	<i>Special Broadcasting Service Corporation</i>					
113	Digital Television Switchover – conversion of Australian Broadcasting Corporation and Special Broadcasting Service analog television self-help services	-	nfp	nfp	nfp	nfp
	<b>Portfolio total</b>	<b>10.8</b>	<b>80.1</b>	<b>208.3</b>	<b>79.7</b>	<b>10.2</b>
	<b>CLIMATE CHANGE AND ENERGY EFFICIENCY</b>					
	<i>Department of Climate Change and Energy Efficiency</i>					
121	Energy efficiency functions – additional funding	15.1	4.0	3.0	3.0	3.0
121	Green Loans program – extension and assistance for assessors	-	-	-	-	-
122	Green Start program – cessation	-121.2	-41.2	-0.6	-	-
122	Greenhouse and energy reporting – additional funding	-	5.0	5.0	5.1	5.1
123	Home Insulation Safety Program – household initiated inspections	-	-	-	-	-
123	National Solar Schools Program – redesign	-	-5.4	-3.6	-13.2	-19.1
124	Solar Cities – additional funding	-	5.6	8.1	-	-
45	Tax Breaks for Green Buildings – deferral(b)	-1.9	-1.0	0.3	0.7	2.0
	<i>Office of the Renewable Energy Regulator</i>					
124	Renewable Energy Target – implementation of legislative amendments	5.4	13.7	11.6	10.7	10.8
	<b>Portfolio total</b>	<b>-102.7</b>	<b>-19.2</b>	<b>23.7</b>	<b>6.2</b>	<b>1.8</b>
	<b>CROSS PORTFOLIO</b>					
	<i>Various Agencies</i>					
201	Border Security – international engagement to prevent and disrupt maritime people smuggling	-8.6	-	-	-	-
125	Coordinated Procurement Contracting – stationery and office supplies	-	-	-	-	-
125	Efficiency dividend – temporary increase in the rate	-	-119.6	-238.5	-294.0	-351.3
218	Health and Ageing portfolio – administrative efficiencies	-	2.0	0.6	0.3	0.3
258	Humanitarian Migration Program – increase of 4,000 places	-	30.5	45.4	61.5	79.0
260	Migration Program – allocation of places for 2011-12	-	86.3	190.6	289.8	387.2
109	Natural Disaster Recovery and Rebuilding – Commission of Inquiry into Queensland Floods	-1.0	-1.0	-	-	-
	<b>Portfolio total</b>	<b>-9.5</b>	<b>-1.8</b>	<b>-1.9</b>	<b>57.6</b>	<b>115.2</b>

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>DEFENCE</b>					
	<i>Department of Defence</i>					
126	Afghanistan – transition of Uruzgan Province to International Security Assistance Force leadership	108.5	-	-	-	-
344	Capital investment reprogramming(c)	-	-15.4	31.8	12.8	-172.4
126	Coastal Surveillance – Operation Resolute	-	-	-	-	-
127	Enhanced internet access for Australian Defence Force personnel on deployment	3.6	5.8	5.8	2.3	-
127	Increased efficiencies	-	-160.4	-304.3	-315.1	-315.8
128	Middle East Area of Operations – continuation of Australia's military contribution	8.0	959.0	115.4	93.9	-
203	National Security – Baghdad Embassy civilian security arrangements – final transition	-	-	-	-	-
128	Royal Australian Air Force Base Williamtown – improving aircraft noise management	-	-	-	-	-
129	Solomon Islands – continued Australia Defence Force assistance to the Regional Assistance Mission to Solomon Islands	-	42.8	1.2	0.1	-
129	Timor-Leste – continuation of Australia's commitment to helping to maintain security and stability	-	137.9	2.2	0.6	-
288	United States Studies Centre – contribution	-	-0.3	-0.3	-0.3	-
	<b>Portfolio total</b>	<b>120.1</b>	<b>969.3</b>	<b>-148.2</b>	<b>-205.8</b>	<b>-488.1</b>
	<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS</b>					
	<i>Comcare</i>					
165	Model Work Health and Safety laws – implementation	1.3	6.2	-	-	-
	<i>Department of Education, Employment and Workplace Relations</i>					
177	Allow Bereavement Allowance for Parenting Payment recipients	-	-0.1	-0.1	-0.1	-0.2
131	Building Australia's Future Workforce – linking job seekers with a disability to national employers	-	-	-	-	-
131	– wage subsidies for people with a disability	-	-	4.0	3.6	3.6
132	– wage subsidy for the very long-term unemployed	-	11.5	26.4	27.0	27.6
133	– accelerated Australian apprenticeships	-	22.4	22.1	22.0	14.2
134	– additional Workforce English Language and Literacy Program places	-	2.8	4.3	5.3	7.5
134	– Apprenticeship mentoring	-	31.8	29.6	20.0	20.0
135	– Australian Apprentice Access Program – continuation of funding arrangements	-	-	6.5	6.6	6.7
135	– Australian Apprenticeship Incentive Program Certificate II incentives – realignment	-	-7.1	-17.6	-17.7	-16.6

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (continued)</b>					
Building Australia's Future Workforce					
136	-	1.2	-49.6	-73.4	-77.2
137	-	2.1	5.4	8.6	8.9
138	-	0.3	4.4	6.2	6.8
180	-	-	13.0	13.4	4.0
138	-	2.3	2.9	3.2	1.0
139	-	-5.7	-5.8	-5.9	-6.0
181	-	55.0	33.7	25.8	25.6
139	-	10.1	21.6	47.2	62.7
140	-	-5.7	-5.9	-6.4	-6.6
140	-	-	13.0	9.2	-9.7
142	-	0.3	65.9	31.4	30.0
142	-	1.2	1.7	1.2	-
143	-	-	-	-	-
143	-	-2.8	-2.8	-3.9	-4.0
144	-	20.6	0.6	0.6	-
144	-	1.8	2.3	0.6	-
145	-	10.0	10.0	10.0	-
145	-	-	-	-	-
146	-	-	8.5	8.3	8.3
147	-	74.8	77.2	77.4	126.3
147	-	19.5	19.6	-	-
148	-	10.0	10.0	-	-
148	-	-83.8	-255.7	-257.0	-257.4
149	-	-43.2	-43.2	-43.2	-43.2
150	-	6.3	6.4	6.4	-



**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (continued)</b>					
	Employment Services Arrangements				
159	-	-	-2.0	-2.0	-2.0
159	-	-	-13.7	-13.7	-13.7
160	- Job Services Australia and Disability Employment Services in remote areas – contract extension and new initiatives				
	-	0.5	0.5	-	-
161	- Job Services Australia in non-remote areas – continuation and new initiatives				
	-	3.6	2.7	1.6	0.6
162	- New Enterprise Incentive Scheme – continuation and extension to Disability Employment Services job seekers				
	-	0.4	31.5	31.5	31.5
162	Ethical Clothing Australia – continued funding				
	-	-	-	-	-
163	Framework for Open Learning Program – redirection of funding				
	-	-0.6	-0.6	-	-
248	Fraud prevention and compliance – improving compliance with income reporting				
	-	-2.2	-1.0	-1.0	-1.0
163	Higher Education Contribution Scheme – reduction in discounts				
	-	-29.4	-62.5	-66.6	-71.0
164	Higher Education Performance Funding				
	-	-47.5	-47.5	-	-
164	Higher Education Regional Loading – increased funding				
	-	15.0	30.5	31.6	32.8
165	Indigenous Education Targeted Assistance – extension				
	-	-	-	-	-
	National Mental Health Reform				
166	– Australian Early Development Index – improved ongoing implementation				
	-	-	-	-	-
166	– increased employment participation for people with mental illness				
	-	1.0	0.3	0.3	0.3
167	– Social Engagement and Emotional Development survey for Children aged 8 to 14 years				
	-	-	-	-	-
167	National Workers' Memorial – establishment				
	-	-	-	-	-
	Natural Disaster Recovery and Rebuilding				
168	– assistance to business affected by the Queensland Floods				
	14.8	17.3	-5.7	-5.8	-5.9
169	– assistance to business affected by Tropical Cyclone Yasi				
	-	-	-	-	-
170	– Australian Learning and Teaching Council – redirect funding				
	-	-4.7	-10.1	-11.0	-11.9
170	– Capital Development Pool – cessation				
	-	-55.0	-78.0	-81.0	-84.0
194	Provisional Partner Visa Holders – Entitlement to Special Benefit				
	-	0.7	1.4	1.5	1.6
	Schools				
171	– Australian Baccalaureate – establishment				
	-	-	-	2.5	4.8
171	– Digital Education Revolution – redirection				
	-	-28.1	-28.1	-28.1	-48.1
172	– national rewards for great teachers				
	-	50.0	-	125.0	250.0

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (continued)</b>					
	Schools					
172	– National School Chaplaincy program – extension and expansion	-	74.0	74.0	74.0	-
173	– non-government school funding – extension	-	-	-	-	-
174	– Schools Support Program – reduction in funding	-2.5	-2.5	-2.5	-2.5	-
174	– Support for Improving Learning Experiences and Educational Outcomes for School Students with Disability	-	18.8	18.6	9.3	-
175	– Teach Next	-	6.4	5.3	4.5	2.0
175	– Trade Training Centres in Schools Program – revised rollout	-	-6.6	-17.9	-33.8	-44.5
253	Service Delivery Reform – improving services – increased support for people needing assistance	-	0.4	0.4	0.4	0.4
176	Vocational Education Broadband Network – redirection of funding	-34.4	-24.4	-19.7	-	-
176	Work and Family Support for Small Businesses – cessation of grants	-4.0	-	-	-	-
	<i>Office of the Fair Work Ombudsman</i>					
193	Paid Paternity Leave – implementation – new start date	-	-0.2	-0.9	-0.8	-0.6
	<b>Portfolio total</b>	<b>-27.1</b>	<b>-47.1</b>	<b>-489.1</b>	<b>-554.7</b>	<b>-571.8</b>
	<b>FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS</b>					
	<i>Department of Families, Housing, Community Services and Indigenous Affairs</i>					
177	A Better Start for Children with Disability – Early intervention	1.5	36.5	34.8	31.8	16.0
177	Allow Bereavement Allowance for Parenting Payment recipients	-	0.1	0.2	0.2	0.2
178	Australian Disability Enterprises Sector – additional funding	-	9.8	-	-	-
178	Broadband for Seniors – continuation	-	2.6	2.6	2.6	2.6
178	Building Australia's Future Workforce – Audit of Disability Support Pension new claim assessments	-	-	-	-	-
136	– changes to the eligibility criteria for Youth Allowance (Other) and Newstart Allowance	-	..	..	..	..
137	– Compulsory Participation Plans and Support for Teenage Parents – targeted locations	-	2.0	0.6	0.7	0.7
138	– Compulsory participation requirements for jobless families – targeted locations	-	0.7	6.1	6.2	6.4
179	– Disability Support Pension – allow all recipients to work up to 30 hours a week	-	..	4.0	1.4	-1.3
180	– Disability Support Pension – participation requirements	-	0.1	-0.2	-2.5	-2.8







**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>FINANCE AND DEREGULATION (continued)</b>					
	<i>Department of Finance and Deregulation</i>					
138	Building Australia's Future Workforce – evaluation	0.1	-	-	-	-
199	Capped Entitlement in Exceptional Circumstances for Members and Senators – supplementation	0.2	-0.2	-	-	-
319	Competition for Market Services	0.1	0.1	0.1	0.1	0.1
199	Government and non-Government Parliamentarians staff – additional positions	0.7	1.6	1.6	1.6	1.6
200	Improving Access to Australian Government Services	-	2.3	-	-	-
286	National Archives Preservation Facility	-	-	-	0.1	0.1
115	National Broadband Network – implementation	0.1	0.3	0.3	0.3	0.3
104	National Security – Australian Federal Police – forensics facility project	-	0.2	-	-	-
269	Natural Disaster Recovery and Rebuilding – deferral of other infrastructure projects	-	-	-	-	-
254	Service Delivery Reform – integrating the portfolio – corporate integration	-	0.1	0.1	0.1	0.1
325	Stronger Super – SuperStream – initial funding	0.1	0.1	0.1	0.1	0.1
	<b>Portfolio total</b>	<b>1.3</b>	<b>14.4</b>	<b>2.2</b>	<b>2.2</b>	<b>2.2</b>
	<b>FOREIGN AFFAIRS AND TRADE</b>					
	<i>AusAID</i>					
	Official development assistance					
204	– Australian Civilian Corps – deployment funding	-	5.0	7.0	10.0	10.0
205	– Australian Civilian Corps – Haiti deployment	0.3	0.3	-	-	-
205	– Australia's contribution to international debt relief	-	-	-	-	-
206	– Expanding aid in Indonesia and South East Asia	-	41.8	79.6	220.6	353.7
207	– Expanding aid to Africa, South and Central Asia and the Middle East	44.0	31.1	131.2	242.1	376.2
208	– Non-Government Organisations, Volunteer and Community programs	-	18.7	40.1	78.1	107.1
208	– sixteenth replenishment of the World Bank's International Development Association	-	-	-	-	-
209	– support for education and ending violence against women in Papua New Guinea and the Pacific	-	4.4	8.7	51.2	86.2
210	– termination of the Pacific Land Program	-	-21.8	-22.3	-22.8	-23.3

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>FOREIGN AFFAIRS AND TRADE (continued)</b>					
	<i>Australian Secret Intelligence Service</i>					
201	Border Security – Combating people smuggling – enhanced intelligence capability	-	7.4	7.3	-	-
204	National Security – reprioritisation of resources – savings	-	-7.4	-7.4	-	-
	<i>Department of Foreign Affairs and Trade</i>					
126	Afghanistan – transition of Uruzgan Province to International Security Assistance Force leadership	1.3	1.7	-	-	-
201	Border Security – international engagement to prevent and disrupt maritime people smuggling	-	4.5	4.5	-	-
202	Consular Services – additional funding	-	4.0	-	-	-
202	International Australian Television Service – The Australia Network	-	-	-	-	-
203	Japan Earthquake and Tsunami – donation to the Red Cross Japan and Pacific Disaster Appeal	10.0	-	-	-	-
	National Security					
203	– Baghdad Embassy civilian security arrangements – final transition	-	13.4	-	-	-
204	– United Nations Security Council – final phase	-	-	-	-	-
288	United States Studies Centre – contribution	-	-0.2	-0.2	-0.2	-
	<b>Portfolio total</b>	<b>55.6</b>	<b>102.9</b>	<b>248.5</b>	<b>579.1</b>	<b>909.9</b>
	<b>HEALTH AND AGEING</b>					
	<i>Australian Radiation Protection and Nuclear Safety Agency</i>					
212	Australian National Radiation Dose Register – continuation	-	0.6	0.5	0.4	0.4
	<i>Cancer Australia</i>					
214	– building cancer expertise in the new Cancer Australia	-	-0.5	-0.4	0.5	0.4
214	– maintaining support for women with gynaecological cancers	-	1.2	1.6	1.6	1.6
215	– supporting men with prostate cancer	-	1.3	1.3	1.3	-
	<i>Department of Health and Ageing</i>					
177	A Better Start for Children with Disability – Early intervention	-	5.7	10.0	6.1	3.4
	Aged Care					
211	– additional community places	5.1	-11.7	-27.0	-34.8	-57.8
211	– Residential aged care viability supplement – continuation and expansion	-	13.3	-	-	-
212	Aged care accommodation facility in Hughenden – contribution	-	4.4	-	-	-
213	Australian Red Cross Society – additional funding – extension	-	5.1	-	-	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>HEALTH AND AGEING (continued)</b>					
213	Better access initiative for occupational therapists and social workers – continuation	-	-	-	-	-
213	Bringing Them Home and Expanding Link Up Programs for the Stolen Generations – continuation	-	2.5	10.3	11.9	14.4
215	Coordinated diabetes care – pilot	-	-	-	-	-
215	Council of Australian Governments Diabetes Grants – rationalisation	-	-	-16.2	-16.5	-16.8
	Dental Health					
216	– dental internship year	-	14.3	17.2	11.0	10.2
216	– National Advisory Council	-	0.5	-	-	-
217	Diagnostic Imaging – reforms	-	2.5	6.9	38.2	55.1
	Drought Assistance					
87	– Exceptional Circumstances assistance for primary producers	..	0.1	-	-	-
88	– Exceptional Circumstances assistance for small businesses	..	..	-	-	-
91	Drought policy reform – pilot of new measures in Western Australia – extension and expansion	-	0.2	-	-	-
217	Establishing Quality Health Standards in Indigenous Health Services – continuation	-	-3.0	-2.4	-2.5	-2.8
218	Health and Ageing portfolio – administrative efficiencies	-	26.3	-14.0	-30.1	-38.8
218	Health and Hospitals Fund – Regional Priority Round	-	43.4	104.5	116.0	85.0
219	Healthy and active ageing – Ambassador for the Ageing program – continuation	-	-0.1	-0.2	-0.2	-0.2
	Hearing Services Program					
219	– better targeted services	-	3.9	-25.0	-35.8	-79.4
220	– improved access to hearing services	-	5.3	11.7	14.1	16.7
220	Human Papillomavirus Vaccination Program Register	-	3.5	3.7	3.8	4.0
345	Latent tuberculosis testing – continuation(c)	-	0.2	0.2	0.2	0.2
	Life Saving Drugs Program					
221	– funding for Soliris® (eculizumab)	9.9	27.4	30.1	32.9	35.6
221	– revised arrangements for efficient funding of Fabrazyme®	1.0	0.8	0.8	0.8	0.8
222	Maintaining seasonal and pandemic influenza surveillance	-	1.0	1.0	1.0	1.0
	Medicare Benefits Schedule					
222	– enhanced management framework	-	5.6	5.7	-	-
222	– new and revised listings	-	3.1	5.5	6.2	6.8
223	– pathology services	-	-64.0	-90.5	-109.3	-142.1
224	National Bowel Cancer Screening Program – continuation	-	32.5	34.5	35.3	36.4

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>HEALTH AND AGEING (continued)</b>						
224	National Cord Blood Collection Network – funding to support Cord Blood Banks for people with leukaemia, lymphoma and other life threatening diseases	-	-1.5	0.2	0.4	0.4
225	National Diabetes Services Scheme – removing inconsistencies in access to needles	-	0.6	0.7	0.8	0.9
225	National Health and Hospitals Network – General practice and primary care – coordinated diabetes care – deferral	-	-	-	-	-
226	National Health Reform Agreement – change in payment arrangements	-	-	-	-	-
	National Immunisation Program					
226	– addition of Prevenar 13®	0.1	0.3	-	-	-
227	– listing of Menitorix®	0.1	0.2	-	-	-
227	– Prevenar 13® vaccine – catch up program	0.1	0.6	..	-	-
228	National Medical Stockpile – strengthening management arrangements	-	4.3	2.4	-	-
	National Mental Health Reform					
228	– leadership in mental health reform – continuation	-	-	-	-	-
229	– Better Access Initiative – rationalisation of allied health treatment sessions	-	-12.5	-26.3	-34.6	-44.3
229	– Better Access Initiative – rationalisation of GP mental health services	-	-49.9	-80.1	-85.0	-90.5
230	– coordinated care and flexible funding for people with severe and persistent mental illness	-	-25.4	35.5	69.1	117.6
230	– Early Psychosis Prevention and Intervention Centre model – further expansion	-	0.7	0.7	0.6	0.6
231	– establishment of a National Mental Health Commission	-	-1.9	-4.3	-4.3	-4.3
232	– establishment of a single mental health online portal	-	1.9	2.9	3.0	3.3
232	– expansion of Access to Allied Psychological Services	-	16.1	31.1	43.7	53.1
233	– expansion of Support for Day to Day Living in the Community program	-	2.4	4.1	4.2	4.4
233	– expansion of youth mental health	-	13.5	22.5	34.9	61.4
234	– health and wellbeing checks for three year olds	-	1.0	6.6	0.9	1.3
234	– National Partnership Agreement on Mental Health	-	0.5	..	..	0.1
235	– research funding	-	-	-	-	-
	Pharmaceutical Benefits Scheme					
235	– amendment to the listing of ciprofloxacin for flood affected areas	0.1	-	-	-	-
236	– biological disease-modifying antirheumatic drugs – amendments to more cost-effective arrangements	nfp	nfp	nfp	nfp	nfp



**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>HUMAN SERVICES (continued)</b>					
	Drought Assistance					
87	– Exceptional Circumstances assistance for primary producers	0.4	-	-	-	-
88	– Exceptional Circumstances assistance for small businesses	..	-	-	-	-
88	– interim income support for primary producers – Delungra area	0.1	-	-	-	-
89	– interim income support for small business – Delungra area	..	-	-	-	-
90	– professional advice and planning grant – wind up costs	-1.2	-	-	-	-
90	– re-establishment assistance – extension	-	-	-	-	-
91	Drought policy reform – pilot of new measures in Western Australia – extension and expansion	-	-	-	-	-
188	Family Tax Benefit Part A – more flexible advances	3.5	-	-	-	-
190	Healthy Start for School	4.7	-	-	-	-
	Natural Disaster Recovery and Rebuilding					
169	– assistance to business affected by Tropical Cyclone Yasi	7.0	-	-	-	-
107	– assistance to individuals affected by floods in Queensland and other states	13.6	-	-	-	-
108	– assistance to individuals affected by Tropical Cyclone Yasi	6.4	-	-	-	-
195	Reform of family payments – pause indexation of Family Tax Benefit supplements for three years	0.2	-	-	-	-
	<i>Department of Human Services</i>					
177	A Better Start for Children with Disability – Early intervention	-	0.2	0.1	0.1	0.1
211	Aged Care – Residential aged care viability supplement – continuation and expansion	-	0.2	-	-	-
	Building Australia's Future Workforce					
132	– wage subsidy for the very long-term unemployed	-	1.3	0.2	0.2	0.2
178	– Audit of Disability Support Pension new claim assessments	-	-	-	-	-
136	– changes to the eligibility criteria for Youth Allowance (Other) and Newstart Allowance	-	7.5	3.1	2.2	2.2
246	– Community Innovation through Collaboration	-	4.2	12.3	11.3	10.4
137	– Compulsory Participation Plans and Support for Teenage Parents – targeted locations	-	9.7	4.7	2.0	2.0
138	– Compulsory participation requirements for jobless families – targeted locations	-	12.0	8.7	6.7	6.7
246	– connection interviews and jobseeker workshops	-	4.0	4.8	4.4	4.4

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>HUMAN SERVICES (continued)</b>					
Building Australia's Future Workforce					
179	-	0.7	2.7	-	-
180	-	8.3	14.9	25.7	18.8
181	-	2.8	1.4	1.1	1.1
139	-	0.1	0.1	0.1	0.1
247	-	3.8	4.1	5.5	6.1
140	-	2.9	6.0	2.3	2.9
142	-	..	1.6	1.7	1.7
147	-	3.1	3.1	-	-
150	-	-	-	-	-
151	-	8.7	7.9	6.3	6.2
182	-	-3.4	-19.2	-24.9	-25.1
183	-	14.5	19.8	19.7	19.6
152	-	0.7	0.1	0.1	0.1
184	-	1.4	1.5	-	-
247	-	51.0	-	-	-
184	-	10.8	-	-	-
Community Development Employment Projects program					
185	-	-2.2	-	-	-
186	-	1.9	0.2	0.2	0.2
217	-	0.1	0.1	0.1	0.1
112	-	6.4	22.9	11.8	0.2
187	-	1.6	1.6	1.2	1.1
Drought Assistance					
87	-	0.3	-	-	-
88	-	0.4	-	-	-
90	-	1.3	-	-	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>HUMAN SERVICES (continued)</b>					
	Drought Assistance					
90	– re-establishment assistance – extension	-	0.5	..	-	-
91	– transitional income support – extension	-	1.6	..	-	-
91	Drought policy reform – pilot of new measures in Western Australia – extension and expansion	-	7.4	0.1	-	-
	Employment Services Arrangements					
158	– efficiencies	-	1.1	-15.0	-15.2	-15.3
162	– New Enterprise Incentive Scheme – continuation and extension to Disability Employment Services job seekers	-	1.3	0.1	0.1	0.1
188	Family Tax Benefit Part A – more flexible advances	-	22.0	11.6	11.2	11.2
248	Fraud prevention and compliance – improving compliance with income reporting	-	3.2	2.1	1.6	2.6
190	Healthy Start for School	-	3.5	1.2	1.2	1.4
222	Medicare Benefits Schedule – new and revised listings	-	0.1	0.1	..	0.1
	National Mental Health Reform					
229	– Better Access Initiative – rationalisation of allied health treatment sessions	-	-0.1	-0.2	-0.3	-0.4
234	– health and wellbeing checks for three year olds	-	-	..	-	-
	Natural Disaster Recovery and Rebuilding					
169	– assistance to business affected by Tropical Cyclone Yasi	-	-	-	-	-
107	– assistance to individuals affected by floods in Queensland and other states	-	-	-	-	-
108	– assistance to individuals affected by Tropical Cyclone Yasi	-	-	-	-	-
	Pharmaceutical Benefits Scheme					
238	– new and extensions to listings from 1 February 2011	-	0.7	0.7	0.8	0.8
239	– new listing from 1 July 2011	-	0.1	0.1	0.1	0.1
240	– new listings from 1 April 2011	-	0.1	0.1	0.1	0.1
243	Primary Care – redirection of the domestic violence referral points project	-	0.2	-	-	-
329	Prisoner of War Recognition Supplement – establishment	-	0.1	..	..	..
194	Provisional Partner Visa Holders – Entitlement to Special Benefit	-	1.1	-0.9	-1.0	-1.1
194	Reform of Family Payments – Aligning Family Tax Benefit Part A eligibility with Youth Allowance age of independence	-	1.5	-0.1	-0.2	-0.2
	Reform of family payments					
195	– pause indexation of Family Tax Benefit supplements for three years	-	0.2	-0.1	-0.2	-0.5
195	– pause indexation of upper limits and thresholds for a further two years	-	0.1	-5.0	-14.5	-14.7



**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>HUMAN SERVICES (continued)</b>					
Service Delivery Reform					
248	-	1.2	0.9	-0.9	-1.7
249	-	8.1	9.0	9.2	1.4
249	-	2.7	4.8	8.0	8.9
250	-	11.8	5.7	4.6	3.8
251	-	41.5	25.2	15.6	21.4
252	-	-41.6	-98.8	-100.2	-100.7
252	-	-6.3	-23.9	-47.5	-62.8
253	-	11.3	18.1	21.9	21.6
254	-	4.6	4.6	1.9	1.9
254	-	65.6	40.9	18.5	12.4
255	-	10.6	3.0	-10.2	-32.0
196	-	1.4	2.8	0.4	0.4
197	-	10.8	10.9	11.0	11.5
<i>Medicare Australia</i>					
177	0.2	-	-	-	-
213	-	-	-	-	-
190	0.1	-	-	-	-
222	0.1	-	-	-	-
225	-	-	-	-	-
Pharmaceutical Benefits Scheme					
238	0.3	-	-	-	-
240	..	-	-	-	-
243	-	-	-	-	-
243	0.1	-	-	-	-
<b>Portfolio total</b>	<b>47.5</b>	<b>323.3</b>	<b>102.6</b>	<b>-1.6</b>	<b>-65.5</b>

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>IMMIGRATION AND CITIZENSHIP</b>					
	<i>Department of Immigration and Citizenship</i>					
256	Afghanistan Passport and Visa Issuing System Capacity Building Project Phase III	-	6.1	3.7	-	-
	Border Security					
256	– initiatives to address irregular population flow in source and transit countries	7.4	14.3	11.6	-	-
257	– reintegration assistance program – continuation	-	-	-	-	-
	Department of Immigration and Citizenship					
258	– grant program efficiencies	-	-1.7	-1.7	-1.8	-1.8
258	– reduction in funding to corporate support, policy and program design and service delivery functions	-	-29.7	-47.6	-51.5	-69.4
259	Initiatives to Increase Migration to Regional Australia	-	-	-	-	-
261	National Accreditation Authority for Translators and Interpreters – additional funding	-	0.6	-	-	-
168	Natural Disaster Recovery and Rebuilding – assistance to business affected by the Queensland Floods	-	-	-	-	-
261	New Skilled Migration Points test	-	-	-	-	-
262	Refugee Status Determinations for offshore entry persons – streamlined processes	-	48.8	50.7	-	-
263	Regional Cooperation Framework – Transfer of Irregular Maritime Arrivals to Malaysia	-	28.8	18.2	15.6	13.3
263	Skilled Migrant Selection Model	-	2.6	0.3	0.3	0.3
264	Temporary Business (Subclass 457) Visa Program – improved processing	-	3.1	2.3	2.3	2.3
265	The People of Australia – Australia's Multicultural Policy	-	-	-	-	-
	<i>Migration Review Tribunal and Refugee Review Tribunal</i>					
260	Migration Review Tribunal – Refugee Review Tribunal – changes to application fees	-	3.4	3.5	3.5	3.5
	<b>Portfolio total</b>	<b>7.4</b>	<b>76.3</b>	<b>41.0</b>	<b>-31.6</b>	<b>-51.8</b>
	<b>INFRASTRUCTURE AND TRANSPORT</b>					
	<i>Australian Maritime Safety Authority</i>					
268	National Transport Regulators – additional funding	-	4.4	5.6	-	-
	<i>Australian Transport Safety Bureau</i>					
268	National Transport Regulators – additional funding	-	2.3	4.9	-	-
	<i>Department of Infrastructure and Transport</i>					
266	Airport building controllers – increased funding	-	2.6	2.6	2.6	2.6
266	Infrastructure Australia – expansion	-	9.0	9.0	9.0	9.0

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>INFRASTRUCTURE AND TRANSPORT (continued)</b>					
	Nation Building					
267	– additional funding for the Pacific Highway	-	-	-	-	-
267	– rail infrastructure – Moreton Bay Rail Link	-	-	-	-	-
268	Nation Building Program – F3 to Sydney Orbital feasibility study – deferral	-	-	-	-	-
268	Nation Building Program 2 – Constitution Avenue	-	-	-	-	-42.0
268	National Transport Regulators – additional funding	-	-	-	-	-
	Natural Disaster Recovery and Rebuilding					
269	– deferral of other infrastructure projects	-	-	-	-	-
270	– reinstatement of infrastructure projects in Queensland	-	-	-	-	-
271	– withdrawal of funding for O-Bahn city access project	-	-	-	-	-
271	Regional Aviation Access Program – airstrip upgrades – extension	-	14.0	14.0	-	-
	Regional Infrastructure Fund					
272	– administration	-	1.8	1.9	1.9	2.0
272	– Mackay Ring Road	-	-	-	-	-
273	– Scone Level Crossing	-	-	-	-	-
	Sustainable Australia					
273	– major urban renewal	-	10.0	10.0	-	-
274	– managed motorways	-	0.4	0.5	0.5	-
	<b>Portfolio total</b>	<b>-</b>	<b>44.5</b>	<b>48.5</b>	<b>14.0</b>	<b>-28.4</b>
	<b>INNOVATION, INDUSTRY, SCIENCE AND RESEARCH</b>					
	<i>Australian Nuclear Science and Technology Organisation</i>					
275	Australian Nuclear Science and Technology Organisation – additional funding for decommissioning activities	-	2.5	4.2	1.0	1.0
	<i>Commonwealth Scientific and Industrial Research Organisation</i>					
281	Tasmanian Information and Communication Technologies Centre – continuation	-	2.7	4.0	4.0	4.0
	<i>Department of Innovation, Industry, Science and Research</i>					
275	Australia-China Science and Research Fund – establishment	-	2.0	4.0	3.0	-
275	Buy Australian at Home and Abroad	-	5.1	9.5	10.1	9.8
299	Carbon Capture and Storage Flagships – reduction and deferral of funding	-100.0	-	-	-	-
276	Collaborative Research Networks – redirect funding	-	-	-	-10.3	-10.4
276	Cooperative Research Centres – redirect funding	-	-2.5	-9.6	-14.2	-7.1
277	Enterprise Connect – redirect funding	-	-2.0	-2.0	-2.0	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>INNOVATION, INDUSTRY, SCIENCE AND RESEARCH (continued)</b>						
277	National Construction Code – increased funding	-	1.8	1.6	1.6	1.5
278	Natural Disaster Recovery and Rebuilding – capping the Liquefied Petroleum Gas Vehicle Scheme	-	-41.4	-24.6	-30.0	-
278	– cessation of the Green Car Innovation Fund	-40.9	-7.5	-102.3	-102.9	-180.6
279	– not proceeding with the Cleaner Car Rebate Scheme	-	-	-	-	-
279	Science for Australia's Future – inspiring Australia	-	7.0	7.0	7.0	-
280	Small Business Support Line – continuation	-	1.7	1.7	1.7	1.8
280	South-East South Australian Innovation and Investment Fund – establishment	-	3.0	7.0	-	-
280	Square Kilometre Array Radio Telescope – supporting the Australia-New Zealand bid	-	8.9	11.8	10.0	9.5
281	WaterMark Certification Scheme – administrative arrangements	-	-	-	-	-
<b>Portfolio total</b>		<b>-140.9</b>	<b>-18.7</b>	<b>-87.5</b>	<b>-120.9</b>	<b>-170.5</b>
<b>PARLIAMENT</b>						
<i>Department of Parliamentary Services</i>						
282	Parliament – additional operational support	-	0.3	0.3	-	-
283	Parliamentary Budget Office	-	-	-	-0.5	-
<i>Department of the House of Representatives</i>						
282	Parliament – additional operational support	-	1.0	1.0	0.5	0.5
<i>Department of the Senate</i>						
282	Parliament – additional operational support	0.3	0.5	0.5	-	-
<i>Parliamentary Budget Office</i>						
283	Parliamentary Budget Office	-	6.0	6.1	6.7	6.2
<b>Portfolio total</b>		<b>0.3</b>	<b>7.9</b>	<b>8.0</b>	<b>6.7</b>	<b>6.7</b>
<b>PRIME MINISTER AND CABINET</b>						
<i>Australian Sports Commission</i>						
284	Active After-School Communities program – extension	-	21.8	22.1	-	-
284	Australian Sports Commission – administrative savings	-	-	-	-1.4	-1.4
287	Supporting football in the lead up to the 2015 Asian Cup	-0.2	-1.1	-1.1	-1.1	-1.1
265	The People of Australia – Australia's Multicultural Policy	-	-	-	-	-
<i>Department of the Prime Minister and Cabinet</i>						
284	Contemporary Music Touring Program	-	0.4	0.4	0.4	0.4
285	Council of Australian Governments – additional resources to support the COAG reform agenda	-	1.6	1.6	1.6	1.6
286	Get Reading! – reduced funding	-	-0.4	-0.4	-0.4	-0.4

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>PRIME MINISTER AND CABINET (continued)</b>					
286	Illicit Drugs in Sport and the Sport Anti-Doping programs – savings	-1.7	-1.6	-1.2	-1.1	-
231	National Mental Health Reform – establishment of a National Mental Health Commission	-	3.3	6.8	6.7	6.9
287	New Support for the Arts	-	1.0	1.5	2.5	2.5
287	New Zealand earthquake – contribution to recovery effort	5.0	-	-	-	-
287	Supporting football in the lead up to the 2015 Asian Cup	10.8	4.6	4.2	8.8	14.2
288	United States Studies Centre – contribution	-	0.6	0.6	0.6	-
	<i>National Archives of Australia</i>					
286	National Archives Preservation Facility	-	-	-	-0.1	-0.1
	<i>Office of National Assessments</i>					
288	United States Studies Centre – contribution	-	-0.1	-0.1	-0.1	-
	<i>Office of the Commonwealth Ombudsman</i>					
284	Commonwealth Ombudsman – scrutiny of processing of refugee claims	-	-	-	-	-
	<i>Screen Australia</i>					
285	Enhancements from the Review of the Australian Independent Screen Production Sector	-	2.5	3.5	3.5	3.5
	<b>Portfolio total</b>	<b>13.9</b>	<b>32.6</b>	<b>38.0</b>	<b>20.0</b>	<b>26.2</b>
	<b>REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT</b>					
	<i>Department of Regional Australia, Regional Development and Local Government</i>					
	<i>Centenary of Canberra</i>					
289	– a gift to the national capital	-	-	-	-	-
289	– contribution to a joint national program	-	0.1	0.1	0.1	-
290	Community Infrastructure Grants – additional funding	-	-	-	-	-
290	Department of Regional Australia, Regional Development and Local Government – additional resourcing	2.3	17.0	11.3	9.6	9.6
291	Local government payments – accelerating payments	536.6	-536.6	-	-	-
291	MyRegion website – establishment	-	2.0	0.8	0.7	0.7
	<i>Natural Disaster Recovery and Rebuilding</i>					
292	– assistance to Queensland local governments	-	-	-	-	-
293	– National Disaster Recovery Taskforce and the Reconstruction Inspectorate – establishment	1.4	6.9	3.2	-	-
293	– Priority Regional Infrastructure Program – reallocation	-	-50.0	-125.0	-125.0	-50.0
294	Norfolk Island Government – financial assistance	4.2	-	-	-	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT (continued)</b>					
294	Port Macquarie indoor sports stadium upgrade – contribution	-	1.4	1.4	-	-
295	Regional Development Australia committees – additional resourcing	-	5.2	4.9	5.0	5.1
295	Restoration of the Port of Karumba seawall – contribution	-	2.0	-	-	-
296	Riverstone Football and Sporting Precinct Community Infrastructure Initiative	-	2.0	5.0	1.0	-
296	South Australian local roads – continuation of supplementary funding	-	17.0	17.4	17.7	-
297	Sustainable Australia – promoting regional living	-	2.6	4.3	4.4	0.1
	<b>Portfolio total</b>	<b>544.5</b>	<b>-530.2</b>	<b>-76.5</b>	<b>-86.4</b>	<b>-34.5</b>
	<b>RESOURCES, ENERGY AND TOURISM</b>					
	<i>Department of Resources, Energy and Tourism</i>					
298	A Cleaner Future for Power Stations	0.5	1.8	0.8	0.9	-
298	Australian Centre for Renewable Energy – redirection of funding	1.0	-7.3	-7.7	0.9	1.0
212	Australian National Radiation Dose Register – continuation	-	-0.6	-0.5	-0.4	-0.4
299	Carbon Capture and Storage Flagships – reduction and deferral of funding	-	-17.1	-97.1	-90.7	-116.0
299	Connecting Renewables – Connecting to the Grid – additional funding	-	0.5	0.5	0.5	-
300	Emerging Renewables – establishment	0.2	0.7	0.6	0.4	0.1
300	Ethanol Production Grants Program – extension	-	37.7	-	-	-
301	Global Carbon Capture and Storage Institute – reduction in funding	-	-15.0	-30.0	-	-
301	Montara Commission of Inquiry – implementation of the Government response	2.1	2.9	1.9	1.4	-
301	National CO <sub>2</sub> Infrastructure Plan – establishment	-	17.1	22.1	15.7	6.0
302	National Low Emissions Coal Initiative – reduction in funding	-2.5	-3.6	-2.3	-2.4	-2.1
168	Natural Disaster Recovery and Rebuilding – assistance to business affected by the Queensland Floods	1.0	-	-	-	-
302	– redirection of Solar Flagships funding	-	-75.0	-50.0	100.0	-125.0
303	– reduction and deferral of funding for the Carbon Capture and Storage Flagships program	-	-109.6	-18.2	-	-122.2
303	– reduction and deferral of funding for the Global Carbon Capture and Storage Institute	-	-60.0	-35.0	20.0	20.0

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>RESOURCES, ENERGY AND TOURISM (continued)</b>						
304	Renewable Energy Venture Capital Fund – establishment	0.9	-46.0	-24.2	16.6	16.5
304	Solar Flagships – redirection of funding	-	-	-50.0	-170.0	-
305	United States – Australia Solar Research Collaboration initiative – establishment	-	-	-	-	-
305	Upstream Petroleum Regulatory Reform – revised arrangements	-8.2	..	-	-	-
<i>Tourism Australia</i>						
168	Natural Disaster Recovery and Rebuilding – assistance to business affected by the Queensland Floods	4.0	-	-	-	-
<b>Portfolio total</b>		<b>-1.0</b>	<b>-273.5</b>	<b>-289.0</b>	<b>-107.1</b>	<b>-322.2</b>
<b>SUSTAINABILITY, ENVIRONMENT, WATER, POPULATION AND COMMUNITIES</b>						
<i>Department of Sustainability, Environment, Water, Population and Communities</i>						
<i>Antarctica</i>						
307	– continuation of shipping support	-	-	-	-	-
307	– maintaining Australia's presence	-	13.2	-	-	-
307	Australia-Antarctica Airlink – continuation	-	-	-	-	-
308	Community Heritage Grants – establishment	-	4.0	4.0	-	-
308	Environmental Stewardship Program – continuation	-	17.1	18.8	21.7	26.6
308	Kokoda Track and region – management and protection	-	-	-	-	-
309	Local environmental initiatives – mid-north coast, New South Wales	-	1.0	1.0	1.0	-
309	National Environmental Research Program – reduction in funding	-	-	-	-3.5	-3.5
309	National Wildlife Corridors Plan – establishment	-	-	-	-	-
<i>Natural Disaster Recovery and Rebuilding</i>						
310	– Building Better Regional Cities – redirection of funding	-	-30.0	-35.0	-35.0	-
310	– National Rental Affordability Scheme – deferral of dwelling target	-5.6	-15.9	-17.8	-22.9	-29.1
311	Regional Marine Planning Program – continuation	-	-	-	-	-
<i>Sustainable Australia</i>						
311	– measuring sustainability	-	1.9	2.8	2.8	2.7
312	– suburban jobs	-	4.0	32.5	42.0	21.5
312	– sustainable regional development	-	8.5	9.4	8.1	3.2
312	Tasmanian Forests Statement of Principles – support for signatories	-	0.3	-	-	-
48	Tax treatment of payments made under the Sustainable Rural Water Use and Infrastructure Program(b)	-	-10.0	-30.0	-20.0	30.0







**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
	<i>Department of the Treasury</i>					
315	A Tax Plan for Our Future – Tax Forum	-	0.9	-	-	-
315	Advisory Panel on the Economic Potential of Senior Australians	-	-	-	-	-
86	Animal and Plant Pest and Disease Eradication Programs – meeting existing commitments	12.6	2.8	-	-	-
145	Building Australia's Future Workforce – National Partnership for Vocational Education and Training	-	-	-137.5	238.4	-137.5
152	– training places for single and teenage parents	-	6.7	20.0	26.7	26.7
289	Centenary of Canberra – a gift to the national capital	-	27.0	25.0	5.0	5.0
289	– contribution to a joint national program	-	2.6	2.0	1.0	-
318	Centre for International Finance and Regulation – transfer	-	2.6	4.5	4.0	1.0
320	Competitive and Sustainable Banking System reform plan – public awareness and education campaign	10.2	4.8	-	-	-
320	Distribution of the Goods and Services Tax – Review	-	0.8	0.2	-	-
87	Drought Assistance – Exceptional Circumstances assistance for primary producers	2.7	8.2	-	-	-
88	– Exceptional Circumstances assistance for small businesses	0.1	0.2	-	-	-
91	Drought policy reform – pilot of new measures in Western Australia – extension and expansion	-	13.4	6.7	-	-
23	Fringe benefits tax – reform of the car fringe benefit rules(b)	-	5.0	10.0	15.0	20.0
24	GST – treatment of new residential premises(b)	15.0	10.0	10.0	10.0	10.0
25	– treatment of property in possession of a mortgagee(b)	-	-	-	-	-
26	– certain supplies to health insurers(b)	-	-	-	-	-
26	– Government response to Board of Taxation report: minor changes(b)	-	*	*	*	*
27	– providing businesses in a net refund position with access to the GST instalment system(b)	-	-	*	*	*
218	Health and Hospitals Fund – Regional Priority Round	-	66.6	95.5	192.2	265.8
267	Nation Building – additional funding for the Pacific Highway	-	131.0	99.0	220.0	-400.0
267	– rail infrastructure – Moreton Bay Rail Link	-	30.0	20.0	83.0	-192.0
268	Nation Building Program – F3 to Sydney Orbital feasibility study – deferral	-	-	-	-150.0	-

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
226	National Health Reform Agreement – change in payment arrangements	80.0	40.0	-120.0	-	-
	National Immunisation Program					
226	– addition of Prevenar 13®	-	-0.6	-0.8	-0.8	-0.8
227	– Prevenar 13® vaccine – catch up program	-	29.3	10.4	0.2	-
	National Mental Health Reform					
230	– Early Psychosis Prevention and Intervention Centre model – further expansion	-	2.2	22.3	44.3	70.2
234	– National Partnership Agreement on Mental Health	-	21.4	43.5	44.3	45.0
123	National Solar Schools Program – redesign	-	-19.0	-13.7	-35.8	-46.6
268	National Transport Regulators – additional funding	-	3.2	1.6	-	-
	Natural Disaster Recovery and Rebuilding					
168	– assistance to business affected by the Queensland Floods	6.3	6.3	-	-	-
169	– assistance to business affected by Tropical Cyclone Yasi	15.6	5.6	-	-	-
107	– assistance to individuals affected by floods in Queensland and other states	0.2	-	-	-	-
292	– assistance to Queensland local governments	213.6	-	-	-	-
269	– deferral of other infrastructure projects	-118.2	-369.0	-295.0	-27.8	190.0
109	– donation to the Perth Lord Mayor's Appeal Fund	1.0	-	-	-	-
110	– donations to flood appeals	13.1	-	-	-	-
270	– reinstatement of infrastructure projects in Queensland	-4.3	-31.3	-349.2	-76.9	136.3
271	– withdrawal of funding for O-Bahn city access project	-27.1	-28.9	-	-	-
	Regional Infrastructure Fund					
272	– administration	-	-1.8	-1.9	-1.9	-2.0
272	– Mackay Ring Road	9.5	-2.0	-2.0	-5.5	-
273	– Scone Level Crossing	1.8	-1.0	-0.8	-	-
174	Schools – Support for Improving Learning Experiences and Educational Outcomes for School Students with Disability	-	61.2	61.4	30.7	-
325	Superannuation – financial assistance grants to compensate fund members for the failure of Trio	55.0	-	-	-	-
274	Sustainable Australia – managed motorways	-	20.0	20.0	20.0	-
326	Tackling Climate Change – emissions reduction modelling – continuation	-	3.3	3.3	-	-
47	Tax compliance – reporting taxable payments(b)	-	-	7.9	16.5	17.2
	<i>Inspector-General of Taxation</i>					
321	Inspector-General of Taxation – additional funding	-	0.5	0.5	0.6	0.6

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>TREASURY (continued)</b>					
	<i>Office of the Auditing and Assurance Standards Board</i>					
316	Australian Accounting Standards Board and Auditing and Assurance Standards Board – additional funding	-	1.1	1.1	1.1	1.1
	<i>Office of the Australian Accounting Standards Board</i>					
316	Australian Accounting Standards Board and Auditing and Assurance Standards Board – additional funding	-	0.7	0.7	0.7	0.7
	<i>Productivity Commission</i>					
321	Effective Carbon Prices in Key Economies – study	-	-	-	-	-
	<b>Portfolio total</b>	<b>296.8</b>	<b>-112.1</b>	<b>-627.5</b>	<b>494.6</b>	<b>-118.6</b>
	<b>VETERANS' AFFAIRS</b>					
	<i>Australian War Memorial</i>					
327	Australian War Memorial – additional resourcing	-	8.4	8.5	8.5	8.6
351	– redevelopment of the First World War galleries(c)	-	1.2	-	-	-
	<i>Department of Veterans' Affairs</i>					
	<i>Aged Care</i>					
211	– additional community places	-7.9	-14.8	-18.1	-20.3	-24.3
211	– Residential aged care viability supplement – continuation and expansion	-	2.4	-	-	-
182	Building Australia's Future Workforce – supporting families with teenagers	-	-0.8	-1.6	-1.6	-1.5
327	Compensation offsetting under the <i>Veterans' Entitlements Act 1986</i>	-	-	-	-	-
327	Department of Veterans' Affairs Grants programs – savings	-	-2.0	-2.0	-2.0	-2.0
217	Diagnostic Imaging – reforms	-	..	0.1	0.5	0.8
	<i>Fraud prevention and compliance</i>					
328	– electronic data exchange with financial institutions to improve debt recovery	-	-0.7	-2.1	-2.0	-1.8
328	– improving compliance for compensation recipients	-	0.9	-0.5	-0.6	-0.6
248	– improving compliance with income reporting	-	..	-1.1	-1.2	-0.7
222	Medicare Benefits Schedule – new and revised listings	-	0.2	0.3	0.4	0.4
225	National Health and Hospitals Network – General practice and primary care – coordinated diabetes care – deferral	-	-	-	-	-
229	National Mental Health Reform – Better Access Initiative – rationalisation of GP mental health services	-	-0.2	-0.4	-0.4	-0.4

**Table 2: Expense measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>VETERANS' AFFAIRS (continued)</b>					
	Pharmaceutical Benefits Scheme				
236					
	– extension and amendments to listings from 1 March 2011				
	0.1	0.2	0.2	0.2	0.2
237					
	– improving sustainability through enhanced post-market surveillance				
	-	..	..	..	..
238					
	– new and extensions to listings from 1 February 2011				
	0.6	1.9	2.2	2.4	2.4
239					
	– new listing from 1 July 2011				
	-	0.1	0.1	0.1	0.1
240					
	– new listing from 1 May 2011				
	0.1	0.2	0.3	0.4	0.4
240					
	– new listings from 1 April 2011				
	0.3	0.3	0.3	0.4	0.4
241					
	– new listings from 1 June 2011				
	..	-0.1	-0.1	-0.1	-0.1
242					
	– price increases to currently listed medicines				
	..	..	..	..	..
329					
	Prisoner of War Recognition Supplement – establishment				
	0.1	8.4	8.1	6.1	4.5
329					
	Rationalisation of Temporary Incapacity Allowance and Loss of Earnings Allowance				
	-	0.2	-0.1	-0.1	-0.1
330					
	Rehabilitation and compensation programs – seed funding for information communication technology redesign				
	-	3.4	-	-	-
330					
	Veterans' Ambulance Travel Funding – changed fee arrangements – termination of measure				
	32.6	41.1	48.3	48.3	48.3
331					
	Veterans' Pharmaceutical Reimbursement Scheme – establishment				
	-	5.1	8.6	8.3	8.1
331					
	Vietnam Veterans' Education Centre, Washington – contribution				
	-	1.6	0.1	1.6	-
	<b>Portfolio total</b>	<b>25.9</b>	<b>57.2</b>	<b>51.2</b>	<b>49.1</b>
	<b>Decisions taken but not yet announced</b>	<b>41.0</b>	<b>476.7</b>	<b>228.2</b>	<b>151.1</b>
	<b>Depreciation expense</b>	<b>..</b>	<b>0.4</b>	<b>6.6</b>	<b>8.0</b>
	<b>Total impact of expense measures(d)</b>	<b>1,970.6</b>	<b>1,721.5</b>	<b>-118.6</b>	<b>797.6</b>
				<b>-389.9</b>	

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

(a) A minus sign before an estimate indicates a reduction in expenses, no sign before an estimate indicates increased expenses.

(b) These measures can also be found in the revenue measures summary table.

(c) These measures can also be found in the capital measures summary table.

(d) Measures may not add due to rounding.

## AGRICULTURE, FISHERIES AND FORESTRY

### Animal and Plant Pest and Disease Eradication Programs — meeting existing commitments

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	12.6	2.8	-	-	-
Department of Agriculture, Fisheries and Forestry	-	-	-	-	-
Total	12.6	2.8	-	-	-

The Government will provide \$15.4 million over two years to meet commitments to eradicate or control existing animal and plant pest and disease incursions. These funds will be administered by the Department of the Treasury, through the Federal Financial Relations Framework, to meet commitments with state and territory governments and industries relating to pest and disease eradication.

Eradication activities under those programs include Chestnut Blight, Myrtle Rust, Red Imported Fire Ants, Electric Ants, Asian Honeybee, Branched Broomrape, European House Borer, four tropical weeds (Koster's Curse, Limnocharis, Mikania Vine and some Miconia species) and Siam Weed.

### Department of Agriculture, Fisheries and Forestry — departmental efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	0.8	-11.1	-11.2	-11.3

The Government will achieve savings of \$32.8 million over four years in the Department of Agriculture, Fisheries and Forestry through the rationalisation of corporate functions. These savings will be achieved with minimal impact on the delivery of the Department's core programs. The expense in 2011-12 relates to implementation costs.

Savings from this measure will be redirected to support other Government priorities.

**Drought Assistance — Exceptional Circumstances assistance for primary producers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	2.7	8.2	-	-	-
Department of Agriculture, Fisheries and Forestry	2.2	6.6	-	-	-
Department of Education, Employment and Workplace Relations	0.2	0.6	-	-	-
Department of Human Services	-	0.3	-	-	-
Department of Health and Ageing	..	0.1	-	-	-
Centrelink	0.4	-	-	-	-
Total	5.5	15.8	-	-	-

The Government will provide \$21.3 million over two years to continue support for primary producers in regions that have been declared eligible for Exceptional Circumstances assistance.

Exceptional Circumstances assistance provides interest rate subsidies and income support to assist viable farm businesses and farm families who have been adversely affected by prolonged drought. Eligible recipients are also provided with a health care concession card and access to Youth Allowance for their children.

The off-farm income exemption under the Exceptional Circumstances Relief Payment of \$20,000 per annum will be maintained. This will enable assistance to continue to be provided to a wide range of primary producers in areas declared eligible for Exceptional Circumstances assistance.

From 1 July 2011, the off-farm net asset exemption under the Exceptional Circumstances Interest Rate Subsidy for new recipients will be aligned to the Newstart level of \$258,000.

Further information can be found in various press releases issued by the Minister for Agriculture, Fisheries and Forestry.

**Drought Assistance — Exceptional Circumstances assistance for small businesses**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	0.2	0.5	-	-	-
Department of Human Services	-	0.4	-	-	-
Department of the Treasury	0.1	0.2	-	-	-
Department of Education, Employment and Workplace Relations	..	..	-	-	-
Department of Health and Ageing	..	..	-	-	-
Centrelink	..	-	-	-	-
<b>Total</b>	<b>0.2</b>	<b>1.2</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Government will provide \$1.4 million over two years to continue support for small businesses with up to 100 employees that are dependent on business from farmers in regions declared eligible for Exceptional Circumstances assistance.

Small business assistance provides interest rate subsidies and income support to assist viable farm-dependent businesses and their families that have been adversely affected by prolonged drought. Eligible recipients are also provided with a health care concession card and access to Youth Allowance for their children.

From 1 July 2011, the non-business salaries and wages exemption of the Exceptional Circumstances Relief Payment of \$20,000 per annum will be removed and the non-business net asset exemption of the Exceptional Circumstances Interest Rate Subsidy for new recipients will be aligned to the Newstart level of \$258,000.

Further information can be found in various press releases issued by the Minister for Agriculture, Fisheries and Forestry.

**Drought Assistance — interim income support for primary producers — Delungra area**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	1.0	-	-	-	-
Centrelink	0.1	-	-	-	-
<b>Total</b>	<b>1.1</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Government provided \$1.1 million in 2010-11 to support primary producers in the Delungra area, New South Wales, which has been declared eligible for interim income support.



Once a fully completed application for a region has been received by the Australian Government and has been deemed to show a prima facie case for an Exceptional Circumstances declaration, interim income support is made available to eligible primary producers on conditions equivalent to the Exceptional Circumstances Relief Payment.

Access to interim income support is available for up to six months while the Exceptional Circumstances application is assessed by the National Rural Advisory Council. Should the Government declare Exceptional Circumstances in that region, interim income support ceases and standard Exceptional Circumstances assistance arrangements commence.

Further information can be found in the press release of 24 November 2010 issued by the Minister for Agriculture, Fisheries and Forestry.

### **Drought Assistance — interim income support for small business — Delungra area**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	0.1	-	-	-	-
Centrelink	..	-	-	-	-
Total	0.2	-	-	-	-

The Government provided \$158,000 in 2010-11 to support small businesses with up to 100 employees that are dependent on business from farmers in the Delungra area, New South Wales, which was declared eligible for interim income support.

Once a fully completed application for a region has been received by the Australian Government and has been deemed to show a prima facie case for an Exceptional Circumstances declaration, interim income support is made available to eligible small businesses on conditions equivalent to the Exceptional Circumstances Relief Payment.

Access to interim income support is available for up to six months while the Exceptional Circumstances application is assessed by the National Rural Advisory Council. Should the Government declare Exceptional Circumstances in that region, interim income support ceases and standard Exceptional Circumstances assistance arrangements commence.

Further information can be found in the press release of 24 November 2010 issued by the Minister for Agriculture, Fisheries and Forestry.

**Drought Assistance — professional advice and planning grant — wind up costs**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.3	-	-	-
Department of Agriculture, Fisheries and Forestry	-	-	-	-	-
Centrelink	-1.2	-	-	-	-
Total	-1.2	1.3	-	-	-

The Government will provide \$0.1 million over two years to Centrelink to meet the costs associated with the scheduled termination of the Professional Advice and Planning Grant program on 30 June 2011.

The program provides taxable grants of up to \$5,500 to eligible farmers in Exceptional Circumstances-declared areas for professional business and financial planning advice. The grants may be used to undertake a farm business viability assessment and to obtain financial and agronomic advice on changes necessary to ensure the farm business recovers from drought.

**Drought Assistance — re-establishment assistance — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	9.6	-	-	-
Department of Human Services	-	0.5	..	-	-
Centrelink	-	-	-	-	-
Total	-	10.1	0.0	-	-

The Government will provide \$10.1 million over two years to extend, until 30 June 2012, re-establishment assistance to primary producers in severe financial difficulty who decide to leave their farms.

To be eligible, primary producers must be in an Exceptional Circumstances-declared region on or after 1 July 2010. The assistance includes one-off exit grants of up to \$150,000, grants of up to \$10,000 for advice and retraining, and up to \$10,000 in relocation assistance.

**Drought Assistance — transitional income support — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	12.8	-	-	-
Department of Human Services	-	1.6	..	-	-
Total	-	14.4	0.0	-	-

The Government will provide \$14.5 million over two years to continue providing eligible farm families experiencing hardship with up to 12 months of income support payments equivalent to the Newstart Allowance. Eligibility criteria for assistance will include a similar income test to the Newstart Allowance and a limit on the net value of assets of \$1.5 million. Recipients of Exceptional Circumstances Relief Payments are not eligible for this support. Applicants will be required to obtain and act on business viability advice and training available through the *Australia's Farming Future – Climate Change Adjustment Program*. The funding includes \$1.7 million over two years for the Department of Human Services to deliver the program.

**Drought policy reform — pilot of new measures in Western Australia — extension and expansion**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	13.6	-	-	-
Department of the Treasury	-	13.4	6.7	-	-
Department of Human Services	-	7.4	0.1	-	-
Department of Families, Housing, Community Services and Indigenous Affairs	-	1.9	-	-	-
Department of Education, Employment and Workplace Relations	-	0.9	-	-	-
Department of Health and Ageing	-	0.2	-	-	-
Centrelink	-	-	-	-	-
Total	-	37.3	6.8	-	-

The Government will provide \$44.1 million over two years to extend and expand the pilot of new drought reform measures in Western Australia. The pilot region will be expanded to include the south west region of Western Australia and the duration of the pilot will be extended by 12 months to 30 June 2012, subject to formal endorsement by the Western Australian Government.

The pilot is designed to encourage farmers and farm families to adopt self-reliant approaches to managing farm risks and adjust to the impacts of climate change and reduced water availability.

This measure builds on the 2010-11 Budget measure titled *Drought policy reform – pilot of new measures in Western Australia*.

### **Maintain funding for Quarantine Border Security — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	-	-	-	-
Australian Customs and Border Protection Service	-	-	-	-	-
Total	-	-	-	-	-

The Government will provide \$425.4 million over three years from 2012-13 to maintain funding for quarantine border protection activities while continuing to progress work towards reforming Australia's biosecurity system.

The funding includes \$219.8 million for the Biosecurity Services Group and \$205.6 million for the Australian Customs and Border Protection Service to maintain the enhanced level of quarantine screening in response to emerging quarantine risks and threats.

This measure involves funding of \$140.6 million in 2012-13, \$141.8 million in 2013-14 and \$143.0 million in 2014-15. Provision for this funding has already been included in the forward estimates.

See also the related expense measure titled *Reform of Australia's biosecurity system – enhancement of Information Communication and Technology systems* and the capital measure titled *Future Post-Entry Quarantine Arrangements – initial work* in the Agriculture, Fisheries and Forestry portfolio.

**Reform of Australia's biosecurity system — enhancement of Information Communication and Technology systems**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	4.2	-	-	-

The Government will provide \$4.2 million in 2011-12 for the development of a business case for the enhancement of the Information Communication and Technology systems for biosecurity activities, in partnership with the Australian Customs and Border Protection Service.

See also the related expense measure titled *Maintain funding for Quarantine Border Security – extension* in the Agriculture, Fisheries and Forestry portfolio.

## ATTORNEY-GENERAL'S

### Anti-money laundering and counter-terrorism financing activities — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Transaction Reports and Analysis Centre	-	-	-	-	-

The Government will provide \$125.9 million over four years to continue operation of the Australian Transaction Reports and Analysis Centre's anti-money laundering and counter-terrorism financing (AML/CTF) regime.

AML/CTF activities under the *Anti-Money Laundering and Counter Terrorism Financing Act 2006* help to identify, mitigate and manage risks associated with money laundering and terrorism financing.

Provision for this funding has already been included in the forward estimates.

### Attorney-General's Department — efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-0.5	-0.5	-0.5	-0.5

The Government will achieve further efficiencies in the operations of the Attorney-General's Department. This measure will provide savings of \$2.0 million over four years and is in addition to the application of the efficiency dividend.

Savings from this measure will be redirected to support other Government priorities.

### Australian Crime Commission — reduced involvement in Project Wickenby

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Crime Commission	-	-1.3	-1.3	-	-

The Government has identified savings of \$2.5 million over two years by discontinuing a component of the Australian Crime Commission's (ACC) involvement in addressing tax fraud involving the use of offshore tax havens (Project Wickenby).

The saving will be achieved through a reduction in staff and associated project expenses.

Funding for the other component of the 2009-10 Budget measure will be retained, leaving the ACC with \$6.0 million over the forward estimates to finalise litigation of several cases that were investigated as part of the original Project Wickenby initiative.

Savings from this measure will be redirected to support other Government priorities.

**Australian Customs and Border Protection Service — savings**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	-	-	-	-5.3
<i>Related capital (\$m)</i>					
<i>Australian Customs and Border Protection Service</i>	-	-	-	-	-4.0

The Government has identified savings of \$9.3 million in 2014-15 (including \$4.0 million in capital funding) within the Australian Customs and Border Protection Service. These savings will be achieved through a targeted reduction in capital spending and other low-risk organisational activities that will not compromise the delivery of core services.

Savings from this measure will be redirected to support other Government priorities..

**Australian Transaction Reports and Analysis Centre — operational efficiencies**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Transaction Reports and Analysis Centre	-	-3.1	-3.0	-3.0	-3.0

The Government has identified savings of \$12.1 million over four years from operational efficiencies in the Australian Transaction Reports and Analysis Centre (AUSTRAC).

These savings will be targeted at lower priority support functions so that they do not compromise the effectiveness of AUSTRAC's operations.

Savings from this measure will be redirected to support other Government priorities.

**Border Security — ACV Triton — extension of lease**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	30.4	31.5	-	-

The Government will provide \$61.8 million over two years to extend the lease of the Australian Customs and Border Protection Service vessel *ACV Triton* to 30 June 2013.

This vessel is leased to operate in Australia's northern waters to support surveillance and enforcement activities against maritime people smuggling and other illegal activities.

This measure is part of the Australian Government's response to people smuggling.

**Border Security — Aerial surveillance — efficiencies**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	-4.1	-4.1	-4.2	-8.4

The Government has identified savings of \$20.8 million over four years through the discontinuation of the Australian Maritime Safety Authority's (AMSA) Dornier aircraft capability. Surveillance requirements will be met instead by alternative aircraft, which have lower operating costs.

Savings from this measure will be redirected to support other Government priorities.

**Border Security — Australian Security Intelligence Organisation protective security assessments — improved targeting**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Security Intelligence Organisation	-	-1.7	-1.7	-1.7	-1.7

The Government has identified savings of \$6.9 million over four years through risk-based targeting of additional security checking of applicants for Protection Visas by the Australian Security Intelligence Organisation. Irregular Maritime Arrivals will remain subject to mandatory security checks and there will be no impact on the processing time for any visa category.

Savings from this measure will be redirected to support other Government priorities.

**Border Security — counter people smuggling communications campaign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	1.5	1.5	-	-

The Government will provide \$3.0 million over two years to maintain the delivery of an offshore communications campaign to counter the marketing of maritime people smuggling ventures in source and transit countries. The communications campaign aims to deter people smuggling by alerting potential irregular immigrants to the dangers of people smuggling ventures, and educating them about the obstacles to being resettled in Australia.

This measure is part of the Australian Government's response to people smuggling.



**Border Security — enhancing regional capability to combat people smuggling**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Federal Police	-	4.9	5.8	-	-
<i>Related revenue (\$m)</i>					
Australian Taxation Office	-	-0.2	-0.2	-	-
<i>Related capital (\$m)</i>					
Australian Federal Police	-	0.1	-	-	-

The Government will provide \$10.8 million over two years to continue the deployment of seven Australian Federal Police (AFP) liaison officers to Sri Lanka, Pakistan, Indonesia, Malaysia and Thailand.

The AFP liaison officers will continue liaising with overseas law enforcement organisations to pursue strategies to address transnational crime, including people smuggling.

This measure includes \$7.9 million over two years to be offset from the expanded aid funding held in the Contingency Reserve and therefore this amount has no net impact on the budget position. This measure is part of the Government's commitment to increase official development assistance over the long term.

The measure is expected to lead to a reduction in revenue of \$0.4 million over two years as a result of the tax treatment of the income and benefits received by deployed officers posted overseas.

This measure is part of the Australian Government's response to people smuggling.

**Border Security — maintaining increased aerial surveillance of Australia's northern waters**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	7.6	7.7	-	-

The Government will provide \$15.3 million over two years to maintain increased aerial surveillance of Australia's northern waters. The surveillance contributes to the enforcement of Australia's maritime borders through detecting illegal activity, including illegal foreign fishing and people smuggling.

The aerial surveillance will be delivered through aircraft provided and operated by commercial contractors.

This measure is part of the Australian Government's response to people smuggling.

**Border Security — passenger facilitation at international airports — efficiencies**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	-7.7	-8.7	-8.7	-8.9

The Government has identified savings of \$34.0 million over four years through efficiencies in the passenger facilitation function at Australia's eight international airports.

Australian Customs and Border Protection Service will reduce operational staff allocated to the passenger facilitation function across the eight Australian international airports. All border clearance requirements will continue to be met, and processing rates will be at similar levels to other international airports around the world.

Savings from this measure will be redirected to support other Government priorities.

**Border Security — post-interdiction management of suspected irregular entry vessels**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	0.7	0.7	-	-

The Government will provide \$1.5 million over two years for the post-interdiction management of Suspected Irregular Entry Vessels (SIEVs). This funding comprises an increase of \$10.4 million to enhance the capability of post interdiction management of SIEVs, which will be partially offset by a reduction in costs of \$9.1 million related to the management, towing, caretaking and destruction of intercepted SIEVs.

This measure is part of the Australian Government's response to people smuggling.

**Border Security — strengthening Customs and Border Protection Service's operational engagement overseas**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Customs and Border Protection Service	-	4.0	4.0	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	-0.1	..	..	-

The Government will provide \$8.0 million over two years to maintain the presence of the Australian Customs and Border Protection Service officials in Sri Lanka, Malaysia and Indonesia to co-ordinate Commonwealth agencies' efforts to prevent and disrupt maritime people smuggling.

This measure includes \$2.4 million over two years to be offset from the expanded aid funding held in the Contingency Reserve and therefore this amount has no net impact on the budget position. This measure is part of the Government's commitment to increase official development assistance over the long term.

This measure is expected to lead to a reduction in revenue of \$0.1 million over three years as a result of the tax treatment of the income and benefits received by deployed officers posted overseas.

This measure is part of the Australian Government's response to people smuggling.

### **Border Security — strengthening regional legal frameworks — combating people smuggling and transnational organised crime**

#### Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	3.3	3.4	-	-

The Government will provide \$6.7 million over two years to combat people smuggling by providing legal assistance and training to assist countries in developing and improving their own laws aimed at combating people smuggling. The program will focus on origin and transit countries in South and South East Asia, and will be expanded to include emerging priority countries such as Afghanistan, Pakistan and India. The measure will also improve Australia's capacity to extradite people smugglers to face prosecution.

This measure includes \$5.6 million over two years to be offset from the provision for expanded aid funding held in the Contingency Reserve and that element of the measure will have no net impact on the Budget. This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

This measure is part of the Australian Government's response to people smuggling.

### **Confiscated Assets Account — deferral of expenditure**

#### Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Insolvency and Trustee Service Australia	-	-8.0	-8.0	-8.0	-8.0

The Government will defer payments from the Confiscated Assets Account made under section 298 of the *Proceeds of Crime Act 2002*. The Attorney-General's Department manages inquiries relating to crime prevention matters and funding under the Act, and provides recommendations to the Minister for Home Affairs on expenditure from the account.

This measure will achieve savings of \$32.0 million over four years.

Savings from this measure will be redirected to other Government priorities.

### **Crime Stoppers Australia — continuation of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	0.5	0.5	0.5	0.5

The Government will provide \$2.0 million over four years to continue support for Crime Stoppers Australia Ltd.

This funding will enable Crime Stoppers Australia to continue to provide community services including operation of the Crime Stoppers telephone hotline and initiatives to educate the community on crime reporting and prevention.

### **Discrimination Commissioners**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Human Rights Commission	-	0.7	0.7	0.7	0.7

The Government will provide \$1.6 million over four years from 2011-12 to restore the stand alone positions of Race and Disability Discrimination Commissioners within the Australian Human Rights Commission (AHRC). This measure will assist the AHRC in its role to protect and promote human rights with separate advocates to address discrimination on the basis of race and disability.

The Government will also provide \$1.2 million over four years to establish a dedicated Age Discrimination Commissioner within the AHRC. The funding will provide for additional staff to assist the Commissioner.

This measure delivers on the Government's election commitment.

Further information can be found in the joint press release of 27 January 2011 issued by the Attorney-General and the Parliamentary Secretary to the Prime Minister.

**Family Law and International Criminal Court — savings**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-2.0	-2.0	-2.0	-2.1

The Government will achieve savings of \$8.1 million over four years through a reduction in expenditure in administered programs delivered by the Attorney-General's Department. Expenditure will be reduced by capping Commonwealth expenditure under existing agreements with the states and territories under the *Family Law Act 1975*; and by reducing funds allocated to meet Australia's contributions to the International Criminal Court and its programs.

Savings from this measure will be redirected to support other Government priorities.

**Family Relationship Services — extension of financial support**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	1.5	-	-	-

The Government will provide \$1.5 million in 2011-12 to extend financial support provided under the Family Relationship Services program to assist with the transition to new fee arrangements.

In the 2010-11 Budget, new fee arrangements for family relationship centres were adopted from 2011-12.

**Federal Magistrates Court — improved superannuation contributions**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Federal Magistrates Court of Australia	-	-	-	-	-

The Government will increase the superannuation employer contribution rate for Federal Magistrates from 13.1 per cent to 15.4 per cent, at a cost of \$1.7 million over four years. This increase will align the employer contribution rates for Federal Magistrates with most Australian Government employees and office holders.

The cost of this measure will be met from within the existing resourcing of the Federal Magistrates Court.

### Financial Assistance Schemes for Commonwealth legal matters — efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-0.7	-3.2	-3.2	-3.2

The Government has identified savings of \$10.4 million over four years from financial assistance schemes for Commonwealth legal matters.

Savings will be achieved initially through streamlining administration. From 2012-13 additional savings will also be achieved through legislative changes which will enable the further rationalisation of financial assistance schemes.

Financial assistance schemes provide grants to individuals requiring assistance to address matters involving Commonwealth law, with most schemes administering hardship and reasonableness tests for eligibility.

Savings from this measure will be redirected to support other Government priorities.

### High Court — increase in base level funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
High Court of Australia	-	1.5	1.5	1.5	1.6

The Government will provide \$6.1 million over four years to increase the base level funding for the High Court of Australia. This funding will assist the High Court in managing unavoidable increases in costs primarily relating to the High Court's accommodation.

### Insolvency and Trustee Service Australia — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Insolvency and Trustee Service Australia	-	13.8	15.8	18.1	20.7
<i>Related revenue (\$m)</i>					
<i>Insolvency and Trustee Service Australia</i>	-	12.4	15.7	18.3	22.1

The Government will provide \$68.5 million over four years to the Insolvency and Trustee Service Australia (ITSA). This measure will assist ITSA to continue to provide insolvency services to those facing bankruptcy including the administration of personal bankruptcies and debt agreement proposals.

This proposal will be fully offset through a continuation of ITSA's cost recovery arrangements. Future funding and related cost recovery will be adjusted as necessary to reflect changes in future bankruptcy activity.

**Legal aid costs in Commonwealth law-related cases**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	17.6	4.2	7.1	-	-

The Government will provide \$28.9 million over three years to reimburse costs incurred by State and Territory Legal Aid Commissions in providing legal assistance in Commonwealth law-related cases. Funding for the Legal Aid Commissions will be made available through the Expensive Commonwealth Criminal Cases Fund.

**Marriage Celebrants Program — reform**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-	-	0.7	0.7
<i>Related revenue (\$m)</i>					
<i>Attorney-General's Department</i>	-	-	-	4.2	4.0

The Government will provide \$4.3 million over four years to reform the administration of the Marriage Celebrants Program to improve professional standards and to ensure Marriage Celebrants comply with their legislative obligations.

The funding for the measure includes \$2.9 million to establish the Marriage Celebrants Program on a full cost recovery basis, which will be met from within the existing resources of the Attorney-General's Department.

The reform will include the introduction of a registration fee for Marriage Celebrants from 2013-14 which will recover the costs of the Program, with revenue estimated at \$8.2 million over two years.

**National Broadband Network — regional legal assistance**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	0.5	1.2	1.1	1.1

The Government will provide \$4.0 million over four years to improve access to legal assistance services for people living in regional Australia through the use of the National Broadband Network. Grants will be provided to legal assistance providers to enable National Broadband Network based delivery of legal services, and to attract and retain professional staff in selected regional areas.

**National Security — Australian Federal Police — forensics facility project**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Finance and Deregulation	-	0.2	-	-	-
Australian Federal Police	-	-0.2	-	-	-
Total	-	-	-	-	-

The Government will provide \$0.2 million to fund a Gateway review of the proposed specialist forensics facility for the Australian Federal Police (AFP). The Gateway review process provides quality assurance of major capital projects before final decisions are made to proceed. Costs of the Gateway review will be offset by a reduction in AFP funding.

**National Security — Australian Federal Police — United Nations Mission in Sudan — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Federal Police	-	1.4	1.4	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	-0.3	-0.2	..	-

The Government will provide \$2.8 million over two years to maintain the contribution of 10 Australian Federal Police (AFP) officers to the United Nations Mission in Sudan. The personnel will be deployed in advisory, mentoring and training roles to support the implementation of the Comprehensive Peace Agreement that was signed on 9 January 2005.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position. This measure is part of the Government's commitment to increase official development assistance over the long term.

The measure is expected to lead to a reduction in revenue of \$0.6 million over three years as AFP officers are taxed concessionally on their base pay and allowances while on deployment.



### National Security — Australian Security Intelligence Organisation — operating costs of new central office

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Security Intelligence Organisation	-25.3	-7.5	28.0	21.1	14.2
<i>Related capital (\$m)</i>					
<i>Australian Security Intelligence Organisation</i>	-5.8	0.3	5.1	0.1	0.4

The Government will provide \$30.6 million over four years to the Australian Security Intelligence Organisation (ASIO) towards increased operating costs for its new central office accommodation in Canberra. The balance of the operating costs will be met from within existing resources.

### National Security — Australian Security Intelligence Organisation training and overseas liaison activities — savings through improved targeting

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Security Intelligence Organisation	-	-2.2	-2.2	-2.2	-2.2

The Government has identified savings of \$8.8 million over four years in the Australian Security Intelligence Organisation (ASIO). Savings will be achieved through a risk-based re-prioritisation of resources for training and overseas liaison activities.

This will not impact on ASIO's operational capabilities.

Saving from this measure will be redirected to support other Government priorities.

### National Security — National Counter-Terrorism Committee — efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-3.0	-3.0	-3.0	-3.0

The Government has identified savings of \$12.0 million over four years through a range of efficiencies in the operations of the National Counter-Terrorism Committee (the Committee). Reductions in the costs of the Committee will be achieved by, for example, reducing recurrent operating expenses and through greater use of teleconferencing facilities. The savings will not impact on the effective operation of the Committee.

Savings from this measure will be redirected to support other Government priorities.

**National Security — National Emergency Call Centre surge capability — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-	-	-	-

The Government will provide \$1.7 million in 2011-12 to enable the National Security Hotline database and telephony facilities to continue to interface with surge facilities in other Australian Government call centres. See also the related measure titled *National Security – National Emergency Call Centre Connectivity – continuation* in the 2010-11 Budget.

Provision for this funding has already been included in the forward estimates.

**National Security — protecting Australia from terrorist use of chemicals**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	2.8	3.4	2.8	1.0

The Government will provide \$10.0 million over four years to continue work to protect Australia from the use of chemicals by terrorists. The risks of chemicals of security concern will be assessed and, where appropriate, mechanisms will be developed to reduce the risk. This program was established following the Council of Australian Governments' 2008 Agreement on Australia's National Arrangements for the Management of Security Risks Associated with Chemicals.

This measure delivers on the Government's election commitment.

**National Security — public information campaign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	0.6	-	-	-

The Government will provide \$0.6 million in 2011-12 to continue the operation of the national security public information campaign, which promotes the National Security Hotline to the Australian public. The Hotline provides an effective interface and accessible point of contact between the Government and the Australian public in relation to national security matters.

### National Security — reduced costs in responding to illegal foreign fishing in northern waters

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Fisheries Management Authority	-1.0	-2.1	-2.1	-2.1	-
Australian Customs and Border Protection Service	-	-2.5	-2.5	-2.5	-2.5
Total	-1.0	-4.6	-4.6	-4.6	-2.5

The Government has identified savings of \$17.3 million over five years including through efficiencies in the management of vessels of illegal foreign fishers including the destruction of unseaworthy vessels. Savings will also be achieved through the use of more cost effective accommodation for detained illegal foreign fishers.

Savings from this measure will be redirected to support other Government priorities.

### National Security — United Nations Mission in Cyprus — reduced contribution

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Federal Police	-	-0.9	-2.0	-2.0	-2.0

The Government has identified savings of \$6.9 million over four years from reducing the Australian Federal Police (AFP) contribution to the United Nations Mission in Cyprus.

Under this measure, the number of AFP officers deployed to the mission in Cyprus will be reduced from 16 to five. The five AFP officers will continue to contribute to the peacekeeping force operating in the buffer zone.

### Natural Disaster Recovery and Rebuilding — assistance to individuals affected by floods in Queensland and other states

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	704.3	-	-	-	-
Department of Human Services	-	-	-	-	-
Centrelink	13.6	-	-	-	-
Department of the Treasury	0.2	-	-	-	-
Total	718.1	-	-	-	-

The Government is providing \$718.1 million in 2010-11 to assist people adversely affected by severe flooding in Queensland and other states in late 2010 and early 2011 and to support delivery of the assistance through Centrelink.

Australian Government Disaster Recovery Payments (AGDRP) were made available to eligible people residing in affected areas. Ex-gratia payments equivalent to the AGDRP were made available to New Zealand Special Category Visa holders who otherwise met the eligibility requirements of the AGDRP and were prevented due to their residency status from applying for the AGDRP.

Disaster Income Recovery Subsidy payments, a fortnightly payment of up to the maximum rate of Newstart Allowance, were made available to employees, small business persons and farmers who lost income as a direct result of the flooding.

Additionally, the Government is providing Centrelink with funding to deliver relief payments to those in the affected areas.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

### **Natural Disaster Recovery and Rebuilding — assistance to individuals affected by Tropical Cyclone Yasi**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	314.1	-	-	-	-
Centrelink	6.4	-	-	-	-
Department of Human Services	-	-	-	-	-
Total	320.5	-	-	-	-

The Government is providing \$320.5 million in 2010-11 to assist people adversely affected by Tropical Cyclone Yasi in early 2011 and support delivery of the assistance through Centrelink.

Australian Government Disaster Recovery Payments (AGDRP) were made available to eligible people residing in affected areas. Ex-gratia payments equivalent to the AGDRP were made available to New Zealand Special Category Visa holders who otherwise met the eligibility requirements of the AGDRP and were prevented due to their residency status from applying for the AGDRP.

Disaster Income Recovery Subsidy Payments, a fortnightly payment of up to the maximum rate of Newstart Allowance, were made available to employees, small business persons and farmers who lost income as a direct result of the Cyclone.

Additionally, the Government is providing Centrelink with funding to deliver relief payments to those in the affected areas.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the joint press releases of 3 February 2011 issued by the Prime Minister and the Attorney-General.

### **Natural Disaster Recovery and Rebuilding — Commission of Inquiry into Queensland Floods**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	1.0	1.0	-	-	-
Various Agencies	-1.0	-1.0	-	-	-
Total	-	-	-	-	-

The Government will provide \$2.2 million over two years to fund the Commonwealth's involvement in the Commission of Inquiry into the Queensland Floods.

The funding will allow the Attorney-General to appoint legal counsel to represent the Commonwealth's interests before the Commission and to support the Attorney-General's Department in coordinating whole-of-government responses to the Commission's findings.

The cost of this measure will be met from within the existing resourcing of various agencies.

### **Natural Disaster Recovery and Rebuilding — donation to the Perth Lord Mayor's Appeal Fund**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-0.5	-	-	-	-
Department of Families, Housing, Community Services and Indigenous Affairs	-0.5	-	-	-	-
Department of the Treasury	1.0	-	-	-	-
Total	-	-	-	-	-

The Government committed \$1.0 million in 2010-11 to the Perth Lord Mayor's Appeal Fund established for the assistance of those adversely affected by natural disaster events in Western Australia.

This measure is one of a range of actions taken to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

The cost of this measure will be met from within the existing resourcing of the Attorney-General's Department and the Department of Families, Housing, Community Services and Indigenous Affairs.

**Natural Disaster Recovery and Rebuilding — donations to flood appeals**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	-	-	-	-
Department of the Treasury	13.1	-	-	-	-
Total	13.1	-	-	-	-

The Government has committed \$13.1 million in 2010-11 to state based relief funds established for the assistance of those adversely affected by natural disaster events in Queensland and Victoria, including:

- \$11.0 million to the Queensland Premier's relief fund and \$1.0 million to the Red Cross Victorian Floods Appeal fund, matching the contributions of the Queensland and Victorian Governments; and
- \$1.1 million to the Queensland Premier's relief fund, matching the funds raised by Cricket Australia and donations to the Premier's relief fund on 30 January 2011.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

**Secure Schools Program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	5.0	5.0	5.0	-

The Government will provide \$15.0 million over three years from 2011-12 to continue the Secure Schools Program, which provides security infrastructure for schools at risk of attacks motivated by religious or racial intolerance.

This measure delivers on the Government's election commitment.

**BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY****Australian Communications and Media Authority — revenue assurance project**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Communications and Media Authority	-	1.5	1.5	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Communications and Media Authority</i>	-	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>
<i>Related capital (\$m)</i>					
<i>Australian Communications and Media Authority</i>	-	-	0.4	-	-

The Government will provide \$3.4 million over two years for the Australian Communications and Media Authority to conduct a revenue assurance project to improve the management of existing administered revenues and increase revenue collections.

The revenue assurance project will involve a new audit and assurance program for broadcasting licence fees, expanded quality assurance and industry monitoring for revenue streams, and a new outreach program to engage and educate industry members with obligations to pay broadcasting licence fees under the *Broadcasting Services Act 1992*. There are no changes to existing statutory requirements for payment of broadcasting licence fees.

**Community broadcasting — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	3.0	3.1	3.2	3.2

The Government will provide \$12.5 million over four years to enable community broadcasters to increase content production in Ethnic, Indigenous and Radio for the Print Handicapped broadcasting, and to establish a new Community Radio Content Development Fund.

### Digital Television Switchover — assistance

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	46.0	195.1	86.0	2.1
Department of Human Services	-	6.4	22.9	11.8	0.2
Australian Communications and Media Authority	-	..	1.6	0.8	-
<b>Total</b>	-	<b>52.5</b>	<b>219.6</b>	<b>98.6</b>	<b>2.3</b>
<i>Related capital (\$m)</i>					
<i>Department of Broadband, Communications and the Digital Economy</i>	-	<i>1.0</i>	<i>0.9</i>	<i>0.6</i>	<i>0.2</i>
<i>Department of Human Services</i>	-	-	<i>0.8</i>	-	-
<i>Total</i>	-	<i>1.0</i>	<i>1.7</i>	<i>0.6</i>	<i>0.2</i>

The Government will provide \$376.5 million over four years to facilitate switchover from analog to digital television in regional areas of New South Wales and Western Australia, remote areas in Central, Eastern and Western Australia, and in metropolitan areas. This is consistent with the Government's switchover timetable announced on 19 October 2008 and the Government's commitment to complete digital television switchover by the end of 2013.

This funding includes an assistance program to provide in-home assistance for eligible households and a program to work with industry to drive digital take-up by consumers and an information and communications campaign.

This measure includes funding of \$2.4 million over four years to the Australian Communications and Media Authority to identify areas without access to digital television services and funding of \$42.2 million over four years for the Department of Human Services to provide support for the delivery of assistance for eligible households.



### Digital Television Switchover — conversion of Australian Broadcasting Corporation and Special Broadcasting Service analog television self-help services

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Broadcasting Corporation	-	nfp	nfp	nfp	nfp
Special Broadcasting Service Corporation	-	nfp	nfp	nfp	nfp
Total	-	-	-	-	-

The Government will provide funding over four years to enable the national broadcasters to convert 59 analog self-help television services to digital mode. The funding will also cover ongoing operational costs.

The measure provides funding to:

- support the conversion of 47 Special Broadcasting Service (SBS) analog self-help television services to digital mode and a contribution towards the ongoing costs;
- support the conversion of 10 Australian Broadcasting Corporation (ABC) analog self-help television services to digital mode and a contribution towards their ongoing costs; and
- the ABC to convert analog self-help television services in Mandurah (in Western Australia) and Tieri (in Queensland) to digital and operate them once converted.

The expenditure for this measure is not for publication to protect the broadcasters' position in any future negotiations with service providers.

See also the related savings measure titled *Digital Television Switchover – Satellite Subsidy Scheme savings* in the Broadband, Communications and the Digital Economy Portfolio.

### Digital Television Switchover — enhancement

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	2.3	-	-	-	-

The Government will provide \$2.3 million in 2010-11 to improve implementation of the Digital Television Switchover program in regional areas of South Australia, Victoria and Queensland.

The funding will be used to:

- work with the antenna installation industry to ensure the quality of installations;
- more effectively target outreach activities; and
- strengthen the compliance activities of the program.

Funding for the initiative will be fully offset by reducing amounts held in the Contingency Reserve to support Australia’s transition from analog to digital television.

**Digital Television Switchover — Satellite Subsidy Scheme savings**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	-2.6	-0.6	-16.8	-

The Government will achieve savings of \$20.0 million over three years from the reduced requirement to provide assistance to households under the Satellite Subsidy Scheme.

Fifty-five communities spread across all Australian states and territories (except the Australian Capital Territory), consisting of approximately 35,000 households, will now receive all television services from local terrestrial digital transmissions. These communities will no longer need to access ABC and SBS television from the Viewer Access Satellite Service (VAST), and therefore will not be eligible under that Satellite Subsidy Scheme announced in the 2010-11 Budget. This proposal supports the Government's objective of achieving digital switchover by the end of 2013.

Savings from this measure will be redirected to support other Government priorities.

See also the related expense measure titled *Digital Television Switchover – conversion of ABC and SBS analog television self-help services* in the Broadband, Communications and the Digital Economy portfolio.

## National Broadband Network — implementation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	11.0	9.6	5.0	4.8	4.0
Department of Finance and Deregulation	0.1	0.3	0.3	0.3	0.3
Total	11.2	9.9	5.2	5.0	4.3

The Government will provide \$35.6 million over five years to continue to support the implementation of the National Broadband Network.

Funding of \$34.4 million over five years will be provided to the Department of Broadband, Communications and the Digital Economy for additional work to support the finalisation of Definitive Agreements between Telstra and NBN Co Limited. This work will include developing and implementing arrangements for the establishment of a new entity to manage the Universal Service Obligation under the *Telecommunications (Consumer Protection and Service Standards) Act 1999*, providing a consumer information service on access to broadband, the Universal Service Obligation arrangements and the interim satellite service, and providing specialist technical advice in relation to declaring premises adequately served by alternative high speed networks.

A further \$1.2 million over five years will be provided to the Department of Finance and Deregulation to assist in managing the Government's oversight of the new entity that will be established to manage the Universal Service Obligation.

Further information can be found in the joint press releases of 20 June 2010 issued by the Prime Minister, the Treasurer, the Minister for Finance and Deregulation and the Minister for Broadband, Communications and the Digital Economy.

See also the related capital measure titled *National Broadband Network – revised investment* in the Broadband, Communications and the Digital Economy portfolio.

### National Broadband Network — regulatory framework

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Communications and Media Authority	-	1.8	1.6	1.9	1.9
Australian Competition and Consumer Commission	-	1.7	1.7	1.3	1.0
Total	-	3.5	3.3	3.1	2.9
<i>Related revenue (\$m)</i>					
Australian Communications and Media Authority	-	3.5	3.3	3.1	2.9

The Government will provide \$12.8 million over four years to the Australian Communications and Media Authority (ACMA) and the Australian Competition and Consumer Commission (ACCC) to establish and deliver the proposed regulatory arrangements for the National Broadband Network (NBN) set out in NBN Co Limited's (NBN Co) Statement of Expectations.

Funding of \$7.2 million over four years will be provided to the ACMA to develop and monitor implementation of appropriate network standards and codes, including implementing a compliance, auditing and monitoring program.

The Government will also provide a further \$5.6 million over four years to the ACCC, for competition analysis and monitoring, including regularly monitoring the level of transmission services provided by other wholesale providers to NBN Co points of interconnect, and setting appropriate benchmarks for transmission services to facilitate retail service providers' access to uniform national wholesale prices.

The costs of this measure will be fully recovered by the ACMA from annual carrier licence charges collected under the *Telecommunications (Carrier Licence Charges) Act 1997*.

Further information can be found in the joint press releases of 20 December 2010 issued by the Prime Minister, the Treasurer, the Minister for Finance and Deregulation and the Minister for Broadband, Communications and the Digital Economy.

See also the related capital measure titled *National Broadband Network – revised investment* in the Broadband, Communications and the Digital Economy portfolio.

**National Transmission Network — Residual Funding Pool — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	-0.1	-0.5	-1.0	-1.0

The Government will achieve savings of \$2.7 million over four years by ceasing the National Transmission Network – Residual Funding Pool.

The Residual Funding Pool was established in 1999, after the sale of the National Transmission Network (NTN) by the Commonwealth, to help ensure certain community radio, remote commercial radio and remote commercial television services would continue to be subsidised for the costs of sharing infrastructure on the privatised NTN. Commitments for community radio have been transferred to the Community Broadcasting Program and will continue.

Savings from this measure will be redirected to support other Government priorities.

**Review of communications regulation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	1.5	1.6	-	-	-

The Government will provide \$3.1 million over two years to conduct a review of communications regulation.

The review will be conducted by an independent committee and will examine the operation of media and communications regulation in Australia, and assess its effectiveness in promoting a competitive and efficient media and communications sector in an environment of increased digital convergence. The review is expected to be finalised in 2012.

Funding for this initiative will be fully offset by reducing amounts held in the Contingency Reserve to support Australia's transition from analog to digital television.

Further information can be found in the press release of 14 December 2010 issued by the Minister for Broadband, Communications and the Digital Economy.

## Review of the Australian Government's Investment in the Indigenous Broadcasting and Media Sector — interim response

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	15.2	-	-	-

The Government will provide \$15.2 million in 2011-12 to continue funding for National Indigenous Television (NITV) while the response to the *Review of the Australian Government's Investment in the Indigenous Broadcasting and Media Sector* (the Review) is implemented.

In response to the recommendations of the Review, responsibility for Indigenous broadcasting programs will be transferred to the Department of Broadband, Communications and the Digital Economy.

During 2011-12, the Minister for Broadband, Communications and the Digital Economy will negotiate with NITV to develop a more sustainable structure to enable it to provide more original Indigenous content on free-to-air television.

Further information can be found in the press release of 6 April 2011 issued by the Minister for Arts, the Minister for Indigenous Affairs and the Minister for Broadband, Communications and the Digital Economy.

## Spectrum — digital dividend and 2.5GHz band — valuing, replanning and auctioning

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Communications and Media Authority	-	2.8	2.7	0.9	-
Department of Broadband, Communications and the Digital Economy	-	1.1	0.8	-	-
Total	-	3.9	3.4	0.9	-

The Government will provide \$8.3 million over three years to support the auction of spectrum in the 700MHz (digital dividend) and 2.5GHz bands and the associated preparatory work required in the lead-up to the auction, including the valuation, planning, licensing framework and auction process.

The Australian Communications and Media Authority will clear the relevant parts of the spectrum bands, develop technical specifications for the new uses of the spectrum bands, establish the auction process and issue licences to the successful bidders. The Department of Broadband, Communications and the Digital Economy will negotiate clearance terms with the television broadcasting industry who use the 2.5GHz band for electronic news gathering, and conduct a more detailed valuation of the spectrum bands prior to auction.

The Government announced its decision to replan and restack digital television services in the 2009-10 Budget.

### **Spectrum — reissue of 15-year licences**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	1.4	-	-	-	-

The Government will provide \$1.4 million in 2010-11 to enable consultation with industry and the engagement of expert advice to facilitate the renewal of expiring 15-year spectrum licences.

Key spectrum licences are due to expire in the period 2013 to 2017. Reissue of the 15-year spectrum licences will provide ongoing access to spectrum for current and next generation communication services.

Spectrum licence renewal is being offered to those telecommunications incumbents who are already using their spectrum licences to provide services to Australian consumers, or who have in place networks capable of providing services to significant numbers of consumers, provided they meet certain public interest criteria.

Spectrum licences that are not being offered for renewal will be considered separately by the Australian Communications and Media Authority in accordance with existing legislation.

Funding for this initiative will be fully offset by reducing amounts held in the Contingency Reserve to support Australia's transition from analog to digital television.

Further information can be found in the press releases of 4 March and 26 November 2010 issued by the Minister for Broadband, Communications and the Digital Economy.

**Untimed Local Calls in the Extended Zones — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	2.2	-	-	-

The Government will provide up to \$2.2 million in 2011-12 to give customers in the extended zones access to untimed local calls. Section 107 of the *Telecommunications (Consumer Protection and Services Standards) Act 1999* (the Act) requires regulations or other arrangements to be in place to provide customers in the extended zones with access to untimed local calls.

There are 102 extended zones, of which 98 are active, ranging in size from 8,400 to 304,000 square kilometres. They are located in the most sparsely populated areas of Australia. Within these zones, which cover close to 80 per cent of Australia’s land area, there are approximately 40,000 telephone services.

The Government will provide funding in 2011-12 to the current service provider, Telstra, with the funding arrangements from 1 July 2012 to be addressed following the outcome of the review of telecommunication retail price controls.

**Voluntary Internet Filtering Grants Program — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-5.5	-2.2	-1.9	-	-

The Government will not proceed with the *Voluntary Internet Filtering Grants Program*. This will provide savings of \$9.6 million over three years.

The Government provided \$9.8 million in the 2010-11 Budget to establish the *Voluntary Internet Filtering Grants Program* to assist internet service providers (ISPs) to offer customers internet filtering options on a commercial basis. However, consultation with industry has identified limited interest in the grants due to the increasing range of filtering technologies readily available to online users, including browser and search engine filters, and the decision of the three largest ISPs, which account for over 70 per cent of Australian internet users, to voluntarily filter child abuse sites using a list compiled and maintained by the Australian Communications and Media Authority.

Savings from this measure will be redirected to support other Government priorities.



## CLIMATE CHANGE AND ENERGY EFFICIENCY

### Energy efficiency functions — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	15.1	4.0	3.0	3.0	3.0

The Government will provide \$28.1 million over five years to the Department of Climate Change and Energy Efficiency to assist in the delivery of its energy efficiency functions, which were transferred from the then Department of the Environment, Water, Heritage and the Arts as part of the machinery of government changes in March 2010. This funding includes delivery of the COAG National Strategy on Energy Efficiency and a range of energy efficiency programs.

### Green Loans program — extension and assistance for assessors

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-	-	-	-	-

The Government will provide \$46.5 million over two years (\$28.5 million in 2010-11 and \$18.0 million in 2011-12) to manage the closure of the Green Loans program and provide assistance to home sustainability assessors. This measure includes:

- \$10.0 million in 2010-11 to extend the Green Loans program to 28 February 2011, which enabled additional home sustainability assessments to be delivered under the program and provided a transitional period for the assessor workforce to identify opportunities to diversify or prepare to undertake training for new employment opportunities in the sector;
- \$18.5 million for a financial assistance scheme, including \$15.0 million to assist uncontracted assessors who undertook the process to become accredited Green Loans assessors but were not offered contracts to deliver services under the program. Up to \$3,000 will be provided to cover the costs of training fees, insurance premiums, accreditation fees and police checks incurred in preparing to become a Green Loans assessor; and
- \$18.0 million for a training assistance scheme, including \$15.0 million to refund 50 per cent of the tuition fees (up to \$2,500) for accredited home sustainability assessors who enrol in the new Certificate Level IV in Home Sustainability Assessment course to develop their professional skills and credentials. This component will assist assessors in their transition to future employment opportunities.

The cost of this measure will be met from a redirection of funding arising from the cessation of the Green Start program.

Further information can be found in the joint press release of 21 December 2010 issued by the Minister for Climate Change and Energy Efficiency and the Parliamentary Secretary for Climate Change and Energy Efficiency.

See also the related expense measure titled *Green Start program – cessation*.

### Green Start program — cessation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-121.2	-41.2	-0.6	-	-

The Government will not proceed with the planned commencement of the Green Start program. The program was to deliver home sustainability assessments for households and assist low income households to improve their energy efficiency.

This measure will provide savings of \$209.5 million over three years, of which \$46.5 million will be redirected to measures related to the extension and closure of the Green Loans program. Savings of \$129.3 million from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild. The remaining savings will be redirected to support other Government priorities.

Further information can be found in the joint press release of 21 December 2010 issued by the Minister for Climate Change and Energy Efficiency and the Parliamentary Secretary for Climate Change and Energy Efficiency.

See also the related expense measure titled *Green Loans – extension and assistance for assessors*.

### Greenhouse and energy reporting — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-	5.0	5.0	5.1	5.1

The Government will provide \$20.2 million over four years for the Department of Climate Change and Energy Efficiency's greenhouse and energy reporting function. The funding will support administration of the *National Greenhouse and Energy Reporting Act 2007*, and regulatory and compliance activities.

Reporting under the Act underpins Australia's ability to meet its international reporting obligations, including those under the Kyoto Protocol and the United Nations Framework Convention on Climate Change.

**Home Insulation Safety Program — household initiated inspections**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-	-	-	-	-

The Government will provide household initiated inspections until 30 June 2012 for homes with insulation installed under the Home Insulation Program. This measure builds on the Government's commitment to carry out safety inspections on at least 150,000 homes that had non-foil insulation installed and approximately 50,000 homes that had foil insulation installed.

The cost of this measure will be met from within the existing resourcing for the Home Insulation Safety Program and the Foil Insulation Safety Program. Any residual funding will be returned to the Budget.

Further information can be found in the joint press release of 20 April 2011 issued by the Minister for Climate Change and Energy Efficiency and the Parliamentary Secretary for Climate Change and Energy Efficiency.

**National Solar Schools Program — redesign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-	-5.4	-3.6	-13.2	-19.1
Department of the Treasury	-	-19.0	-13.7	-35.8	-46.6
Total	-	-24.4	-17.4	-49.0	-65.7

The Government will redesign the National Solar Schools Program and reduce funding by \$156.4 million over four years and bring forward the program's closure to 30 June 2013.

Funding of \$49.8 million will remain available to eligible schools through two competitive funding rounds in 2011-12 and 2012-13, with an increased emphasis on funding schools in low socioeconomic and remote areas. Successful schools will receive up to \$50,000 to install solar and other renewable power systems, solar hot water systems and rainwater tanks, and for other energy efficiency improvements.

Savings from this measure will be redirected to support other Government priorities.

### Renewable Energy Target — implementation of legislative amendments

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Office of the Renewable Energy Regulator	5.4	13.7	11.6	10.7	10.8
<i>Related revenue (\$m)</i>					
Office of the Renewable Energy Regulator	-	6.0	3.9	2.3	1.8
<i>Related capital (\$m)</i>					
Office of the Renewable Energy Regulator	0.3	4.1	0.8	0.8	0.8

The Government will provide \$58.8 million over five years to implement a number of amendments to the *Renewable Energy (Electricity) Act 2000*, including the introduction of an inspection regime for solar panel installations and increased compliance powers for the Renewable Energy Regulator.

The cost of the inspection regime from 2011-12 onwards will be partially recovered through an increase in the registration fee for Small-scale Technology Certificates for small renewable generation units. The fee increase, from 8 cents to 47 cents, will commence from the date of effect of the enabling regulations and is estimated to increase revenue by \$14.1 million over four years. The registration fee for certificates for solar and heat pump hot water systems will remain unchanged.

This measure includes capital funding of \$6.6 million over five years for information technology upgrades. Any residual capital funding will be returned to the Budget.

Further cost recovery options will be considered as part of an agency-wide cost recovery review of the Office of the Renewable Energy Regulator.

### Solar Cities — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Climate Change and Energy Efficiency	-	5.6	8.1	-	-

The Government will provide \$13.7 million over two years to meet commitments under the Solar Cities program. The program trials sustainable models for electricity supply and use across seven cities. The additional funding will allow continued data collection and analysis to assist governments, industries and individuals to support wise energy usage.

## CROSS PORTFOLIO

### Coordinated Procurement Contracting — stationery and office supplies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Various Agencies	-	-	-	-	-

The Government will introduce a coordinated procurement arrangement for its stationery and office supplies across Government agencies.

The purpose of the revised arrangement is to reduce whole of government procurement costs. Costs associated with the establishment and ongoing management of the arrangement will be recovered through an administration charge on agencies.

Under this arrangement, agencies will be able to retain savings in the order of \$6.0 million per year for price and efficiency improvements. The arrangement is planned to commence from late 2011.

### Efficiency dividend — temporary increase in the rate

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Various Agencies	-	-119.6	-238.5	-294.0	-351.3
<i>Related capital (\$m)</i>					
<i>Various Agencies</i>	-	-6.4	-12.0	-15.0	-19.8

The Government will deliver savings of \$1.1 billion over four years by increasing the rate of the efficiency dividend to 1.5 per cent in 2011-12 and 2012-13, and 1.25 per cent in 2013-14 and 2014-15, before reverting back to 1 per cent in 2015-16.

The efficiency dividend applies to the operational funding of all Australian Government entities, except those that have been specifically exempted by Government. This measure will reduce the level of funding provided to public sector entities to ensure that benefits achieved through efficiency gains are returned to the Budget.

In response to the Review of the Measures of Agency Efficiency, the Government has also increased the flexibility of the efficiency dividend by allowing portfolio Ministers to reallocate the application of the efficiency dividend between entities, particularly small agencies, within their portfolio.

Savings from this measure will be redirected to support other Government priorities.

## DEFENCE

### Afghanistan — transition of Uruzgan Province to International Security Assistance Force leadership

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	1.3	1.7	-	-	-
Department of Defence	108.5	-	-	-	-
Total	109.8	1.7	-	-	-
<i>Related capital (\$m)</i>					
Department of Foreign Affairs and Trade	0.2	-	-	-	-

The Government will provide \$111.7 million over two years from 2010-11 to meet the additional costs arising from the transition of the leadership of coalition forces in the Uruzgan province from the Netherlands to the International Security Assistance Force (ISAF) led Combined Team – Uruzgan. Under ISAF leadership, Australia and the United States will perform the majority of functions previously provided by Dutch Forces.

Additional costs for the Australian Defence Force include the acquisition and maintenance of hardened living and working accommodation, transport of personnel and equipment, detainee management, communications equipment required for an expanded area of operations, and integration with US Forces.

Additional costs for the Department of Foreign Affairs and Trade relate to the implementation of detainee monitoring arrangements.

### Coastal Surveillance — Operation Resolute

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-	-	-	-

The Government will provide \$9.8 million in 2011-12 for the net additional cost of extending Operation Resolute, the military contribution to whole of government maritime security activities to protect Australia's offshore resources and deter people smuggling.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

### Enhanced internet access for Australian Defence Force personnel on deployment

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	3.6	5.8	5.8	2.3	-

The Government will provide \$19.9 million over four years to improve internet amenities for Australian Defence Force (ADF) personnel deployed on operations. The measure will establish a single contract that will standardise the delivery of internet service for ADF personnel on operations with predetermined levels of service and defined support arrangements.

This measure includes \$2.5 million which will be met from within the existing resources of the Department of Defence.

### Increased efficiencies

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-160.4	-304.3	-315.1	-315.8
<i>Related capital (\$m)</i>					
<i>Department of Defence</i>	-	-66.1	-16.4	-3.6	-3.3

The Government will realise additional efficiencies in corporate and support functions in the Defence portfolio. This measure will result in savings of \$1,185.0 million over the forward estimates.

Reforms to shared services and other efficiency measures mean that Defence can realise savings, including through a net reduction of 1,000 in the overall growth forecast for the civilian workforce over the period 2011-12 to 2013-14; and reduced supplier costs.

The savings will not affect the capability associated with the 2009 Defence White Paper, nor the operational capability of the Australian Defence Force.

**Middle East Area of Operations — continuation of Australia's military contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	8.0	959.0	115.4	93.9	-
<i>Related revenue (\$m)</i>					
<i>Department of Defence</i>	-	40.9	-	-	-
<i>Australian Taxation Office</i>	-	-57.6	-5.6	-	-
<i>Total</i>	-	-16.8	-5.6	-	-

The Government will provide \$1,176.3 million over four years for the net additional cost of continuing Operation Slipper, Australia's military contribution to international efforts in Afghanistan and the wider Middle East Area of Operations to combat terrorism, counter piracy and promote maritime security. This cost will be reduced by the recovery of \$40.9 million from other Coalition Forces for logistic support provided by the Australian Defence Force (ADF), primarily at the Multi-National Base Tarin Kot. Australia's commitment will be extended until June 2012.

For 2011-12, the total net additional cost of Operation Slipper is \$1,221.8 million, comprising this measure and previously approved funding of \$303.7 million.

The measure is also expected to lead to a reduction in revenue of \$63.2 million over two years as ADF personnel are taxed concessionally on their base pay and allowances while on deployment.

**Royal Australian Air Force Base Williamtown — improving aircraft noise management**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-	-	-	-

The Government will address the issue of aircraft noise in Port Stephens through development of a long-term plan in conjunction with the implementation of the Joint Strike Fighter project at Royal Australian Air Force (RAAF) Base Williamtown.

A Williamtown Aircraft Noise Strategic Taskforce comprising Federal, State and local agencies and local residents will be convened to address ongoing issues surrounding the RAAF Base Williamtown and development and planning in Port Stephens. The Taskforce will consider all options to reduce aircraft noise, including those being proposed by local residents.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

This measure delivers on the Government's election commitment.



### Solomon Islands — continued Australia Defence Force assistance to the Regional Assistance Mission to Solomon Islands

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	42.8	1.2	0.1	-
<i>Related revenue (\$m)</i>					
<i>Department of Defence</i>	-	1.0	-	-	-
<i>Australian Taxation Office</i>	-	-1.8	-0.2	-	-
<i>Total</i>	-	-0.8	-0.2	-	-

The Government will provide \$44.1 million over three years for the net additional cost of extending Operation Anode, Australia's military contribution to the Regional Assistance Mission to Solomon Islands. This cost will be reduced by the recovery of \$1.0 million from the New Zealand Defence Force for contract logistics support provided by the Australian Defence Force (ADF). Australia's commitment will be extended until June 2012.

For 2011-12, the total net additional cost of Operation Anode is \$43.5 million, comprising this measure and previously approved funding of \$1.7 million.

This measure is also expected to lead to a reduction in revenue of \$1.9 million over two years as ADF personnel are taxed concessionally on their base pay and allowances while on deployment.

### Timor-Leste — continuation of Australia's commitment to helping to maintain security and stability

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	137.9	2.2	0.6	-
<i>Related revenue (\$m)</i>					
<i>Department of Defence</i>	-	4.5	-	-	-
<i>Australian Taxation Office</i>	-	-6.9	-0.9	-	-
<i>Total</i>	-	-2.4	-0.9	-	-

The Government will provide \$140.7 million over three years for the net additional cost of continuing Operation Astute, Australia's military contribution to maintaining stability in East Timor. The cost will be reduced by the recovery of \$4.5 million from the New Zealand Defence Force for contracted logistics support provided by the Australian Defence Force (ADF). Australia's commitment will be extended until June 2012.

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For 2011-12, the total net additional cost of Operation Astute is \$160.2 million, comprising this measure and previously approved funding of \$26.8 million.

This measure is also expected to lead to a reduction in revenue of \$7.8 million over two years as ADF personnel are taxed concessionally on their base pay and allowances while on deployment.

## EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS

### Building Australia's Future Workforce — linking job seekers with a disability to national employers

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$1.0 million in 2012-13 to fund up to ten disability employment broker projects, to help create job opportunities for people with disabilities and build relationships with employer and industry groups.

This measure will deliver information and training to targeted employer and industry groups to improve their knowledge of Government programs and services that support the employment of people with a disability. In addition, it will facilitate the delivery of training to increase employers' confidence in working with people with a disability.

The cost of this measure will be met from within the existing resources of the Department of Education, Employment and Workplace Relations.

### Building Australia's Future Workforce — wage subsidies for people with a disability

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	4.0	3.6	3.6

The Government will provide \$11.3 million over three years to provide wage subsidies to employers to help job seekers with a disability gain paid employment experience. Wage subsidies will be paid for approximately an additional 1,000 job seekers registered with a Disability Employment Service provider and who have been unemployed for at least 12 months. A new subsidy rate of \$3,000 will be available for this group of job seekers for employment placements for a minimum of 26 weeks at 15 or more hours a week. These will be introduced to facilitate the creation of new and sustainable jobs for people with disability. The new wage subsidies will commence on 1 July 2012.

This measure will also provide a payment of \$2,000 for employers under the Supported Wage System program to assist with the costs of training and supervising employees whose work productivity is reduced due to their disability. This employer payment will be available if a disabled worker is employed under the Supported Wage System program for 26 weeks at 15 or more hours per week by the employer.

**Building Australia's Future Workforce — wage subsidy for the very long-term unemployed**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	11.5	26.4	27.0	27.6
Department of Human Services	-	1.3	0.2	0.2	0.2
<b>Total</b>	-	<b>12.8</b>	<b>26.6</b>	<b>27.2</b>	<b>27.8</b>
<i>Related capital (\$m)</i>					
Department of Education, Employment and Workplace Relations	-	0.3	-	-	-
Department of Human Services	-	-	-	-	-
<b>Total</b>	-	<b>0.3</b>	-	-	-

The Government will provide \$94.6 million over four years (including capital funding of \$0.3 million in 2011-12) to provide wage subsidies to help very long-term unemployed job seekers gain paid employment experience to help them transition into paid employment.

The subsidy will be paid to employers and will be set at the average rate of the Newstart Allowance. The subsidy will be paid over six months and will commence from 1 January 2012.

Job Services Australia and Disability Employment Services providers will be responsible for selecting job seekers and placing them into subsidised employment. Employers will be eligible for the subsidy if they employ people who:

- have been on income support for at least the last two years;
- are currently participating in Job Services Australia or Disability Employment Services; and
- have had no or minimal recent paid employment.

It is anticipated that approximately 10,000 job seekers per annum will attract this wage subsidy.

**Building Australia's Future Workforce — accelerated Australian Apprenticeships**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	22.4	22.1	22.0	14.2

The Government will provide \$100.0 million over four years to assist industry in developing and implementing strategies that lead to the incorporation of competency based progression in Australian Apprenticeships. Under this measure, Industry Skills Councils and peak industry bodies will partner with employers, training organisations and other key stakeholders to deliver around 24 major partnerships targeted at industries facing skill shortages. The projects will be selected on a competitive basis and will include an industry co-contribution.

The measure also includes:

- the development of a legal clause to be incorporated into modern awards which would allow for competency based progression in Australian Apprenticeships.
- \$0.8 million in 2011-12 to fund a scoping study for the development of an online Skills Builder. The online Skills Builder will enable individuals to create their own skills or learning record that would enable them to identify training needs, match their skills with suitable job opportunities, and assist with competency based progression; and
- the cessation of funding for the Smarter Apprenticeships program announced in the 2010-11 Budget as part of the *Skills for Sustainable Growth* package, as the intent of this program will be better met supporting the enhanced competency based progression initiatives under this package. This will provide savings of \$19.2 million over three years.

### Building Australia's Future Workforce — additional Workforce English Language and Literacy Program places

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	2.8	4.3	5.3	7.5

The Government will provide \$20.0 million over four years to provide additional training places for workers with low language, literacy and numeracy skills.

The funding will provide approximately 13,000 additional training places over four years under the Workforce English Language and Literacy Program. This measure will assist organisations up-skill their workers so they can better participate in the workforce.

### Building Australia's Future Workforce — Apprenticeship mentoring

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	31.8	29.6	20.0	20.0

The Government will provide \$101.4 million over four years to provide mentoring support services to Australian apprentices. The measure will extend the 2010 election commitment *Trade Apprentice Mentoring*, which will provide \$20.0 million in 2011-12 to fund mentoring services for up to 40,000 apprentices in traditional trades.

The measure will include \$59.9 million over three years for targeted mentoring and support services for around 10,000 apprentices per year employed in traditional trade occupations in industries experiencing skills shortage. Australian Apprenticeships Centres, Industry Skills Councils and other peak organisations will be able to apply for funding to deliver mentoring services through a competitive funding round. This measure is to increase retention and rates of completion for Australian Trade Apprentices.

The measure will also provide a further \$21.5 million over two years for up to 144 apprentice advisors per year to assist school leavers better understand what is involved in a trade apprenticeship and to assist them to pursue suitable employment and training pathways.

This measure delivers on the Government's election commitment.

**Building Australia's Future Workforce — Australian Apprentice Access Program — continuation of funding arrangements**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	6.5	6.6	6.7

The Government will provide \$19.7 million over three years to continue the enhanced brokerage arrangements introduced in the 2009-10 Budget.

The Australian Apprenticeships Access Program provides nationally recognised pre-vocational training to assist jobseekers to transition into apprenticeships. The enhanced brokerage arrangements were introduced to encourage brokers to provide more tailored support to participants and to provide greater incentives for brokers to achieve positive outcomes for jobseekers.

**Building Australia's Future Workforce — Australian Apprenticeship Incentive Program Certificate II incentives — realignment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-7.1	-17.6	-17.7	-16.6

The Government will realign the Australian Apprenticeships Incentive Program to better target incentives.

From 1 July 2011 eligibility requirements for Standard Commencement incentives at the Certificate II level will be limited to employers of apprentices in the priority groups of Indigenous, people with disabilities, mature-aged, and school-based apprentices.

This will provide savings of \$59.0 million over four years, which will be redirected to support other measures within the *Building Australia's Future Workforce* package.

**Building Australia's Future Workforce — changes to the eligibility criteria for Youth Allowance (Other) and Newstart Allowance**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	7.5	3.1	2.2	2.2
Department of Education, Employment and Workplace Relations	-	1.2	-49.6	-73.4	-77.2
Department of Families, Housing, Community Services and Indigenous Affairs	-	..	..	..	..
Total	-	8.7	-46.5	-71.2	-75.0

The Government will improve study and work incentives for unemployed young people and extend strengthened participation requirements by changing the eligibility criteria for Youth Allowance job seeker (YA (Other)) and Newstart Allowance (NSA) recipients.

Under this measure, from 1 July 2012, eligibility and the parental means test for YA (Other) recipients will be extended to 21 years of age (currently 20 years of age). Newstart Allowance will be closed to new applicants under 22 years of age (currently under 21 years of age).

To improve returns from work this measure will also raise the YA (Other) income free area from \$62 to \$143 per fortnight and the maximum available Working Credit bank limit for YA (Other) will increase from \$1,000 to \$3,500. This will increase the capacity for recipients to earn income before it starts reducing their benefit.

This measure will also extend participation requirements introduced under the 2009-10 Budget measure *Jobs and Training Compact – improved participation requirements for 15 to 20 year olds* to YA (Other) recipients who are 21 years of age and are classified as an early school leaver.

This measure will provide savings of \$183.9 million over four years.

Savings from this measure will be redirected to support other initiatives within the *Building Australia's Future Workforce* package.



**Building Australia's Future Workforce — Compulsory Participation Plans and Support for Teenage Parents — targeted locations**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	9.7	4.7	2.0	2.0
Department of Education, Employment and Workplace Relations	-	2.1	5.4	8.6	8.9
Department of Families, Housing, Community Services and Indigenous Affairs	-	2.0	0.6	0.7	0.7
<b>Total</b>	-	<b>13.8</b>	<b>10.6</b>	<b>11.3</b>	<b>11.6</b>

The Government will provide \$47.3 million over four years to support the long-term participation and productivity of teenage parents by addressing barriers to completion of education.

Teenage parents accessing Parenting Payments for the first time from 1 January 2012 in 10 targeted Local Government Areas (LGAs) will be required to attend six-monthly interviews with Centrelink once their child turns six months old. Once the child is one year old, this interview will be used to develop and implement a participation plan, which will include activities to improve education outcomes for themselves and their children.

The compulsory participation plans will focus on supporting teenage parents in achieving educational qualifications to assist them to gain future employment. Education pathways covered by the plan could include school completion, foundation skills, or certificate level qualifications. Support for plans and regular interviews will continue until the participant achieves a year 12 or equivalent qualification or until their child turns six years old.

The measure also enhances support services provided through Communities for Children sites in the 10 targeted LGAs to assist teenage parents achieve outcomes under their participation plans. Services may include facilitated playgroups and parenting programs aimed at developing skills for young parents. Parents may also be eligible for support with costs of childcare through the Jobs, Education and Training Child Care Fee Assistance program.

Funding is also provided so parents can benefit from access to Youth Connections which will provide additional support to help them connect with school or training.

### Building Australia's Future Workforce — Compulsory participation requirements for jobless families — targeted locations

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	12.0	8.7	6.7	6.7
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.7	6.1	6.2	6.4
Department of Education, Employment and Workplace Relations	-	0.3	4.4	6.2	6.8
<b>Total</b>	<b>-</b>	<b>13.0</b>	<b>19.2</b>	<b>19.2</b>	<b>19.8</b>

The Government will provide \$71.1 million over four years to introduce new participation requirements and support services for parents who have been on income support for more than two years or who are under 23 years of age in 10 targeted Local Government Areas (LGA's). Parents will be required to attend compulsory workshops and interviews with Centrelink to set personal and family goals. They will also be assisted to access services to overcome pre-vocational barriers to employment, engage with their community and improve health and education outcomes for their children. The new requirements and support services will commence on 1 July 2012 and will be available in 10 targeted locations.

This measure includes \$19.4 million in funding for Communities for Children (CfC) services. CfC services in these 10 targeted LGA's will provide support for children and families to assist in meeting the requirements of participation plans. The measure will also extend the Jobs, Education and Training Child Care Fee Assistance program, which covers the gap fee for child care, from 26 weeks to 52 weeks to support parents' participation in employment related activities in these locations.

### Building Australia's Future Workforce — evaluation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	2.3	2.9	3.2	1.0
Department of Finance and Deregulation	0.1	-	-	-	-
<b>Total</b>	<b>0.1</b>	<b>2.3</b>	<b>2.9</b>	<b>3.2</b>	<b>1.0</b>

The Government will provide \$9.5 million over five years to monitor and evaluate measures announced as part of the *Building Australia's Future Workforce* package.

The evaluation will assess the impact of the package on the social and economic participation of affected individuals, examine the benefits of strategies in targeted locations, and provide an assessment of the accessibility and effectiveness of services delivered to targeted communities.

This measure includes \$0.1 million in 2010-11 to reimburse the Department of Finance and Deregulation for an Implementation Readiness Assessment undertaken to advise on implementation risks.

**Building Australia's Future Workforce — Group Training Australian Apprenticeships Targeted Initiatives program — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-5.7	-5.8	-5.9	-6.0

The Government will cease funding the Group Training Australian Apprenticeships Targeted Initiatives program to support other measures within the *Building Australia's Future Workforce* package. This measure will provide savings of \$23.3 million over four years

The Group Training Australian Apprenticeships Targeted Initiatives program provides funding to Group Training Organisations for projects aimed at increasing the take-up of Australian Apprenticeships.

**Building Australia's Future Workforce — improved access to the Language, Literacy, and Numeracy Program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	10.1	21.6	47.2	62.7
Department of Human Services	-	0.1	0.1	0.1	0.1
<b>Total</b>	-	<b>10.2</b>	<b>21.6</b>	<b>47.2</b>	<b>62.8</b>
<i>Related capital (\$m)</i>					
Department of Education, Employment and Workplace Relations	-	-	1.3	-	-

The Government will provide \$143.1 million (including capital funding of \$1.3 million) over four years to fund approximately 30,000 additional training places under the Language, Literacy and Numeracy Program (LLNP).

The LLNP assists job seekers of working age to achieve sustainable employment outcomes by providing up to 800 hours of free accredited Language, Literacy and Numeracy (LLN) training. To be eligible for support under the program, eligible job seekers must have LLN skills below the level considered necessary to secure sustainable employment or pursue further education and training.

This will help job seekers upgrade their skills so they can share in the opportunities of a growing economy.

### Building Australia's Future Workforce — Incentives for Higher Technical Skills — cessation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-5.7	-5.9	-6.4	-6.6

The Government will cease the Incentives for Higher Technical Skills program — non apprenticeship component and redirect the funding to support other measures within the *Building Australia's Future Workforce* package. This will provide savings of \$24.7 million over four years.

Introduced on 1 January 2007, the Incentives for Higher Technical Skills were established to support the uptake of Diploma and Advanced Diploma qualifications where state or territory governments did not list the qualification as an Australian Apprenticeship. As state and territory governments have increasingly classified qualifications at this level as Australian Apprenticeships, these incentive payments are no longer needed.

### Building Australia's Future Workforce — incentives for single parents and Parenting Payment reforms

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	2.9	6.0	2.3	2.9
Department of Education, Employment and Workplace Relations	-	-	13.0	9.2	-9.7
Centrelink	-	-	-	-	-
Total	-	2.9	19.0	11.5	-6.8

The Government will introduce reforms to encourage single parents receiving income support to transition into paid employment.

The Government will provide \$178.9 million over the forward estimates to increase returns to work page 140 by adjusting the income test rates for single principal carers with a youngest child under 16 years on Newstart Allowance (NSA). From 1 January 2013, the new more generous income test for those recipients will reduce NSA payments by 40 cents for every dollar of income earned above \$62 per fortnight. Recipients currently have NSA payments reduced by 50 cents in the dollar for income from \$62 dollars per fortnight and 60 cents for income above \$250 per fortnight. This will bring the taper rate for single parents receiving NSA in line with that of Parenting Payment Single (PPS), and reward part time work.

From 1 January 2013, parents who were on PPS or Parenting Payment Partnered (PPP) prior to 1 July 2006 will be eligible for PPS or PPP until their youngest child turns 12 rather than the current 16 years. Parents that transition onto NSA will be eligible for the more generous income test taper. Transitional arrangements will apply to parents whose youngest child will be above the threshold age on implementation:

- parents with a youngest child born before 1 January 2000 (so has turned 13 before 1 January 2013) will continue to be assessed under current arrangements and will remain on Parenting Payment until their youngest child turns 16 years of age;
- parents with a youngest child born between 1 January 2000 and 1 January 2001 (so has turned 13 during 2013) will cease to be eligible for Parenting Payment once their youngest child turns 13 years of age; and
- parent with a youngest child born before after 1 January 2001 (so turns 12 on or after 1 January 2013) will cease to be eligible for Parenting Payment once their youngest child turns 12 years of age.

These reforms will deliver a saving of \$152.2 million over four years.

In addition to these transitional arrangements, children born after 1 July 2011 will extend Parenting Payment eligibility for parents in receipt of payment before 1 July 2006 in the same way as for parents who came onto payment after 1 July 2006. This means they will extend eligibility until they turn six (partnered parents) or eight (single parents).

In net terms, the two components of this measure will cost \$26.7 million over four years.

Parents affected by these reforms will also be assisted with employment and skills support under the *Building Australia's Future Workforce- services to assist single parents enter the workforce* measure.

**Building Australia's Future Workforce — increased obligations for very long-term unemployed job seekers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	0.3	65.9	31.4	30.0
Department of Human Services	-	..	1.6	1.7	1.7
<b>Total</b>	-	0.3	67.5	33.0	31.7
<i>Related capital (\$m)</i>					
Department of Education, Employment and Workplace Relations	-	0.7	-	-	-

The Government will provide \$133.3 million over four years (including capital of \$0.7 million in 2011-12) to facilitate enhanced compliance arrangements for very long-term unemployed job seekers who have been registered with Job Services Australia for two years or more.

Currently a job seeker is required to undertake an approved activity for six months in each year they are in the Work Experience Phase. From 1 July 2012, very long-term unemployed job seekers who begin a second year in the Work Experience Phase will be required to undertake work experience for 11 months of the year. An additional \$1,000 will be credited to the Employment Pathway Fund for each job seeker who commences a second year in the Work Experience Phase. This additional credit will support Job Services Australia service providers to continue to provide work experience activities including Work for the Dole, job trials and purchase of training.

**Building Australia's Future Workforce — Indigenous Ranger Cadetships — pilot program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.2	1.7	1.2	-

The Government will provide \$4.1 million over three years to establish a pilot Indigenous Ranger Cadetship program to encourage school retention and completion for Aboriginal and Torres Strait Islander students.

Participating students will undertake training in natural resource management, heritage related activities and cultural studies leading to a Certificate II level qualification. The program will be piloted by six schools in 2012 and expanded to a further six schools in 2013.

The program will form part of the National Trade Cadetship initiative.

**Building Australia's Future Workforce — Indigenous Youth Careers Pathways Program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$50.7 million over four years to extend school based traineeships for Indigenous students in targeted schools through a new Indigenous Youth Careers Pathways Program.

The new program will provide:

- school based traineeships including incentive payments to employers;
- school based aspiration building events and activities;
- in school and post school mentoring;
- work experience placements and support; and
- preparation for work activities.

The cost of this measure will be met from within existing resources of the Indigenous Employment Program (IEP) made available by realigning the program. The IEP will no longer fund activities that can be funded under mainstream programs.

**Building Australia's Future Workforce — Industry Training Strategies program — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-2.8	-2.8	-3.9	-4.0

The Government will cease funding for the Industry Training Strategies Program with the exception of the Education and Training Advisors element.

The Industry Training Strategies Program was introduced to increase the take-up of Australian Apprenticeships, evaluate training models and increase industry confidence in the national training system.

The Government will continue to fund the Education Training Advisors element of this program which provides funding to the Australian Chamber of Commerce and Industry, Australian Industry Group and the National Farmers' Federation to employ education advisors whose role is to increase their members' understanding of the apprenticeship system and to promote increased take-up of Australian Apprenticeships.

This measure will provide savings of \$13.5 million over four years, which will be redirected to support other measures within the *Building Australia's Future Workforce* package.

### **Building Australia's Future Workforce — information campaign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	20.6	0.6	0.6	-

The Government will provide \$21.8 million over three years to conduct an awareness campaign to promote workforce participation and training.

The information campaign will promote the benefits of employing people who have experienced labour market disadvantage, such as people with disability and the very long term unemployed. The campaign will also ensure that employers have more information about assistance available to help them up-skill and train their workforce.

### **Building Australia's Future Workforce — Job Services Australia demonstration pilots for highly disadvantaged job seekers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.8	2.3	0.6	-

The Government will provide \$4.7 million over three years to conduct 20 pilot projects that will trial innovative approaches to providing Job Services Australia services for highly disadvantaged job seekers in targeted locations.

This will include coordinating complementary services that can assist highly disadvantaged job seekers, and joint case management. The results from the place-based demonstration pilots will inform broader Job Services Australia delivery models.

Up to 5,000 job seekers will be involved in the pilots, primarily from the most disadvantaged job seeker category of the Job Services Australia program – Stream 4.



**Building Australia's Future Workforce — more help for mature age workers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	10.0	10.0	10.0	-

The Government will provide \$30.0 million over three years from 2011-12 to enable Registered Training Organisations to carry out skills assessments and provide training for an estimated 7,500 mature aged workers (aged 50 years and above) who have trade relevant skills but no formal qualifications.

Registered Training Organisations will be eligible to receive up to \$2,000 for each skills assessment undertaken and, where a skills gap is identified, up to an additional \$2,000 to assist with the cost of training. Employers will be expected to cover any additional training costs.

This measure delivers on the Government's election commitment.

**Building Australia's Future Workforce — National Partnership for Vocational Education and Training**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-
Department of the Treasury	-	-	-137.5	238.4	-137.5
Total	-	-	-137.5	238.4	-137.5

The Government will establish a new National Partnership to support long term reform in the vocational education and training (VET) sector. The new National Partnership will provide \$1.75 billion over five years from 2012-13 (including \$715.1 million over the forward estimates and \$516.3 million in both 2015-16 and 2016-17) to promote reforms that will lead to a more transparent VET system that delivers higher level qualifications, better recognition of skills, and which better caters to disadvantaged learners and regions.

Funding will be available to state and territory governments who make a genuine commitment to achieving reforms which complement the objectives of the revised National Agreement on Skills and Workforce Development which is expected to be in place by 1 July 2012.

This measure redirects \$751.7 million of the Productivity Places Program funding over the forward estimates to better achieve skills objectives.

The Productivity Places Program was announced as part of the Government's *Skilling Australia for the Future* initiative in 2007. The program commenced 1 April 2008, with states and territories delivering some elements of the program from 1 July 2009 – this has been facilitated through a National Partnership of the program. The National Partnership is due to expire on 30 June 2012.

Funds from the program beyond this date have been directed to other skills priorities consistent with the scheduled expiry of the Partnership and the nature of national partnerships under the *Federal Financial Relations Framework*.

See also the related expense measure titled *Employment Services Arrangements Package – New Enterprise Incentive Scheme – continuation and extension to Disability Employment Services* job seekers.

### **Building Australia's Future Workforce — National Workforce and Productivity Agency**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	8.5	8.3	8.3

The Government will provide \$25.0 million over three years to establish the National Workforce and Productivity Agency.

The National Workforce and Productivity Agency will be established from 1 July 2012 through an expansion of the current functions of Skills Australia, the independent statutory body that provides advice to the Government on workforce skills and development needs.

The National Workforce and Productivity Agency will develop sectoral workforce development plans, undertake research, consult industry and disseminate information on workforce planning issues. The agency will also have responsibility for administering the new Workforce Development Fund.

See also the related expense measure titled *Building Australia's Future Workforce – National Workforce Development Fund – establishment*.

**Building Australia's Future Workforce — National Workforce Development Fund — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	74.8	77.2	77.4	126.3
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	2.7	0.3	0.3	0.3

The Government will provide \$359.3 million over four years as part of the establishment of the National Workforce Development Fund. The Fund will support enterprise based training in critical occupations in identified high need sectors in the economy. Industry will be required to make a co-contribution toward the cost of training places based on the size of the enterprise.

In addition the Fund will incorporate the \$200 million Critical Skills Investment Fund, which was announced in the 2010-11 Budget to boost the number of workers available in skill shortage areas of national significance including the resources and construction sectors.

In total, the \$558.5 million Fund is expected to support up to 130,000 training places over four years.

The new National Workforce and Productivity Agency will be responsible for administering the National Workforce Development Fund.

See also the related expense measure titled *Building Australia's Future Workforce — National Workforce and Productivity Agency*.

**Building Australia's Future Workforce — Priority Employment Area initiatives — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	19.5	19.6	-	-
Department of Human Services	-	3.1	3.1	-	-
Total	-	22.5	22.6	-	-

The Government will provide \$45.2 million over two years to extend the current Priority Employment Area initiatives, including Jobs and Skills Expos and Local Employment Coordinators, to 30 June 2013.

In the 2009-10 Budget, \$20.0 million over three years was provided from 2008-09 to engage Local Employment Coordinators in priority regional areas. The coordinators manage and drive local responses to unemployment. Funding of \$17.3 million is provided within this measure to continue the engagement of the coordinators and support staff.

This measure also includes \$20.0 million for a flexible funding pool to be utilised by each of the Local Employment Coordinators to help kick-start, implement and support local initiatives which aim to create or maximise employment, education and training opportunities in their priority regional areas.

A further \$7.9 million will be provided to conduct approximately 40 Jobs and Skills Expos across the priority regional areas to build upon the work of Employment Coordinators.

### **Building Australia's Future Workforce — Productivity Education and Training Fund — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	10.0	10.0	-	-

The Government will provide \$20.1 million over two years to establish the Productivity Education and Training Fund to enhance employee and employer understanding of the benefits of productivity growth and to encourage a commitment to achieving productivity growth within the workforce.

The Fund will provide up to \$10.0 million to employer organisations and up to \$10.0 million to unions to enable them to provide tailored information and education resources to their membership.

### **Building Australia's Future Workforce — Productivity Places Program — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-83.8	-255.7	-257.0	-257.4

The Government will redirect funding from the Commonwealth component (Commonwealth Own Purpose Expenditure) of the Productivity Places Program. This will provide savings of \$853.9 million over four years to support other Government priorities including:

- \$360.0 million over two years to fund the increase in the Trade Apprentice Income Bonus, announced in the 2010-11 *Mid-Year Economic and Fiscal Outlook* and other Government priorities;
- \$94.5 million over three years to support the New Enterprise Incentive Scheme, which offers accredited small business training, business advice and mentoring, as well as ongoing income support for up to 52 weeks; and
- \$399.4 million over four years towards the *Building Australia's Future Workforce* package.

The Productivity Places Program was announced as part of the Government's *Skilling Australia for the Future* initiative in 2007. The five year program commenced 1 April 2008, with state and territory delivery of the program from 1 July 2009 through a National Partnership (NP), which is due to expire on 30 June 2012.

This measure redirects the Productivity Places Program funding to better achieve skills objectives.

See also the related expense measure titled *Employment Services Arrangements Package – New Enterprise Incentive Scheme – continuation and extension to Disability Employment Services* job seekers.

### **Building Australia's Future Workforce — Quality Skills Incentive — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-43.2	-43.2	-43.2	-43.2

The Government will cease funding for the Quality Skills Incentive to support other measures within the *Building Australia's Future Workforce* package.

The Quality Skills Incentive was available to reward the 100 largest Registered Training Organisations for the achievement of agreed performance benchmarks. Other alternative approaches will support improvements to the quality of the vocational education and training system.

This measure will provide savings of \$172.8 million over four years.

**Building Australia's Future Workforce — regional education, skills and jobs plans**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	6.3	6.4	6.4	-

The Government will provide \$19.1 million over three years to engage 34 Regional Strategists to develop regional education, skills and jobs plans aimed at improving access to education, training and employment in 34 non-metropolitan Regional Development Australia areas.

The Regional Strategists will develop, implement and review the plans over a three year period in consultation with community stakeholders and Regional Development Australia committees. The plans will contribute to improving regional awareness of Government programs, facilitating greater engagement between the Government and regional communities, and better targeting Government program expenditure to specific regional needs.

This measure delivers on the Government's agreement with the Member for Lyne, and the Member for New England.

**Building Australia's Future Workforce — services to assist single parents enter the workforce**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.4	0.7	0.8	0.8
Department of Families, Housing, Community Services and Indigenous Affairs	-	1.4	5.3	6.1	6.2
Department of Human Services	-	-	-	-	-
<b>Total</b>	-	<b>2.9</b>	<b>6.0</b>	<b>6.9</b>	<b>7.0</b>

The Government will provide \$22.7 million over four years to assist single parents to improve their skills and plan for a transition to the workforce when they move off Parenting Payment Single.

The funding will provide professional career advisory services for single parents provided through employment service providers. It will also provide support for parents and their children through Communities for Children services, including activities to develop personal skills, confidence and parenting capacity; improve educational and health outcomes for children; and facilitate entry or return to the workplace.

The enhanced services will be available from 1 January 2012.

**Building Australia's Future Workforce — streamlining services for jobseekers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	8.7	7.9	6.3	6.2
Department of Education, Employment and Workplace Relations	-	1.2	-0.1	-0.1	-0.1
<b>Total</b>	-	<b>9.9</b>	<b>7.8</b>	<b>6.2</b>	<b>6.1</b>
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	<b>3.2</b>	-	-	-
<i>Department of Education, Employment and Workplace Relations</i>	-	<b>2.1</b>	-	-	-
<b>Total</b>	-	<b>5.4</b>	-	-	-

The Government will provide \$35.3 million over four years (including capital of \$5.4 million in 2011-12) to streamline services for jobseekers, as part of its response to the Report of the Independent Review *Impacts of the new Job Seeker Compliance Framework*.

From 1 July 2012, the penalty rates for failure to attend an interview with an employment service provider and failure to attend an activity or job interview will be aligned to one-tenth of a job seeker's fortnightly income support payments.

This measure also includes funding to increase the involvement of employment service providers in the conduct of Comprehensive Compliance Assessments (CCAs), which involve an interview conducted by Centrelink with a job seeker who has been persistently non-compliant. From 1 July 2012, a three year pilot will be implemented whereby Centrelink will contact the job seeker's employment services provider to discuss the likely outcome of the CCA to give the provider an opportunity to provide relevant information before a final decision is made. The pilot will also provide for CCAs to be conducted face-to-face, where practical, for vulnerable job seekers, rather than by telephone.

In addition, funding will be provided to enhance and improve the exchange of information between Centrelink and the Department of Education, Employment and Workplace Relations' information technology systems. This will improve the capacity of employment services providers and Centrelink staff to view and use appropriate material from each other.

### Building Australia's Future Workforce — training places for single and teenage parents

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	6.7	20.0	26.7	26.7
Department of Education, Employment and Workplace Relations	-	-	-	-	-
<b>Total</b>	-	6.7	20.0	26.7	26.7

The Government will provide \$80.0 million over four years to provide additional training places for single and teenage parents in receipt of income support to assist them gain skills to return to work.

The funding will provide up to 31,000 training places, at the Certificate II level or above, for single and teenage parents on income support.

Funding for this measure will be provided to States and Territories under a new National Partnership covering the period 1 January 2012 and 30 June 2015. The distribution of funding will be subject to negotiation with the State and Territory governments.

### Building Australia's Future Workforce — transitional activities for early school leavers

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	0.7	0.1	0.1	0.1
Department of Education, Employment and Workplace Relations	-	0.2	35.9	17.7	12.5
<b>Total</b>	-	0.8	36.0	17.8	12.6
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	0.3	-	-	-
<i>Department of Human Services</i>	-	-	-	-	-
<b>Total</b>	-	0.3	-	-	-

The Government will provide \$67.6 million over four years (including capital funding of \$0.3 million in 2011-12) to deliver transitional activities for early school leavers aged 15-21 years of age who do not have a year 12 certificate or equivalent qualification.

Early School Leavers Transition Support (ETS) will commence from 1 July 2012 and be delivered through Job Services Australia. ETS will assist early school leavers in developing foundation skills to transition into further study, training or employment.



This measure will credit an additional \$500 per early school leaver to the Employment Pathway Fund that will assist the Job Services Australia service provider with the costs associated with delivering ETS activities.

The measure will also fund additional pathway and outcome payments to Job Services Australia service providers who assist early school leavers with low levels of literacy and numeracy to complete the first block of the Language, Literacy and Numeracy Program upon completion of ETS.

### **Building the Education Revolution — Implementation Taskforce Interim Report recommendations**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$11.6 million over four years to respond to the recommendations of the Building the Education Revolution (BER) Implementation Taskforce Interim Report released on 6 August 2010. The Government accepted and agreed to implement the recommendations of the report in full.

These costs include establishing a panel of construction, project management and quantity surveying individuals and establishing a unit within the Department of Education, Employment and Workplace Relations that will also be responsible for the successful delivery of other recommendations concerning the BER program.

Up to \$3.0 million of the funding will be utilised to fund, through an open tender process, long-term housing of the BER Cost Analysis Model (BER-CAM) database at a university. The BER-CAM database holds information related to the costs of school infrastructure.

The cost of this measure will be met from within the existing resourcing of the Department of Education, Employment and Workplace Relations. This measure delivers on the Government's election commitment.

### Child Care Assistance — awareness campaign

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$8.3 million in 2010-11 for an awareness campaign to ensure that eligible families are aware of current child care assistance available, such as the Child Care Rebate (CCR) and Child Care Benefit. Information will also be provided to families on the availability of fortnightly payment of the CCR from 1 July 2011.

The cost of this measure will be met from within the existing resources of the Department of Education, Employment and Workplace Relations.

### Child Care Rebate — additional payment option

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Centrelink	10.7	2.3	2.1	4.5	5.2
Department of Education, Employment and Workplace Relations	-	-	-	-	-
<b>Total</b>	<b>10.7</b>	<b>2.3</b>	<b>2.1</b>	<b>4.5</b>	<b>5.2</b>
<i>Related capital (\$m)</i>					
Centrelink	1.7	1.0	0.8	-	-

The Government will provide families with the additional option of receiving Child Care Rebate (CCR) payments directly to their bank account on a fortnightly basis from 1 July 2011 at a cost of \$30.8 million over five years. This will allow families to choose from a greater range of CCR payment options.

This measure builds on the *Mid-Year Economic and Fiscal Outlook 2010-11* measure *Child Care Rebate – fortnightly payment*, which allowed families to receive CCR payments fortnightly as a fee reduction via their child care service.

Funding of \$2.5 million for the Department of Education, Employment and Workplace Relations to administer the arrangements will be met from within its existing resources.

**Child Care Reform Agenda Workforce — improved access to Recognition of Prior Learning**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.8	1.8	1.8	1.8

The Government will provide \$7.2 million over four years to assist existing early childhood education and care workers in rural and remote areas access recognition of prior learning assessments. This will assist early childhood workers attain Certificate III, Diplomas and Advanced Diplomas in early childhood education.

Each year, up to 2,000 existing early childhood education and care workers will be eligible for a rebate of their costs associated with completing the assessment process, such as travel expenses or IT costs. Eligible recipients will receive a one-off rebate of 75 per cent of their expenses up to a maximum rebate of \$1,125 where their expenses are \$1,500 or more.

This measure will support the Government's early childhood reform agenda, including the introduction of new staff qualification requirements set out in the National Partnership on the National Quality Agenda for Early Childhood Education and Care.

**Child Care Reform Agenda Workforce — improved Recognition of Prior Learning Assessment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.0	0.6	0.5	-

The Government will provide \$2.0 million over three years to up-skill 600 already qualified Recognition of Prior Learning (RPL) assessors to make RPL delivery in Certificate III, Diplomas and Advanced Diplomas in early childhood education more efficient and effective.

This measure aims to build the quality of the early childhood education and care workforce by developing a streamlined training course for assessors and tools to improve the effectiveness of RPL assessments.

This measure will support the Government's early childhood reform agenda, including the introduction of new staff qualification requirements set out in the National Partnership on the National Quality Agenda for Early Childhood Education and Care.

### Child Care — early well-being competencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$0.5 million in 2011-12 to review early childhood education and care (ECEC) courses to determine the extent to which mental health and wellbeing competencies are included in early childhood qualifications and develop options for incorporating these competencies where they do not exist.

Research suggests that if children with mental health difficulties are identified early and their condition managed, they will be less likely to have poor mental health outcomes as adults. ECEC professionals are well placed to recognise emerging signs of mental health issues and provide support. This initiative will therefore determine the capacity of existing ECEC training to assist them in identifying early warning signs and refer families to appropriate services.

The cost of this measure will be met from within the existing resourcing of the Department of Education, Employment and Workplace Relations.

### Education Investment Fund — regional priorities round

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	50.0	100.0	125.0	125.0

The Government will provide \$500.0 million over five years (including \$100.0 million in 2015-16) to fund a regional priority round from the Education Investment Fund (EIF). This will support regional higher education and vocational institutions to improve their infrastructure, and help improve the quality of training and education regional students receive. Higher educational and vocational institutions will apply in a competitive round, with all applications to be assessed by the EIF Advisory Board.

Established on 1 January 2009 under the *Nation-building Funds Act 2008*, the EIF provides funding for high priority capital development projects in the higher education and vocational education and training sectors.

This measure delivers on the Government's agreement with the Member for Lyne and the Member for New England.

## Education Services for Overseas Students — further response to the Baird Review

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	8.2	8.3	8.3	8.4
<i>Related revenue (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	7.5	7.6	7.5	7.6
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	3.3	-	-	-

The Government will provide \$36.4 million over four years (including capital funding of \$3.3 million in 2011-12) to establish fund information technology systems for an enhanced tuition protection scheme and to support increased compliance activity as part of the response to the final report of the review of the *Education Services for Overseas Students Act 2000* conducted by the Hon Bruce Baird AM.

The annual registration charge will provide \$30.3 million over four years, including \$4.8 million over four years to support an expanded role for the Commonwealth Ombudsman.

## Employment Services Arrangements — Disability Employment Services in non-remote areas — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	4.6	7.9	2.5	1.7
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	1.6	-	-	-

The Government will provide \$18.3 million over four years to continue to deliver employment services to job seekers with a disability, with streamlined administration for Disability Employment Services (DES) providers.

Under this measure current Employment Support Services contracts in non-remote areas will be extended until 1 March 2013 to enable sufficient time for a comprehensive assessment of individual provider performance. High performing providers of Employment Support Services will then be offered a contract extension until 30 June 2015 with any remaining business put to open tender. Participants with providers that do not secure a contract extension will be provided with support to help them transition, with minimal disruption, to a new provider.

This measure includes funding for procurement arrangements associated with the contract extensions, transition assistance, and \$2.7 million to continue to pilot the DES Moderate Intellectual Disability Loading and Eligible School Leavers programs until 1 March 2013. These pilots were previously announced in the 2010-11 Budget and commenced on 1 July 2010. The pilots will continue to examine whether targeted additional funding for DES providers can improve employment outcomes for highly disadvantaged job seekers with a disability and provide smoother paths of access for young people with a disability from school to employment. The measure also supports ongoing evaluation of the DES program.

### Employment Services Arrangements — efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.1	-15.0	-15.2	-15.3
Department of Education, Employment and Workplace Relations	-	..	-30.0	-44.0	-49.3
<b>Total</b>	-	1.1	-45.1	-59.2	-64.7
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	0.1	-	-	-

The Government has identified efficiencies in employment services arrangements that will deliver net savings of \$167.8 million over four years.

From 1 July 2012, job seekers within Job Services Australia will no longer need to have a service review to assess their eligibility for the Work Experience Phase of the program. In addition, the length of time a job-ready job seeker will be required to participate in Intensive Activities will be adjusted to reflect the reduced level of support required for this group of job seekers. Also, the mandatory requirement for Disability Employment Services participants to have an Ongoing Support Assessment (OSA) every 12 months will be removed if there has been no change in their previous two assessments.

Savings from this measure will be redirected to support other Government priorities.

**Employment Services Arrangements — Employer Broker Panel — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-2.0	-2.0	-2.0

The Government will not proceed with funding the Job Services Australia Employer Broker Panel.

The Employer Broker Panel was implemented in 2009-10 as a competitive grants program to match job seekers with employers. The panel overlaps with services currently provided through Job Services Australia, which assists job seekers find suitable work with an employer.

This measure will provide savings of \$6.0 million over three years from 2012-13.

Savings from this measure will be redirected to support other Government priorities.

**Employment Services Arrangements — Innovation Fund — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-13.7	-13.7	-13.7

The Government will not proceed with funding the Job Services Australia Innovation Fund.

The Innovation Fund was implemented in 2009-10 as a competitive grants program to fund projects designed to overcome barriers to employment, but experience has been that the fund overlaps with services provided through Job Services Australia.

This measure will provide savings of \$41.0 million over three years. Savings from this measure will be redirected to support other Government priorities.

**Employment Services Arrangements — Job Services Australia and Disability  
Employment Services in remote areas — contract extension and new initiatives**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	0.5	0.5	-	-
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	..	-	-	-

The Government will extend Job Services Australia (JSA) and Disability Employment Services (DES) contracts for employment service providers in remote areas for 12 months to 30 June 2013. This will allow a consultation process to be undertaken with remote communities and other stakeholders about the most appropriate employment and community development service delivery model.

In the interim, the Government will also provide an additional \$1.0 million over two years to create two additional Pathway Outcomes payments for highly disadvantaged job seekers in remote areas.

This includes:

- a 13-week Pathway Outcome payment of \$945 for DES and between \$550 and \$1,100 for JSA where the provider can demonstrate that a job seeker has been in paid employment for a combined total of 13 weeks within 26 weeks from the start of employment; and
- a 26-week Pathway Outcome payment of \$1,450 for DES and between \$550 and \$1,100 for JSA where a provider can demonstrate that a job seeker has been in paid employment for a combined total of 26 weeks within 52 weeks from the start of employment.



### Employment Services Arrangements — Job Services Australia in non-remote areas — continuation and new initiatives

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	3.6	2.7	1.6	0.6
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	2.3	-	-	-

The Government will provide \$10.8 million over four years to continue to deliver employment services under Job Services Australia (JSA), with streamlined administration for JSA providers.

Under this measure, a three year contract extension until 30 June 2015 will be offered to high performing providers, with any remaining business either reallocated to high performing providers or put to open tender. Participants with a provider that does not secure a contract extension will be provided with support to help them transition, with minimal disruption, to a new provider.

To improve the employment outcomes for Indigenous job seekers, funding of \$6.1 million will be provided to:

- conduct a three year pilot program commencing from 1 July 2012 that would give access to mentoring support for Indigenous job seekers for up to 26 weeks;
- improve the service guarantee of employment services providers to provide culturally appropriate services for Indigenous job seekers; and
- improve the cultural capability of employment service providers.

**Employment Services Arrangements — New Enterprise Incentive Scheme — continuation and extension to Disability Employment Services job seekers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.3	0.1	0.1	0.1
Department of Education, Employment and Workplace Relations	-	0.4	31.5	31.5	31.5
<b>Total</b>	<b>-</b>	<b>1.6</b>	<b>31.6</b>	<b>31.6</b>	<b>31.6</b>
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	<i>-</i>	<i>0.7</i>	<i>-</i>	<i>-</i>	<i>-</i>

The Government will provide \$97.1 million over four years to continue to provide the New Enterprise Incentive Scheme (NEIS) to 6,300 job seekers each year and to extend the eligibility to help job seekers with a disability to establish small businesses.

The NEIS supports job seekers to create their own job opportunities by starting a small business. It provides eligible participants with:

- accredited small business training (Certificate III in Micro-Business Operations or a Certificate IV in Small Business Management);
- 12 months of a NEIS allowance equivalent to Newstart Allowance; and
- 12 months of business advice and mentoring support.

**Ethical Clothing Australia — continued funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$4.0 million over four years to continue to support Ethical Clothing Australia to administer and promote its accreditation and labelling system and encourage participation in the National Retailers Ethical Clothing Code of Practice.

Ethical Clothing Australia is a joint union and industry initiative. This measure will assist the local textile, clothing and footwear industry to ensure that Australian workers in the industry receive fair wages and work under appropriate conditions through Ethical Clothing Australia's accreditation of brands' supply chains and verification of compliance with workplace relations laws.

The cost of this measure will be met from within the existing resources of the Department of Education, Employment and Workplace Relations.

### Framework for Open Learning Program — redirection of funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-0.6	-0.6	-	-

The Government will redirect \$1.2 million over two years in uncommitted funding from the Framework for Open Learning Program towards listing One Laptop Per Child as a Deductible Gift Recipient under the *Income Tax Assessment Act 1997* for the period 27 May 2010 to 30 June 2012, announced by the then Prime Minister and then Assistant Treasurer on 27 May 2010.

### Higher Education Contribution Scheme — reduction in discounts

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-29.4	-62.5	-66.6	-71.0
<i>Related revenue (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	0.2	4.3	18.4	41.0

The Government will, from 1 January 2012, reduce the following discounts applying to payments made under the Higher Education Contribution Scheme (HECS):

- the discount available to students electing to pay their student contribution up-front will be reduced from 20 to 10 per cent; and
- the bonus on voluntary payments to the Australian Taxation Office of \$500 or more will be reduced from 10 per cent to 5 per cent.

Under HECS, students electing to pay their student contribution up-front will continue to receive a 10 per cent discount on the payment. Students choosing not to pay up-front can take out a concessional loan to pay their student contribution under the Higher Education Loan Program (HELP).

Under HELP, students accrue an outstanding debt which is repaid gradually when their assessable income exceeds a minimum repayment threshold. Students can also elect to make additional voluntary payments through the Australian Taxation Office to further reduce their outstanding HELP debt. Payments of \$500 or more will now attract a 5 per cent bonus so that a payment of \$500 would reduce an individual's outstanding HELP debt by \$525.

The measure will provide savings of \$479.5 million over four years in terms of underlying cash and savings of \$293.4 million in terms of the fiscal balance.

Savings from this measure will be redirected to support other Government priorities.

### Higher Education Performance Funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-47.5	-47.5	-	-

The Government will delay part of the reward funding to higher education institutions. This will provide savings of \$95.0 million over two years.

Payments for the achievement of student experience and quality learning outcomes will be delayed until 2013 to allow suitable instruments for measuring performance against these criteria to be developed.

Savings from this measure will be redirected to support other Government priorities.

### Higher Education Regional Loading — increased funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	15.0	30.5	31.6	32.8

The Government will provide \$109.9 million over four years to increase and better target the funding available to universities with regional campuses.

The regional loading provides additional funding to universities through the Commonwealth Grant Scheme in recognition of the higher costs of delivering education in regional areas. Under this measure, funding will be targeted more effectively to regional campuses facing additional costs as a result of their remoteness. The funding formula will be improved by using the Australian Standard Geographical Classification to determine the remoteness of a campus and by examining current enrolment patterns across regional campuses.

This measure delivers on the Government's agreement with the Member for Lyne and the Member for New England.

**Indigenous Education Targeted Assistance — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$171.3 million over two years to 2013-14 to extend Indigenous education support programs funded under the *Indigenous Education (Targeted Assistance) Act 2000* (IETA Act) until the end of 2013.

The IETA Act provides funding for programs to improve Indigenous literacy and numeracy, school attendance and providing education support.

This measure will ensure support for Aboriginal and Torres Strait Islander students while the Review of Funding for Schooling is being conducted.

The review has been directed to provide recommendations that include options for supporting Indigenous students.

Provision for this funding has already been included in the forward estimates.

**Model Work Health and Safety laws — implementation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Comcare	1.3	6.2	-	-	-
<i>Related capital (\$m)</i>					
Comcare	-	7.1	-	-	-

The Government will provide \$14.7 million over two years (including \$7.1 million in capital funding) to implement nationally harmonised model work health and safety laws within the Commonwealth's jurisdiction. This will enable the Commonwealth to meet its commitments under the Council of Australian Governments' Inter-Governmental Agreement for Regulatory and Operational Reform on Occupational Health and Safety, which requires all jurisdictions to enact the model laws by the end of 2011.

The funding will support:

- the development of Commonwealth legislation, regulations and a code of practice consistent with the model laws;
- education activities;
- service delivery, including harmonised guidance material and reporting; and
- development of a regulatory management system.

**National Mental Health Reform — Australian Early Development Index — improved ongoing implementation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$29.7 million over five years (including \$6.5 million in 2015-16) to improve the Australian Early Development Index (AEDI) and ensure the ongoing collection of data every three years.

The AEDI collects information on all children in the first year of school across five domains: physical health and wellbeing; social competence, emotional maturity; language and cognitive skills; and communication skills and general knowledge. This provides population level information on how children are faring before they start school. The dataset includes nationally comparable information on young children's mental health and social and emotional development for the benefit of families, communities and the Government.

The cost of this measure will be met from within the existing resourcing of the Department of Education, Employment and Workplace Relations.

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — increased employment participation for people with mental illness**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	1.0	0.3	0.3	0.3
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	..	-	-	-

The Government will provide \$2.4 million over five years (including \$0.3 million in 2015-16) to support increased economic and social participation by people with mental illness.

This measure will provide assistance to employers to employ people with a mental illness and increase the capacity of employment services providers and the Department of Human Services by:

- providing training to employment services providers and Department of Human Services staff to enable them to better identify and assist people with mental illness to gain employment, and better connect them with the appropriate services, including community mental health services and Medicare Locals;
- expanding the JobAccess telephone service to include mental health professionals; and
- reviewing the Supported Wage System (SWS) to analyse the effectiveness and appropriateness of applying the SWS to people with mental illness.

This measure is part of the Government's *National Mental Health Reform* package.

### **National Mental Health Reform — Social Engagement and Emotional Development survey for Children aged 8 to 14 years**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$1.5 million over five years to develop a national Social Engagement and Emotional Development survey for children aged 8 to 14 years. The survey will focus on the social and emotional development of young people and the impact this has on their resilience and wellbeing.

Up to 100 children in at least three states and territories would participate in the developmental stage of the survey. The survey will then be trialled with a representative sample of 5,500 school-going children across Australia in 2012.

The cost of this measure will be met from within existing resourcing of the Department of Education, Employment and Workplace Relations.

This measure is part of the Government's *National Mental Health Reform* package.

### **National Workers' Memorial — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-

The Government will provide \$3.6 million over four years for the establishment of a National Workers' Memorial and an interactive website. The National Workers' Memorial will honour Australian workers who have lost their lives due to work related accidents, incidents or disease, and serve as a reminder of the importance of workplace safety.

The cost of this measure will be met from within the existing resources of the Department of Education, Employment and Workplace Relations.

**Natural Disaster Recovery and Rebuilding — assistance to business affected by the Queensland Floods**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	14.8	17.3	-5.7	-5.8	-5.9
Attorney-General's Department	6.9	6.9	-	-	-
Department of the Treasury	6.3	6.3	-	-	-
Department of Immigration and Citizenship	-	-	-	-	-
Department of Resources, Energy and Tourism	1.0	-	-	-	-
Tourism Australia	4.0	-	-	-	-
<b>Total</b>	<b>32.9</b>	<b>30.4</b>	<b>-5.7</b>	<b>-5.8</b>	<b>-5.9</b>
<i>Related revenue (\$m)</i>					
<i>Attorney-General's Department</i>	-	2.2	4.6	4.3	3.8

The Government will provide \$61.9 million over five years (including \$37.0 million in 2010-11) to assist businesses adversely affected by severe flooding in Queensland in late 2010 and early 2011.

The Government will contribute \$30.8 million to the cost of the 2011 Queensland Natural Disasters Jobs and Skills package being administered by the Queensland Government. The costs will be met from within the existing resources of the Department of Education, Employment and Workplace Relations including a redirection of \$17.4 million from the Group Training in the Trades prevocational Program and \$4.1 million from the Innovation Fund.

The Government will also provide \$14.6 million to double the capacity of the Connecting People with Jobs Relocation Assistance Pilot program from 2,000 to up to 4,000 places over two years. The additional places will assist eligible unemployed Australians to voluntarily relocate to Queensland to take-up employment opportunities in flood affected areas.

The Government will provide concessional loans of up to \$650,000 (including a grant component of up to \$50,000) to eligible businesses, primary producers and not-for-profit organisations which suffered extreme damage. The cost to the Government's underlying cash balance of providing the concessional loans, including grants and the net cost of the interest concessions, is \$19.6 million over five years.



Employment in the region will also be supported by the Government through fast-tracking the processing of employer-sponsored temporary visas (457 visas) for employers undertaking flood reconstruction work in affected areas.

The Government will also contribute \$5.0 million to support Queensland's tourism industry.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild. Further information can be found in the press releases of 27 and 28 January 2011 issued by the Prime Minister and the Deputy Prime Minister and Treasurer, respectively.

### **Natural Disaster Recovery and Rebuilding — assistance to business affected by Tropical Cyclone Yasi**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	15.6	5.6	-	-	-
Attorney-General's Department	4.5	4.5	-	-	-
Department of Human Services	-	-	-	-	-
Centrelink	7.0	-	-	-	-
Department of Education, Employment and Workplace Relations	-	-	-	-	-
<b>Total</b>	<b>27.1</b>	<b>10.1</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Related revenue (\$m)</i>					
<i>Attorney-General's Department</i>	-	1.5	3.0	2.8	2.5

The Government will provide \$89.5 million over five years to assist businesses adversely affected by Tropical Cyclone Yasi.

Wage assistance for employers, paid at a rate equivalent to Newstart Allowance, will be made available to employers including primary producers for up to 26 weeks, to assist with the long term viability of businesses in the local communities. Funding of \$62.0 million for the wage assistance will be met from within the existing resourcing of the Department of Education, Employment and Workplace Relations.

The Government will provide concessional loans of up to \$650,000 (including a grant component of up to \$50,000) to eligible businesses, primary producers and not-for-profit organisations which suffered extreme damage. The cost to the Government's underlying cash balance of providing the concessional loans, including grants and the net cost of the interest concessions, is \$15.8 million over five years.

The Government has also provided a contribution of \$10.0 million to the Far North Queensland Rural Reconstruction package to assist regional communities and businesses with recovery activities such as farm clean-ups and social support.

The measure includes \$7.0 million for Centrelink to deliver relief payments to those in affected areas.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **Natural Disaster Recovery and Rebuilding — Australian Learning and Teaching Council — redirect funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-4.7	-10.1	-11.0	-11.9

The Government will discontinue funding for the Australian Learning and Teaching Council (ALTC) from 1 January 2012. The ALTC was established in 2004 to administer a range of grants, awards and other initiatives to promote quality in learning and in higher education. This will provide savings of \$87.7 million over four years.

Part of these savings will be redirected to fund \$50.0 million in grants and awards to promote excellence in university teaching, to be administered by the Department of Education, Employment and Workplace Relations.

The remaining \$37.7 million savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **Natural Disaster Recovery and Rebuilding — Capital Development Pool — cessation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-55.0	-78.0	-81.0	-84.0

The Government will cease funding the Capital Development Pool from 1 January 2012. This will provide savings of \$298.0 million over four years.

The Capital Development Pool was established in 1994 to provide funding to higher education providers for capital projects. The Government will continue to support capital development in higher education through the Education Investment Fund, including a \$500 million Regional Priorities Round, as well as through \$200 million in

Structural Adjustment Funding to assist universities to transition to a demand driven higher education system from 2012.

No further funding will be awarded from the Capital Development Pool from 1 January 2012. However, funding committed to projects for the 2011 calendar year will still be provided.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

### **Schools — Australian BaccaLaureate — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	2.5	4.8

The Government will provide \$7.3 million over two years to develop a new voluntary recognised senior school qualification, the Australian BaccaLaureate.

The Australian BaccaLaureate is intended to complement existing senior secondary school qualifications. The Australian Curriculum, Assessment and Reporting Authority (ACARA) will lead the development of the qualification, which will follow the introduction of phase one of the national curriculum for senior secondary school students.

This measure delivers on the Government's election commitment.

### **Schools — Digital Education Revolution — redirection**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-28.1	-28.1	-28.1	-48.1

The Government will redirect \$132.5 million over four years from the Digital Education Revolution (DER) project pool.

Since the announcement of the DER, the Australian Government has made significant investments in the integration of information and communication technology into teaching and learning. \$20.0 million per annum will continue to be available in the DER project pool until the end of 2013-14 to support:

- the Digital Strategy for Teachers and School Leaders;
- the establishment of a Digital Education Advisory Group; and

- national initiatives to support the aims of the DER, such as the National Digital Learning Resources Framework.

This measure does not impact on the Government's support for the National Secondary Schools Student Computer Fund, which is on track to support schools in meeting a one-to-one ratio of computers to students in Year 9 and above by 31 December 2011.

Savings from this measure will be redirected to support other Government priorities.

### **Schools — national rewards for great teachers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	50.0	-	125.0	250.0

The Government will provide \$425.0 million over four years (and a total of \$1.3 billion over eight years) to facilitate the development of a nationally consistent performance management system for teachers and to reward top-performing teachers through bonus payments.

The Australian Institute of Teaching and School Leadership will lead the development of the Australian Teacher Performance Management Principles and Procedures. In 2013, all teachers will begin having their performance assessed under the new principles. From 2014, around the top 10 per cent of all teachers in each state and territory will receive a bonus payment of up to 10 per cent of their salary, based on performance in the previous year.

Funding of \$125.0 million will be available each semester, with the first round commencing in semester one of 2014.

\$50.0 million will also be made available in 2011-12 to assist education authorities transition to the new performance management system

This measure delivers on the Government's election commitment.

### **Schools — National School Chaplaincy program — extension and expansion**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	74.0	74.0	74.0	-

The Government will provide \$222.0 million over three years to extend the National School Chaplaincy program for all participating schools. This funding will also enable up to 1,000 additional schools to access the program until December 2014.

The National School Chaplaincy program supports school communities to access the services of a school chaplain or secular pastoral care worker, to support student well being. It provides grants of up to \$20,000 a year to both government and non-government eligible schools to establish new, or enhance existing, chaplaincy services.

The expansion of the program will be targeted to disadvantaged, regional and remote communities.

This measure delivers on the Government's election commitment.

**Schools — non-government school funding — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-	-	-	-
<i>Related capital (\$m)</i>					
<i>Department of Education, Employment and Workplace Relations</i>	-	-	-	-	-

The Government will provide \$8.7 billion over three years to 2014-15 (including \$301.6 million in capital funding) to extend the existing funding arrangements for non-government schools, including indexation arrangements, until the end of 2013 for recurrent funding and until the end of 2014 for capital funding. This extension will provide schools with funding certainty and allow them to form forward plans while the Government undertakes a review to advise on the future funding arrangements for schools.

The review has been directed to provide recommendations for a funding system beyond 2013 that would be transparent, fair, financially sustainable and effective in promoting excellent educational outcomes for all Australian students. The review is expected to provide its report to the Government by the end of 2011.

Provision for this funding has already been included in the forward estimates.

This measure delivers on the Government's election commitment.

**Schools — Schools Support Program — reduction in funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-2.5	-2.5	-2.5	-2.5	-

The Government will reduce the funding for the Schools Support Program to provide savings of \$10.0 million over four years from 2010-11. Funding of \$1.7 billion will remain in this program over the next four years.

Savings from this measure will be redirected to support other Government priorities.

**Schools — Support for Improving Learning Experiences and Educational Outcomes for School Students with Disability**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	61.2	61.4	30.7	-
Department of Education, Employment and Workplace Relations	-	18.8	18.6	9.3	-
<b>Total</b>	-	<b>80.0</b>	<b>80.0</b>	<b>40.0</b>	-

The Government will provide \$200.0 million over the three years to December 2013 to provide additional assistance to teachers and schools to support students with disability and improve their learning outcomes.

Funding will be provided through a National Partnership with states and territories, and through funding agreements with non-government schools. Initiatives supported under the measure may include: additional skills development and support for teachers to meet students' needs, and further assistance to schools to create extended service schools that offer co-ordinated support for students and connect them with health, welfare, transport and other services.

Initiatives will be developed by education authorities in consultation with schools, parents and communities, and agreed with the Australian Government. This initiative will commence from 1 January 2012.

This measure will also provide an opportunity to identify the strategies which most improve the learning experiences of students with disability.

**Schools — Teach Next**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	6.4	5.3	4.5	2.0

The Government will provide \$18.1 million over four years to establish an employment-based training program that offers a new pathway into teaching careers for professionals with specialist qualifications or relevant work experience. The program will commence from 1 January 2012 and aims to address areas of teacher shortage in specialised subject areas such as mathematics and science. This will also help create a teaching workforce with greater diversity.

Up to 450 participants will undertake intensive initial training and then complete their formal qualifications over two years through a combination of different learning methods, including direct placements in schools. Participants will be eligible for financial assistance while studying. The Government will contribute up to 50 per cent of course fees to a maximum contribution of \$10,000 and up to \$5,000 in allowances to assist with costs associated with study. The Government will also provide \$2.0 million to universities to develop and deliver a school-based teacher education course.

This measure delivers on the Government's election commitment.

**Schools — Trade Training Centres in Schools Program — revised rollout**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	-6.6	-17.9	-33.8	-44.5

The Government will revise the number of projects to be funded from the Trade Training Centres in Schools Program between 2011-12 and 2014-15. This will provide savings of \$102.8 million over four years. This measure will impact both government and non-government schools.

The projects that would otherwise have been funded in the period will be delayed until 2015-16 and 2016-17. This will not affect the overall number of projects over the life of the program or recently announced Round 3 projects.

The Trade Training Centres in Schools Program aims to help address national skills shortages in traditional trades and emerging industries by improving trade training programs in secondary schools.

A total of \$2.5 billion over 10 years will continue to be available to fund facilities to enhance vocational education opportunities for students in Years 9 to 12 in government and non-government schools.

Savings from this measure will be redirected to support other Government priorities.

**Vocational Education Broadband Network — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-34.4	-24.4	-19.7	-	-

The Government will terminate future funding from the Vocational Education Broadband Network from 2010-11. This will provide savings of \$78.4 million over three years.

The Vocational Education Broadband Network was announced in April 2009 to deliver a high speed broadband network for the vocational education and training sector. The new National Broadband Network is expected to deliver the same functionality as the Vocational Education Broadband Network.

Savings from this measure will be redirected to support other Government priorities.

**Work and Family Support for Small Businesses — cessation of grants**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-4.0	-	-	-	-

The Government will not proceed with the third round of grant funding under the Fresh Ideas for Work and Family Grants program. This program supports small businesses to implement family friendly working arrangements by providing grants of up to \$15,000.

This measure will provide savings of \$4.0 million in 2010-11. Savings from this measure will be redirected to support other Government priorities.



## FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS

### A Better Start for Children with Disability — Early intervention

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	1.5	36.5	34.8	31.8	16.0
Department of Health and Ageing	-	5.7	10.0	6.1	3.4
Department of Human Services	-	0.2	0.1	0.1	0.1
Medicare Australia	0.2	-	-	-	-
Total	1.7	42.4	44.9	38.0	19.5

The Government will provide \$146.5 million over five years to improve access to intensive early intervention services for children with sight or hearing impairments, cerebral palsy, Down syndrome or Fragile X syndrome, from 1 July 2011.

Eligible children under six years of age who are diagnosed with a listed disability will have access to up to \$12,000 for early intervention services. A maximum of \$6,000 would be available in any financial year. This funding is available until the child's seventh birthday. In addition, eligible children up to the age of 15 years will have access to diagnosis and treatment services funded through Medicare Australia, provided a treatment plan is in place before the child turns 13.

A \$2,000 one-off tax-exempt payment will be also available to children of families living in outer-regional, rural and remote areas to help meet some of the costs of accessing services.

This ongoing measure delivers on the Government's election commitment.

### Allow Bereavement Allowance for Parenting Payment recipients

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.1	0.2	0.2	0.2
Department of Education, Employment and Workplace Relations	-	-0.1	-0.1	-0.1	-0.2
Total	-	0.0	0.1	0.1	0.1

The Government will provide \$0.2 million over four years to allow Parenting Payment recipients to receive Bereavement Allowance for up to 14 weeks on the death of their partner. Bereavement Allowance provides temporary support to allow the person who has lost his or her partner time to seek alternative arrangements such as employment or other income support.

This change will require an amendment to the *Social Security Act 1991* and will come into effect from 1 January 2012. This brings bereavement arrangements for Parenting Payment in line with other social support payments.

### Australian Disability Enterprises Sector — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	9.8	-	-	-

The Government will provide \$9.8 million in 2011-12 to Australian Disability Enterprises (ADEs) to maintain the existing service level for people with a disability participating in supported employment. This measure provides funding for one year. Future funding arrangements for ADEs will be considered after an independent review of case based funding is completed in 2011.

### Broadband for Seniors — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	2.6	2.6	2.6	2.6

The Government will provide \$10.4 million over four years for the ongoing maintenance of the 2,000 Broadband Kiosks for Seniors. This funding continues the *Helping Seniors Make Ends Meet – Broadband for Seniors* measure announced in the 2008-09 Budget, which provides older Australians with free access to the internet and assists them to gain confidence to use computers through free training in their local communities.

### Building Australia's Future Workforce — Audit of Disability Support Pension new claim assessments

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	-	-	-	-
Department of Human Services	-	-	-	-	-
Total	-	-	-	-	-

The Government will strengthen the Disability Support Pension (DSP) assessment process by auditing a sample of DSP claims.

Health Professional Advice Units (HPAU) located in Centrelink offices help DSP assessors to make a fully informed assessment by providing specialist medical and rehabilitation advice. This measure will draw on the expertise of the HPAU to audit 1 per cent (some 1,612 claims) of recent DSP claim assessments over a 12 month period in 2012-13. The audit will help identify any deficiencies or inconsistencies in the current process.

The cost of the measure will be met from within the existing resources of the Department of Families, Housing, Community Services and Indigenous Affairs and Department of Human Services.

**Building Australia's Future Workforce — Disability Support Pension — allow all recipients to work up to 30 hours a week**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	0.7	2.7	-	-
Department of Families, Housing, Community Services and Indigenous Affairs	-	..	4.0	1.4	-1.3
Total	-	0.8	6.7	1.4	-1.3

The Government will allow all Disability Support Pension (DSP) recipients to work up to 30 hours a week and remain eligible for a part-pension for up to two years.

This will allow recipients granted DSP under the 15 hour a week rule (that is, on or after 11 May 2005) to maximise their working hours without the suspension of their DSP entitlement. DSP recipients will still be subject to the application of the income test.

This measure removes a disincentive for DSP recipients to participate in the workforce and addresses the inconsistent treatment of people granted DSP before or after May 2005. This measure will cost \$7.6 million over four years.

**Building Australia's Future Workforce — Disability Support Pension — participation requirements**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	8.3	14.9	25.7	18.8
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.1	-0.2	-2.5	-2.8
Department of Education, Employment and Workplace Relations	-	-	13.0	13.4	4.0
Total	-	8.4	27.7	36.5	20.1

The Government will introduce participation requirements for new and existing Disability Support Pension (DSP) recipients under the age of 35 with some work capacity from 1 July 2012.

Those recipients who are assessed as having a partial work capacity of eight or more hours per week, and are not working, will be required to attend Centrelink interviews in order to create a participation plan to engage in community interaction and, potentially, employment. Recipients may be referred to Disability Employment Service and Job Services Australia programs to increase their ability to build capacity and re-engage in the community and workforce. Additional funding will be made available for an increased uptake of these services.

Interviews with Centrelink will be held on a quarterly basis for the first 18 months after recipients receive the payment and then twice a year. Participation interviews will continue while the recipient is under the age of 35 and maintains a partial work capacity. Those recipients who are already working, or subsequently find work, will not be required to attend the interviews.

Existing recipients under the age of 35 without an assessed work capacity level, whom Centrelink deem likely to benefit from participation interviews, will undergo a revised assessment to determine whether they have a partial work capacity of eight or more hours per week.

DSP recipients who have a work capacity of less than eight hours a week, or who are already participating in open employment, an Australian Disability Enterprise or the Supported Wage System, will be excluded from the participation requirements.

This measure is expected to cost \$92.8 million over four years.

**Building Australia's Future Workforce — implementation of more efficient and accurate assessments for Disability Support Pension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	55.0	33.7	25.8	25.6
Department of Human Services	-	2.8	1.4	1.1	1.1
Department of Families, Housing, Community Services and Indigenous Affairs	-	-55.5	-53.3	-42.6	-44.6
<b>Total</b>	-	<b>2.3</b>	<b>-18.3</b>	<b>-15.8</b>	<b>-17.9</b>

The Government will bring forward the implementation of *more efficient and accurate assessments for Disability Support Pension and employment services* from 1 January 2012 to September 2011. This measure will provide savings of \$49.7 million over four years.

From 3 September 2011, Disability Support Pension (DSP) claimants will need to provide evidence that they have tested their future work capacity by participating in training or work related activities. This activity test will not apply to claimants who are clearly unable to work due to, for example, profound disability.

The measure will improve assessments for DSP claimants who are currently required to undergo a Job Capacity Assessment to ensure that appropriate options for employment and income support are provided. Job Capacity Assessments will be refined to have a greater focus on a person's potential to work with appropriate capacity building and rehabilitation.

Savings from this measure will be redirected to support other measures in the Building Australia's Future Workforce package.

### Building Australia's Future Workforce — supporting families with teenagers

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	276.1	722.8	899.0	921.3
Centrelink	1.0	-	-	-	-
Department of Veterans' Affairs	-	-0.8	-1.6	-1.6	-1.5
Department of Human Services	-	-3.4	-19.2	-24.9	-25.1
Department of Education, Employment and Workplace Relations	-	-187.9	-502.6	-635.0	-650.8
<b>Total</b>	<b>1.0</b>	<b>84.0</b>	<b>199.4</b>	<b>237.6</b>	<b>244.0</b>
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>					
	-	5.5	-	-	-
<i>Centrelink</i>	<i>0.4</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Total</i>	<i>0.4</i>	<i>5.5</i>	<i>-</i>	<i>-</i>	<i>-</i>

The Government will provide \$771.9 million over five years (including \$5.9 million in capital funding) to improve the adequacy of Family Tax Benefit (FTB) Part A for dependent 16 to 19 year olds in full time secondary study. This will simplify the assistance provided to families with children in this age group, removing the need to choose between Youth Allowance and FTB.

FTB and Youth Allowance will be changed to:

- match the payment rates of FTB Part A for dependent 16 to 19 year olds in full time secondary study to the rates for 13 to 15 year olds. This will increase the level of support provided by FTB by up to \$4,208 a year for 16 and 17 year olds, and up to \$3,741 a year for 18 and 19 year olds;
- align the participation requirement for FTB Part B and the Multiple Birth Allowance with the existing FTB Part A participation requirement. This change will require 16 to 19 year olds to be undertaking full time secondary study, or be exempt from this requirement, to be eligible for these payments; and
- include all 16 to 19 year olds in full time secondary study for the purposes of calculating the Youth Allowance parental income test. This will ensure Youth Allowance recipients do not experience a lower rate of assistance as a result of siblings aged 16 to 19 years old in full time secondary study remaining in the FTB system.

Youth Allowance will continue to be available for 16 to 19 year olds who are independent, away from home or not in full time secondary study, and for people aged 19 years and older. All Youth Allowance recipients aged 16 to 19 on 1 January 2012 will have the option to remain on Youth Allowance.

This measure delivers on the Government's election commitment.

**Building Australia's Future Workforce — targeted locations income management and extension of the School Enrolment and Attendance Measure**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	14.5	19.8	19.7	19.6
Department of Families, Housing, Community Services and Indigenous Affairs	-	4.5	6.3	6.0	6.5
Department of Education, Employment and Workplace Relations	-	0.6	0.2	-	-
<b>Total</b>	<b>-</b>	<b>19.5</b>	<b>26.3</b>	<b>25.7</b>	<b>26.2</b>
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	0.3	-	-	-

The Government will provide \$117.5 million over five years (including \$25.8 million in 2015-16) to introduce, from 1 July 2012, Child Protection and Voluntary Income Management in five locations experiencing high levels of social disadvantage. The scheme will also introduce the Vulnerable Welfare Payment Recipient measure currently operating in the Northern Territory, and will offer the matched savings scheme, the voluntary income management incentive payment, and financial management support services to all eligible clients.

Income management will be targeted at high risk groups, such as very long term unemployed, people referred by a state or territory child protection authority, a Centrelink social worker, or a State Housing Authority (where they have debts or arrears greater than four weeks rent). The trial will be capped at 1000 people per site.

The Government will also provide \$6.4 million over two years to continue the School Enrolment and Attendance Measure (SEAM) in 12 trial locations across the Northern Territory and Queensland for a further 12 months until 30 June 2012.

SEAM places conditions on parents' income support payments to increase the level of school enrolment and attendance in identified communities where school attendance is low. If parents do not take reasonable steps to comply with the requirements, they risk having their income support payments suspended.

### Cape York Welfare Reform Trial — extension

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	4.8	4.2	-	-
Department of Education, Employment and Workplace Relations	-	2.1	2.2	-	-
Department of Human Services	-	1.4	1.5	-	-
Centrelink	-	-	-	-	-
Total	-	8.4	7.8	-	-

The Government will provide \$16.1 million over two years to extend the Cape York Welfare Reform trial in the communities of Aurukun, Coen, Hope Vale and Mossman Gorge until 31 December 2012.

The trial, implemented in partnership with the Queensland Government, the Cape York Institute and regional organisations, will continue policy and leadership initiatives and activities focussed on education, restoring positive social norms and supporting community and individual engagement in the real economy. The trial extension will also include new activities to promote home ownership.

A final evaluation of the trial is expected in mid-2012.

### Child protection and voluntary income management in Western Australia — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	10.8	-	-	-
Department of Families, Housing, Community Services and Indigenous Affairs	-	7.1	-	-	-
Total	-	17.9	-	-	-

The Government will provide \$17.9 million in 2011-12 to continue the income management trial in Western Australia until 30 June 2012. The trial commenced in November 2008.

This measure will continue the provision of Child Protection Income Management and Voluntary Income Management services to people in metropolitan Perth and the Kimberley Region of Western Australia. People are subject to income management if they are referred by the Western Australia Department of Child Protection or if they volunteer. People who are referred have 70 per cent of their welfare or income support payments managed. People who volunteer have 50 per cent of their welfare or income support payments managed.



Funding also includes \$5.7 million in 2011-12 to continue Commonwealth financial counselling and money management services, to support income management and help individuals build financial resilience over the longer term. Services include education, information, financial crisis/debt support, an approved money management course, and referrals to other support services. Services are available to income management clients and to the broader community, with priority given to vulnerable people.

**Community Development Employment Projects program — continuation of grandfathered wage arrangements**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	67.3	-	-	-
Department of Human Services	-	-2.2	-	-	-
Department of Education, Employment and Workplace Relations	-	-58.7	-	-	-
Total	-	6.4	-	-	-

The Government will provide \$68.8 million in 2011-12 for the Community Development Employment Projects (CDEP) program to continue grandfathering arrangements for CDEP wages until 30 June 2012, with CDEP wages to be progressively removed from 1 April 2012.

This measure will also enable Indigenous participants who were on CDEP wages at 30 June 2009 to re-enter the program after absences of more than two weeks.

The continuation of grandfathered wage arrangements for a further nine months will support Indigenous people in remote communities with work and training opportunities. It will also provide stability to the program while consultations are held with stakeholders, including local communities, about the way employment services are delivered. CDEP wage participants will transfer progressively to income support from April 2012.

This measure will be partially offset through reduced costs:

- \$1.5 million from the Department of Families, Housing, Community Services and Indigenous Affairs in income support payments;
- \$58.7 million from the Department of Education, Employment and Workplace Relations (\$47.8 million in income support payments and \$10.9 million in CDEP work experience wage subsidy payments); and
- \$2.2 million from Centrelink associated with the delay in transition of CDEP wage participants to income support.

Further information can be found in the joint press release of 9 December 2010 issued by the Minister for Families, Housing, Community Services and Indigenous Affairs, the Minister for Human Services and the Minister for Indigenous Employment and Economic Development.

**Community Development Employment Projects program — eligibility for the Approved Program of Work Supplement**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Education, Employment and Workplace Relations	-	2.3	6.7	6.7	6.7
Department of Human Services	-	1.9	0.2	0.2	0.2
Department of Families, Housing, Community Services and Indigenous Affairs	-	..	0.1	0.1	0.1
Centrelink	0.1	-	-	-	-
<b>Total</b>	<b>0.1</b>	<b>4.3</b>	<b>7.0</b>	<b>7.0</b>	<b>7.0</b>

The Government will include the Community Development Employment Projects (CDEP) program as an approved program of work for income support payments, at a cost of \$25.5 million over five years. This measure will enable eligible job seekers receiving income support and participating in CDEP to receive the Approved Program of Work Supplement of \$20.80 for each fortnight of activities.

CDEP participants who are recipients of the Newstart Allowance, Youth Allowance (Other), a Parenting Payment (Single or Partnered) or the Disability Support Pension will be eligible for the Supplement which will be paid by Centrelink.

The Approved Program of Work Supplement assists job seekers with the cost of participating in approved work. This measure will provide a consistent approach for income support recipients participating in CDEP and other job seekers participating in approved activities such as Work for the Dole, Droughtforce and Green Corps. CDEP participants who have grandfathered status and receive CDEP wages will not be eligible for the Approved Program of Work Supplement but may be eligible for the CDEP Participant Supplement.

### Disability Support Pension — portability changes

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.6	1.6	1.2	1.1
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.4	-1.4	-8.2	-15.5
Centrelink	0.2	-	-	-	-
Total	0.2	2.0	0.2	-6.9	-14.4

The Government will provide indefinite portability of the Disability Support Pension (DSP) from 1 July 2012, where a recipient has a severe and permanent disability and no future capacity to work. Indefinite portability will allow eligible DSP recipients to continue to receive payments while living overseas. DSP recipients who decide to stay overseas for longer than 13 weeks will no longer be entitled to add-on payments such as the Pension Supplement or Rent Assistance. In addition, if the DSP recipient has a carer accompanying them overseas, Carer Payment and Carer Allowance will also cease at 13 weeks.

The measure also extends portability where a DSP recipient with a severe disability has a carer who is posted overseas for work and wishes to continue their supporting responsibilities. In these circumstances, the DSP recipient will be entitled to continue to receive their pension for the period of their family member's posting, from 1 July 2011.

This measure will result in a net save of \$19.0 million over five years.

Savings from this measure will be redirected to support other Government priorities.

### Emergency Relief and Commonwealth Financial Counselling — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	22.6	26.7	30.7	31.3

The Government will provide \$111.3 million over four years for Emergency Relief and Commonwealth Financial Counselling services to support vulnerable individuals and families across Australia.

This includes additional funding for Emergency Relief which provides assistance to people in financial hardship by providing financial support to purchase necessities. Funding will also be provided for additional financial counsellors across Australia, and to community organisations to provide Foodbank services.

See also the related expense measure titled *Natural disaster recovery and rebuilding – Emergency Relief and Commonwealth Financial Counselling in flood and cyclone affected areas* in the Families, Housing, Community Services and Indigenous Affairs portfolio.

### Family Support Program — indexation changes

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.2	0.5	0.9	1.2

From 1 July 2011, the Family Relationship Services and the Children and Parenting Services components of the Family Support Program will be indexed by a wage cost index (WCI) consistent with Government indexation arrangements for all programs with substantial wage costs. This will replace the current arrangement whereby the Family Relationship Services component is indexed by a WCI more appropriate for programs with a significant goods and services cost.

This measure will also remove a historical efficiency dividend applied to the Services for Family with Children component.

This measure will cost \$2.9 million over four years.

### Family Tax Benefit Part A — more flexible advances

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	22.0	11.6	11.2	11.2
Department of Families, Housing, Community Services and Indigenous Affairs	-	-	-	-	-
Centrelink	3.5	-	-	-	-
<b>Total</b>	<b>3.5</b>	<b>22.0</b>	<b>11.6</b>	<b>11.2</b>	<b>11.2</b>
<i>Related capital (\$m)</i>					
Department of Human Services	-	1.3	-	-	-
Centrelink	1.6	-	-	-	-
<b>Total</b>	<b>1.6</b>	<b>1.3</b>	<b>-</b>	<b>-</b>	<b>-</b>

The Government will provide families in receipt of Family Tax Benefit Part A with more flexible access to advance payment of their entitlements, allowing them to better meet unexpected expenses, at a cost of \$62.4 million over five years (including \$2.9 million in capital funding).

From 1 July 2011, families will be eligible for an advance of up to 7.5 per cent, up to a maximum of \$1,000, of their annual Family Tax Benefit Part A entitlement. Advances will be repaid over six months by reducing future fortnightly Family Tax Benefit payments. Payment of advances will be subject to an assessment of a family's ability to repay the advance without falling into financial hardship. Advances can be taken at any point throughout the year.

Families will also be able to apply to receive an advance of the minimum amount of around \$160 on a regular basis, paid every six months. Families who choose to receive a continuous advance will also be able to take one-off advances to cope with unexpected expenditure requirements.

This measure delivers on the Government's election commitment.

### Financial Literacy and Micro-Finance Projects — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	14.6	15.0	15.3	15.7

The Government will provide \$60.6 million over four years to continue until 2014-15 micro-finance, financial literacy and money management projects funded under the *Nation Building and Jobs Plan* in the 2009-10 Budget.

The Government will continue to support not-for-profit organisations including the Brotherhood of St Laurence and Good Shepherd to provide financial counselling and micro-finance products such as StepUp Loans, No Interest Loans Scheme and Saver Plus products in areas of high needs. These products assist low income and vulnerable Australians to access mainstream financial services.

This measure also includes \$6.2 million over four years to support financial literacy services for Indigenous people across Australia.

### Gender Equality in the Workplace

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Equal Opportunity for Women in the Workplace Agency	-	2.6	2.3	2.3	2.4
Department of Families, Housing, Community Services and Indigenous Affairs	-	-0.8	-0.8	-0.8	-0.8
Total	-	1.8	1.5	1.6	1.5
<i>Related capital (\$m)</i>					
Equal Opportunity for Women in the Workplace Agency	-	0.8	0.8	-	-

The Government will provide \$11.2 million over four years (including \$1.6 million of capital funding) to increase gender equity in the workplace by amending the *Equal Opportunity for Women in the Workplace Act 1999* (the Act) and providing additional resources to the Equal Opportunity for Women in the Workplace Agency to be renamed the Workplace Gender Equality Agency.

The Act will be amended to explicitly refer to pay equity for both men and women and to require the Workplace Gender Equality Agency to publish information on progress towards gender pay equity. An online reporting framework for employers will be developed to enhance compliance with the reformed Act and assistance will be provided to help employers comply with the new requirements.

This measure will be partially offset by a redirection of funding from the Department of Families, Housing, Community Services and Indigenous Affairs of \$3.1 million from the Women’s Leadership Development program. Funding of \$13.6 million over four years will remain available in this program to support women’s organisations to work with diverse groups of women in the community and assist them in engaging in current policy debates.

This measure delivers on the Government’s election commitment to improve gender pay equity in the private sector.

Further information can be found in the press release of 9 March 2011 issued by the Minister for the Status of Women.

### Healthy Start for School

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	3.5	1.2	1.2	1.4
Department of Families, Housing, Community Services and Indigenous Affairs	-	-	-	-	-
Centrelink	4.7	-	-	-	-
Medicare Australia	0.1	-	-	-	-
Total	4.8	3.5	1.2	1.2	1.4

The Government will provide \$12.1 million over five years to introduce a requirement that children of parents on income support receive a health assessment before starting school. From 1 July 2011, the payment of the end of year Family Tax Benefit Part A supplement to parents on income support with a child turning four will be conditional on the child undergoing a pre-school health assessment. Families will have up to two years after the end of the year their child turns four to meet the health check requirement and notify Centrelink before losing eligibility for the Family Tax Benefit Part A Supplement.

This measure delivers on the Government's election commitment.

### Helping Children with Autism — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	13.7	15.0	-	-	-

The Government will provide \$28.7 million over two years to meet increased demand for early intervention services provided through the Helping Children with Autism (HCWA) initiative.

The HCWA package provides access to early intervention services for children up to the age of seven years old who were diagnosed with an Autism Spectrum Disorder by the age of six. Early intervention facilitates improved cognitive, emotional and social development prior to a child starting school.

The additional funding will ensure the continuity of service provision for children with autism at a time when evidence demonstrates that early intervention would have the most impact on their long term functioning and capacity to participate both economically and socially.

### National Mental Health Reform — Expanding community mental health services — additional Family Mental Health Support services

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	2.3	8.9	13.3	18.0

The Government will provide \$61.0 million over five years (including \$18.5 million in 2015-16) to provide an additional 40 Family Mental Health Support services.

These services provide prevention and early intervention support and assistance for families and children to address mental health issues early in life and early in the onset of mental illness. They have a particular focus on young carers and vulnerable children, including those who have been identified as being at risk of mental illness.

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — expanding community mental health services — additional personal helpers and mentors and respite services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	7.3	29.6	51.9	59.4

The Government will provide \$208.3 million over five years (including \$60.2 million in 2015-16) to expand and integrate Personal Helpers and Mentors and respite services.

This will provide greater access to intensive, one-on-one support for people with persistent and/or episodic mental illness to aid recovery and reduce social isolation, with a focus on employment and educational outcomes. It will also provide improved access to respite for their families and carers.

As part of this expansion, \$50.0 million will be allocated to provide personal helpers and mentors to specifically help people with mental illness on, or in the process of claiming, income support including, the Disability Support Pension, and who are participating in employment services.

This measure is part of the Government's *National Mental Health Reform* package.

**Natural Disaster Recovery and Rebuilding — Emergency Relief and Commonwealth Financial Counselling in flood and cyclone affected areas.**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	11.2	5.6	-	-

The Government will provide \$16.8 million over two years for additional Emergency Relief and Commonwealth Financial Counselling services in areas of Queensland, Victoria and New South Wales that have been affected by the recent natural disasters. These are areas where Natural Disaster Relief and Recovery Arrangements declarations are in place.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 16 April 2011 issued by the Parliamentary Secretary for Community Services and the related expense measure titled *Emergency Relief and Commonwealth Financial Counselling – continuation* in the Families, Housing, Community Services and Indigenous Affairs portfolio.



**Paid Paternity Leave — implementation — new start date**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.7	-32.2	..	1.1
Office of the Fair Work Ombudsman	-	-0.2	-0.9	-0.8	-0.6
Total	-	0.5	-33.1	-0.8	0.5
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	-	0.4	0.1	-

The Government will defer the implementation of Paid Paternity Leave by six months from 1 July 2012 until 1 January 2013. The measure will provide eligible working fathers, and other partners who are providing full-time care or sharing the child's care, with two weeks paternity leave paid at a rate equivalent to the national minimum wage for children born on or after 1 January 2013. The delay will provide savings of \$33.3 million over four years.

Savings from this measure will be redirected to support other Government priorities.

**Protective behaviours pilot program — school students**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.4	-	-	-

The Government will provide \$0.4 million in 2011-12 to expand the Protective Behaviours pilot program.

The pilot is based on All Children Being Safe which was developed by the National Association for the Prevention of Child Abuse and Neglect (NAPCAN). It is an early primary school program designed to increase students' awareness and skills about personal safety.

This measure aligns with the Australian Government's commitment to improving the wellbeing and safety of children under the *National Framework for Protecting Australia's Children*.

### Provisional Partner Visa Holders — Entitlement to Special Benefit

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.1	-0.9	-1.0	-1.1
Department of Education, Employment and Workplace Relations	-	0.7	1.4	1.5	1.6
Department of Families, Housing, Community Services and Indigenous Affairs	-	-1.6	-11.9	-13.8	-14.2
Total	-	0.2	-11.3	-13.4	-13.6

The Government will more closely align the rules for Special Benefit payment for Provisional Partner Visa holders with those for other newly arrived migrants.

From 1 January 2012, a Provisional Partner Visa holder will be required to wait two years or be able to demonstrate a substantial change in their circumstances after arrival in Australia and be in hardship, to be eligible for the payment of Special Benefit. This measure will also remove the requirement for an Assurance of Support to be provided for holders of this type of visa.

This measure will achieve savings of \$38.2 million over four years.

Savings from this measure will be redirected to support other Government priorities.

### Reform of Family Payments — Aligning Family Tax Benefit Part A eligibility with Youth Allowance age of independence

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.5	-0.1	-0.2	-0.2
Department of Families, Housing, Community Services and Indigenous Affairs	-	-0.9	-7.5	-10.2	-11.6
Total	-	0.6	-7.6	-10.4	-11.8

The Government will, from 1 January 2012, limit the eligibility for Family Tax Benefit (FTB) Part A to children up to the age of 21 years, recognising that young people aged 22 and over are considered independent. When a child turns 22 years of age, parents will no longer be able to receive FTB Part A for that child. However the child may be eligible to receive Youth Allowance subject to usual means testing and academic progress rules. This will bring FTB Part A in line with the Youth Allowance age of independence from 1 January 2012.

This measure will provide savings of \$29.2 million over four years.

Savings from this measure will be redirected to support other Government priorities.

**Reform of family payments — pause indexation of Family Tax Benefit supplements for three years**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	0.2	-0.1	-0.2	-0.5
Centrelink	0.2	-	-	-	-
Department of Families, Housing, Community Services and Indigenous Affairs	-	-77.0	-179.0	-267.9	-278.8
<b>Total</b>	<b>0.2</b>	<b>-76.8</b>	<b>-179.1</b>	<b>-268.1</b>	<b>-279.3</b>

The Government will pause indexation of the Family Tax Benefit (FTB) Part A and B supplements for three years. The FTB supplements will be fixed at the current 2010-11 levels of \$726.35 per annum per child for FTB Part A and \$354.05 per annum for FTB Part B until 1 July 2014.

The supplements would ordinarily be indexed by the Consumer Price Index. The measure is expected to result in net savings of \$803.2 million over five years.

Savings from this measure will be redirected to support other Government priorities.

**Reform of family payments — pause indexation of upper limits and thresholds for a further two years**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	0.1	-5.0	-14.5	-14.7
Department of Health and Ageing	-	-	-0.4	-2.0	-3.5
Australian Taxation Office	-	-	-20.0	-40.0	-45.0
Department of Families, Housing, Community Services and Indigenous Affairs	-	-	-205.5	-415.0	-425.8
<b>Total</b>	<b>-</b>	<b>0.1</b>	<b>-230.9</b>	<b>-471.6</b>	<b>-489.0</b>
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	-	0.5	3.5	6.5

The Government will pause indexation of family payment higher income thresholds and limits at their current level until 1 July 2014.

The following higher income thresholds and limits will remain fixed until 1 July 2014: Family Tax Benefit (FTB) Part B primary earner income limit, which will remain at \$150,000; the income limit for receiving the dependency tax offsets, which will remain at \$150,000; the Baby Bonus eligibility limit, which will remain at \$75,000 of family income in the six months following the birth or adoption of a child, equivalent to \$150,000 a year; the Paid Parental Leave primary carer income limit, which will remain at \$150,000 in the financial year before the birth or adoption of a child; and the higher income-free threshold of FTB Part A, which will remain at \$94,316 of family income, with an additional \$3,796 provided for each child after the first.

Income limits are the amount a family can earn before they are no longer eligible for family payments, and the higher income-free area for FTB Part A is the income level at which FTB payments begin to reduce. The FTB Part A income cut-off for each family varies depending on the number and age of their children.

These thresholds and limits would ordinarily be indexed by the Consumer Price Index. The measure is expected to result in savings of \$1,201.9 million over four years. The measure reforms family payments by better targeting family assistance to those families most in need of help with the cost of raising their children.

Savings from this measure will be redirected to support other Government priorities.

### Social Security Agreement with Hungary

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.4	2.8	0.4	0.4
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.1	-0.4	-0.4	-0.4
Total	-	1.6	2.4	0.0	-0.1
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	..	..	..	..

The Government will provide \$3.7 million over four years to implement the new Social Security Agreement with Hungary.

This agreement will commence on 1 July 2012 and will improve access to the Age Pension for people who have spent part of their working life in both Australia and Hungary. Australia and Hungary will share responsibility for the pension, each paying a portion of their pension based on relevant eligibility criteria and the period of residence that recipients have accrued in each country.

These arrangements also deal with 'double coverage' of social security or superannuation contributions where employees are seconded to work overseas. To avoid social security or superannuation contributions being paid by employers in both jurisdictions, the agreement clarifies that the obligation will only apply in the employee's home country.

### Strengthening Compliance for Child Support

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	10.8	10.9	11.0	11.5
Department of Families, Housing, Community Services and Indigenous Affairs	-	-29.6	-30.4	-31.1	-31.9
Total	-	-18.7	-19.4	-20.1	-20.4

The Government will change the method under which a Child Support payer's income is assessed to more accurately reflect their actual income. The changes will take effect from 1 July 2011 and will only apply to those payers who have not lodged a tax return for two or more years. This change will increase the average rate of Child Support payments, reducing Child Support recipients' Family Tax Benefit entitlements, which will result in savings of \$78.7 million over four years.

Currently, Child Support payers who are late lodging or fail to lodge a tax return for two years or more have their Child Support assessment based on a default income of two thirds of Male Total Average Weekly Earnings (MTAWE), often resulting in an underestimation of their actual income. Under the new arrangements, such clients will have their income assessment based on their last known taxable income, indexed by growth in average wages during the period since their last return. The default income of two thirds of MTAWE will still be used in cases where the last known taxable income, indexed by growth in average wages, is lower than the default income.

Savings from this measure will be redirected to support other Government priorities.

This measure delivers on the Government's election commitment.

### Supporting Grandparent Carers — peer support groups

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.3	0.3	0.3	0.3

The Government will provide \$1.2 million over four years to establish 25 MyTime for Grandparents Peer Support Groups around the country for grandparent carers to meet, share information and experiences, and support each other. The Government will also establish dedicated grandparent advisors in selected Centrelink offices.

This measure delivers on the Government's election commitment.

**Youth Insearch Foundation — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	-	-	-	-

The Government will provide \$1.6 million over four years to the Youth Insearch Foundation.

Youth Insearch is a not-for-profit organisation which provides weekend and holiday programs for disadvantaged youth in Victoria, New South Wales and Queensland. These programs are designed to assist young people to tackle a variety of issues such as drug and alcohol abuse, physical, sexual and emotional abuse and family issues.

The cost of this measure will be met from within the existing resourcing of the Department of Families, Housing, Community Services and Indigenous Affairs.

## FINANCE AND DEREGULATION

### Australian Electoral Commission — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Electoral Commission	-	10.0	-	-	-

The Government will provide \$10.0 million in 2011-12 to maintain the operating capacity of the Australian Electoral Commission (AEC). A financial review of the AEC will be undertaken prior to the 2012-13 Budget.

### Capped Entitlement in Exceptional Circumstances for Members and Senators — supplementation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Finance and Deregulation	0.2	-0.2	-	-	-

The Government will establish a supplementary entitlement of \$20,000 per Senator or Member for each financial year. The entitlement would be used in situations where additional entitlement expenditure is warranted as a result of a natural or other disaster.

The additional entitlement would only apply when the capped entitlements of a Senator or Member are not sufficient to address the unforeseen event. In the first instance, the Special Minister of State (SMOS) will have the discretion to allow additional entitlements to be offset from drawing down on capped entitlements for the following financial year up to a maximum of \$20,000. The SMOS will only consider additional supplementation where the SMOS deems that a draw down arrangement will not sufficiently address the unforeseen event.

The financial impact of this measure is based on twelve applications for the supplementary entitlement in 2010-11, which is expected to be offset by a reduction in the Senators' and Members' capped entitlements in 2011-12.

### Government and non-Government Parliamentarians staff — additional positions

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Finance and Deregulation	0.7	1.6	1.6	1.6	1.6

The Government will provide \$7.2 million over five years to increase the number of Government and non-Government personal employees by a total of 10 positions.

The additional staff will allow Members and Senators to better manage their workload and provide them with greater capacity for consultation.

**Improving Access to Australian Government Services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Finance and Deregulation	-	2.3	-	-	-

The Government will provide \$2.3 million in 2011-12 to investigate and test ways to improve individuals' ease of use and access to Australian Government services. This funding will be used for a scoping study, technical pilot and business case. Improvements to be explored include allowing individuals to communicate updated details to multiple agencies simultaneously, pre-fill forms using information previously submitted to a government agency, and the ability for the individual to view all their government communications in one place.



## FOREIGN AFFAIRS AND TRADE

### Border Security — Combating people smuggling — enhanced intelligence capability

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Secret Intelligence Service	-	7.4	7.3	-	-
<i>Related capital (\$m)</i>					
Australian Secret Intelligence Service	-	0.2	-	-	-

The Government will provide \$14.8 million over two years to enhance the intelligence-related capabilities of the Australian Secret Intelligence Service.

This measure is part of the Australian Government's response to people smuggling.

### Border Security — international engagement to prevent and disrupt maritime people smuggling

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	-	4.5	4.5	-	-
Various Agencies	-8.6	-	-	-	-
Total	-8.6	4.5	4.5	-	-

The Government will provide \$9.0 million over two years to enable the Department of Foreign Affairs and Trade to continue existing preventative people smuggling initiatives. This measure will continue Australia's increased engagement with key regional countries on people smuggling.

This measure provides funding for the continuation of the Canberra based Ambassador for People Smuggling, Canberra based support staff, positions in Jakarta, Colombo, Islamabad and Kuala Lumpur and the annual Bali process meetings at ministerial and senior official levels.

This measure is part of the Australian Government's response to people smuggling. The people smuggling measures are partially offset by a \$8.6 million reduction in funding set aside in the 2010-11 Official Development Assistance provision in the Contingency Reserve. The reduction does not impact on the Government reaching the target spending of 0.33 per cent of Gross National Income on Official Development Assistance in 2010-11.

### Consular Services — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	-	4.0	-	-	-

The Government will provide \$4.0 million in 2011-12 to the Department of Foreign Affairs and Trade to supplement consular services. The funding is being provided following a number of recent events which have placed significant pressure on existing resources, including the Christchurch and Japan natural disasters and the civil unrest in Egypt and Libya.

### International Australian Television Service — The Australia Network

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	-	-	-	-	-

The Government will provide up to \$223.1 million over 10 years for the continuation of an international Australian television service. *The Australia Network* is designed to promote Australia's image in the Asia-Pacific region. It will also be used to provide consular information to Australians living abroad, particularly in times of crisis. This service has been provided since 1993, at times by commercial broadcasters, and is currently provided by the Australian Broadcasting Corporation under a five year contract with the Department of Foreign Affairs and Trade.

The Government has decided that the next Australia Network contract will be for a 10 year period (2011-2021) and a request for tender for the service was issued on 4 February 2011.

Provision for this funding has already been included in the forward estimates.

Further information can be found in the press release of 23 November 2010 issued by the Minister for Foreign Affairs.

### Japan Earthquake and Tsunami — donation to the Red Cross Japan and Pacific Disaster Appeal

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	10.0	-	-	-	-

The Government donated \$10.0 million to the Red Cross Japan and Pacific Disaster Appeal Fund to support relief operations and to provide emergency relief, equipment and assistance to affected communities and families in Japan following the earthquakes and tsunamis of 11 March 2011. The Australian Red Cross is managing and distributing assistance from the Appeal Fund.

Further information can be found in the press release of 21 March 2011 issued by the Prime Minister.

### National Security — Baghdad Embassy civilian security arrangements — final transition

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	-	13.4	-	-	-
Department of Defence	-	-	-	-	-
Total	-	13.4	-	-	-
<i>Related revenue (\$m)</i>					
Australian Taxation Office	-	-0.2	..	-	-
<i>Related capital (\$m)</i>					
Department of Foreign Affairs and Trade	-	3.1	-	-	-

The Government will provide \$17.5 million in 2011-12 (including capital funding of \$3.1 million) to continue security measures for the Australian embassy and staff in Baghdad. The funding will enable the final transition of responsibility for security from the Australian Defence Force (ADF) to the Department of Foreign Affairs and Trade.

The cost of the ADF component (\$1.0 million) will be met from within the existing resources of the Department of Defence. This measure is also expected to lead to a reduction in revenue of \$0.2 million in 2011-12, as ADF personnel are taxed concessionally on their base pay and allowances while on deployment.

This measure is in addition to the *Baghdad Embassy – transition towards civilian security arrangements* measure announced in the 2010-11 Budget.

**National Security — reprioritisation of resources — savings**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Secret Intelligence Service	-	-7.4	-7.4	-	-

The Government has identified savings of \$14.8 million over two years through implementing a range of efficiencies in the intelligence gathering effort of the Australian Secret Intelligence Service.

Savings from this measure will be redirected to support other national security priorities.

See also the related expense measure titled *Border Security – combating people smuggling – enhanced intelligence capability*.

**National Security — United Nations Security Council — final phase**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Foreign Affairs and Trade	-	-	-	-	-

The Government will provide \$10.5 million over two years to continue Australia’s campaign for a non permanent seat on the United Nations Security Council.

This measure will support: additional positions in New York and Canberra; additional funding for small posts; Special Envoys; and public diplomacy.

This measure builds upon previous measures *United Nations Security Council Candidacy* announced in the 2009-10 Budget and the *Mid-Year Economic and Fiscal Outlook 2008-09*; and will be met from within the existing resourcing of the Department of Foreign Affairs and Trade.

**Official development assistance — Australian Civilian Corps — deployment funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	5.0	7.0	10.0	10.0

The Government will provide \$32.0 million over four years to fund small-scale Australian Civilian Corps (ACC) deployments. The ACC provides a capability to deploy civilian specialists to countries experiencing or emerging from a natural disaster or conflict. The deployment funding will ensure civilian specialists can be deployed at short notice. These civilian specialists will contribute to Australia's efforts to assist stabilisation and recovery in affected countries.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

Further information on the first deployment of ACC specialists can be found in the measure *Official development assistance – Australian Civilian Corps – Haiti deployment*.

### **Official development assistance — Australian Civilian Corps — Haiti deployment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	0.3	0.3	-	-	-

The Government will provide \$0.7 million over two years to fund an Australian Civilian Corps (ACC) deployment to Haiti. An ACC deployed specialist will be seconded to the Interim Haiti Recovery Commission to assist with coordinating and monitoring international donor activities.

The ACC was established in 2009 as an initiative to deploy civilian specialists to support stabilisation and recovery efforts to countries experiencing or emerging from natural disasters or conflicts.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure forms part of the Government's commitment to increase Australia's official development assistance over the long term.

### **Official development assistance — Australia's contribution to international debt relief**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	-	-	-	-

The Government will provide \$106.8 million in 2010-11 to finance Australia's share of contributions to the Heavily Indebted Poor Countries Initiative (HIPC), the Multilateral Debt Relief Initiative (MDRI), arrears clearance provided by the World Bank and compensation to the International Development Association for grants foregone.

HIPC is a joint International Monetary Fund (IMF) and World Bank initiative for debt reduction where the international financial community work together to reduce to sustainable levels, the external debt burdens of the most heavily indebted poor countries.

MDRI enables the World Bank, the African Development Bank and the IMF to provide 100 per cent relief on eligible debt to a group of low-income countries that are pursuing sound adjustment and reform programs, to help them advance toward the United Nations’ Millennium Development Goals.

The fiscal impact is in 2010-11 with payments to be made over 10 years.

This measure includes \$72.0 million to be offset from the provision for expanded aid funding held in the Contingency Reserve, and was included as a “decision taken but not yet announced” in the 2010-11 Budget. The remaining \$34.8 million will be met from within existing AusAID resources.

This measure is part of the Government’s commitment to increase Australia’s official development assistance over the long term.

#### **Official development assistance — Expanding aid in Indonesia and South East Asia**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	41.8	79.6	220.6	353.7
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	..	..	..	..
<i>Related capital (\$m)</i>					
<i>AusAID</i>	-	1.1	0.4	-	-

The Government will provide \$697.1 million over four years (including \$1.4 million in capital funding) to expand aid in Indonesia and the South East Asian region. This measure will address aid priorities in Indonesia (\$492.8 million) through assistance for basic and tertiary education, including the construction of 2,000 additional junior secondary schools in poorer districts.

It will also fund water and sanitation initiatives (\$148.7 million), reducing violence against women initiatives (\$34.3 million) and tackling avoidable blindness initiatives (\$21.3 million) in the South East Asian region.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is also expected to lead to a reduction in revenue of \$0.1 million over four years as AusAID officers are taxed concessionally on their base pay and allowances while on deployment.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

### **Official development assistance — Expanding aid to Africa, South and Central Asia and the Middle East**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	44.0	31.1	131.2	242.1	376.2
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	-0.1	-0.1	-0.1	-0.1
<i>Related capital (\$m)</i>					
<i>AusAID</i>	-	0.7	1.8	-	-

The Government will provide \$827.1 million over five years (including \$44.0 million in 2010-11 and \$2.5 million in capital funding) to expand aid in Africa, South and Central Asia and the Middle East.

This measure will address aid priorities in Africa by contributing to initiatives in maternal and child health, community engagement, humanitarian and peace building and assist in providing basic services in the Middle East. In addition, this measure will fund cross-regional initiatives to address water, sanitation and hygiene issues and reduce violence against women.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is also expected to lead to a reduction in revenue of \$0.2 million over four years as AusAID officers are taxed concessionally on their base pay and allowances while on deployment.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

**Official development assistance — Non-Government Organisations, Volunteer and Community programs**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	18.7	40.1	78.1	107.1

The Government will provide \$244.0 million over four years to expand AusAID's existing Non-Government Organisations (NGO), Volunteer and Community Programs. This funding will deliver on the Government's election commitment to increase the number of new volunteers recruited each year to 1,000 as part of Australia's volunteer program and will double the size of the AusAID NGO Cooperation Program (ANCP). The expansion of the ANCP will enhance existing community-based programs in Asia, the Pacific, Africa, the Middle East and Latin America.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

**Official development assistance — sixteenth replenishment of the World Bank's International Development Association**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	-	-	-	-
<i>Related capital (\$m)</i>					
AusAID	-	-	-	-	-

The Government will provide a contribution to maintain Australia's share in the International Development Association (IDA). This payment will have a fiscal impact of \$206.0 million in 2010-11, including a supplementary contribution of \$100.0 million.

IDA is the concessional lending arm of the World Bank which aims to reduce poverty by providing interest-free credits and grants for programs that boost economic growth, reduce inequalities and improve people's living conditions.

The Government will also contribute an additional \$517.6 million over 10 years to IDA as a loan component. The provision of loans from the Budget and their repayment affect only the composition of Government assets and as such this loan component has no impact on the fiscal balance.

Funding for this measure will be met from within the provision for expanded aid funding held in the Contingency Reserve and from existing AusAID resources, and was included as a 'decision taken but not yet announced' in the 2010-11 Budget.



This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

**Official development assistance — support for education and ending violence against women in Papua New Guinea and the Pacific**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	4.4	8.7	51.2	86.2
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	..	..	..	..

The Government will provide \$150.6 million over four years to increase development and humanitarian assistance in Papua New Guinea (PNG) and the Pacific. This includes \$124.5 million to expand the access that children have to basic education and ensure they have opportunities to better access further education, training and employment. This funding will focus on assisting children in the Solomon Islands, Vanuatu, Tonga and Samoa.

\$26.0 million will also be provided to expand existing programs addressing high levels of violence against women in PNG and the Pacific by increasing existing support to the United Nations and civil society organisations and working with partner governments to improve health services for women who have experienced violence.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is also expected to lead to a reduction in revenue of \$0.1 million over four years as AusAID officers are taxed concessionally on their base pay and allowances while on deployment.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

**Official development assistance — termination of the Pacific Land Program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
AusAID	-	-21.8	-22.3	-22.8	-23.3

The Government has identified savings of \$90.2 million over four years by ceasing the 2008-09 Budget measure *Overseas development assistance – Pacific land program*.

Land reform remains an important economic and livelihood issue in the Pacific region. Australia will continue to support land reform in a flexible way, through supporting the efforts of Pacific countries reflecting the unique circumstances of each country. Ongoing funding for this reform agenda will therefore be accommodated in individual country programs and not through a regional initiative.

These savings will be redirected to fund other official development assistance priorities.

## HEALTH AND AGEING

### Aged Care — additional community places

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	5.1	-11.7	-27.0	-34.8	-57.8
Department of Veterans' Affairs	-7.9	-14.8	-18.1	-20.3	-24.3
Total	-2.8	-26.6	-45.2	-55.1	-82.1

The Government will ensure additional high-level community aged care places are made available by temporarily adjusting the balance between high-level community aged care and high-level residential aged care.

This measure reflects the current preference of many older people to stay in their own home for as long as possible while accessing care services.

This measure will provide savings of \$211.7 million over five years from 2010-11, due to the lower costs associated with delivering care at home.

As part of the Government's commitment to reform of the aged care system it will consider long term funding for community and residential aged care.

### Aged Care — Residential aged care viability supplement — continuation and expansion

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	13.3	-	-	-
Department of Veterans' Affairs	-	2.4	-	-	-
Department of Human Services	-	0.2	-	-	-
Total	-	15.8	-	-	-
<i>Related capital (\$m)</i>					
Department of Human Services	-	0.2	-	-	-

The Government will provide \$16.0 million in 2011-12 to continue and expand the 2009-10 Budget measure *Aged care viability supplements – increase*. This funding includes \$8.3 million to continue the increased residential viability supplement available to eligible aged care providers, and \$7.7 million to provide a further supplement to aged care homes in rural and remote Australia that are facing financial pressure. These homes include those that specialise in caring for homeless and Indigenous Australians.

The viability supplement helps to ensure aged care providers in rural and remote locations remain viable.

Viability supplements are paid to eligible aged care providers who provide Residential Care, Multi-Purpose Services and Aboriginal and Torres Strait Islander Flexible Services. Eligibility is determined by a points system which determines the level of supplement provided to the aged care provider.

The Government will be reviewing aged care funding arrangements following the outcome of the Productivity Commission inquiry into aged care, *Caring for Older Australians*.

### **Aged care accommodation facility in Hughenden — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	4.4	-	-	-

The Government will provide \$4.4 million in 2011-12 towards the development of an aged care accommodation facility at Hughenden, Queensland. The facility will include an accommodation and recreation area for older Australians as well as providing a centre for the local council to base its aged care services.

### **Australian National Radiation Dose Register — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Radiation Protection and Nuclear Safety Agency	-	0.6	0.5	0.4	0.4
Department of Resources, Energy and Tourism	-	-0.6	-0.5	-0.4	-0.4
Total	-	-	-	-	-

The Government will provide \$1.9 million over four years to continue the Australian National Radiation Dose Register (ANRDR) for the uranium mining and milling industry.

The ANRDR is a database designed to record the radiological dose history of workers in the uranium mining and milling industry. This ensures that occupationally exposed workers are supported through accurate recording of any potential radiation doses they receive in the course of their normal duties.

This measure builds on the 2008-09 Budget measure *Management of Australia's uranium resources*.

The cost of this measure will be met from within the existing resourcing of the Department of Resources, Energy and Tourism.

**Australian Red Cross Society — additional funding — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	5.1	-	-	-

The Government will provide \$5.1 million in 2011-12 to the Australian Red Cross Society. This extends the 2009-10 Budget measure titled *Australian Red Cross Society – additional funding* for a further year. These funds will assist the Australian Red Cross Society to perform its health-related work in humanitarian relief and community support in Australia and the region.

**Better access initiative for occupational therapists and social workers — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-
Medicare Australia	-	-	-	-	-
Total	-	-	-	-	-

The Government will provide \$52.6 million over four years from 2010-11 to allow social workers and occupational therapists to continue to provide Medicare funded mental health services under the Better Access to Mental Health Care initiative.

Funding for this measure was included as a 'decision taken but not yet announced' in the *Mid-Year Economic and Fiscal Outlook 2010-11*.

Further information can be found in the joint media release of 12 November 2010 issued by the Minister for Health and Ageing and the Minister for Mental Health and Ageing.

**Bringing Them Home and Expanding Link Up Programs for the Stolen Generations — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	2.5	10.3	11.9	14.4

The Government will provide \$39.1 million over four years to continue the Link Up and Bringing Them Home programs. These programs assist Aboriginal and Torres Strait Islander peoples separated from their families as a result of past removal policies with counselling, tracing their family, and family reunions.

**Cancer Australia — building cancer expertise in the new Cancer Australia**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Cancer Australia	-	-0.5	-0.4	0.5	0.4

The Government will redirect \$20.0 million over four years of Cancer Australia's existing funding from administered programs to departmental expenses as part of the transition to the new Cancer Australia, which will commence operations on 1 July 2011. This will enable Cancer Australia to directly employ scientific researchers and clinical experts in the research and treatment of cancers, develop best practice treatment practices, and engage with clinicians and patient groups to improve cancer care across all cancer groups.

Funding of \$0.9 million will also be reprofiled across the forward estimates as part of this measure.

See also the related expense measure titled *Cancer Australia – maintaining support for women with gynaecological cancers*.

**Cancer Australia — maintaining support for women with gynaecological cancers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Cancer Australia	-	1.2	1.6	1.6	1.6

The Government will provide \$6.1 million over four years to continue supporting the National Centre for Gynaecological Cancers. This funding will assist the Centre to provide resources to health professionals for the treatment of gynaecological cancer, commission research and clinical trials, and maintain cancer information resources for consumers.

Following the merger of Cancer Australia and the National Breast and Ovarian Cancer Centre from 1 July 2011, the National Centre for Gynaecological Cancers will operate as part of the new Cancer Australia.

See also the related expense measure titled *Cancer Australia – building cancer expertise in the new Cancer Australia*.

**Cancer Australia — supporting men with prostate cancer**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Cancer Australia	-	1.3	1.3	1.3	-

The Government will provide \$4.0 million over three years for Cancer Australia to support the Prostate Cancer Foundation of Australia to deliver a support program for men with prostate cancer. This funding will be used to develop support kits and self management aids for those diagnosed with prostate cancer, as well as information and support for families and carers. This measure also provides seed funding to establish 90 support groups.

**Coordinated diabetes care — pilot**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-

The Government will provide \$30.0 million over four years from 2010-11 to develop and implement a pilot program to trial the proposed design and patient outcomes of the 2010-11 Budget measure titled *National Health and Hospitals Network – General practice and primary care – coordinated diabetes care*.

Funding for this measure was included as a ‘decision taken but not yet announced’ in the *Mid-Year Economic and Fiscal Outlook 2010-11*. See also the related expense measure titled *National Health and Hospital Network – General practice and primary care – coordinated diabetes care – deferral*.

Further information can be found in the press release of 12 November 2010 issued by the Minister for Health and Ageing.

**Council of Australian Governments Diabetes Grants — rationalisation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-16.2	-16.5	-16.8

The Government will cease funding from 2012-13 for the diabetes grant component of the 2007-08 Budget measure *COAG – reducing the risk of type-2 diabetes*.

The Minister for Health and Ageing has announced the commencement of a pilot of the Coordinated Care for Diabetes reform, which aims to address the growth in type-2 diabetes. The pilot will test a new model of care to provide greater flexibility in the delivery of general practice primary health care services for the treatment and ongoing management of people with diabetes.

Further information can be found in the press release of 12 November 2010 issued by the Minister for Health and Ageing.

This measure will provide savings of \$49.5 million over three years. Savings from this measure will be redirected to support other Government priorities.

#### **Dental Health — dental internship year**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	14.3	17.2	11.0	10.2

The Government will provide \$52.6 million over four years to introduce a voluntary dental internship year. Up to 50 voluntary dental internship places will be funded per annum, commencing in 2013.

Funding will also be used to establish infrastructure to support the intern places and to cover costs associated with implementing and evaluating the scheme.

This measure targets the public dental health system and intern placements will generally be in public dental facilities.

#### **Dental Health — National Advisory Council**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	0.5	-	-	-

The Government will provide \$0.5 million in 2011-12 to fund a National Advisory Council on Dental Health.

The Advisory Council will comprise members with expertise on dental health care in Australia. Secretariat support will be provided by the Department of Health and Ageing.

The Advisory Council will assist the Government through the development and provision of advice to the Minister for Health and Ageing on dental health, including prioritising areas for improvement.

In line with the Government's agreement with the Australian Greens, the Government has committed that significant reforms to dental health will be a priority for the 2012-13 Budget.



**Diagnostic Imaging — reforms**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	2.5	6.9	38.2	55.1
Department of Human Services	-	0.1	0.1	0.1	0.1
Department of Veterans' Affairs	-	..	0.1	0.5	0.8
Total	-	2.5	7.1	38.8	55.9

The Government will provide \$104.4 million over four years to improve and expand the provision of diagnostic imaging services, with a particular focus on Magnetic Resonance Imaging (MRI) services.

The package includes \$75.5 million over two years to allow general practitioners (GPs) to refer patients for some MRI services. At present, only specialists can refer patients to MRI services. Allowing GPs to refer patients for those services that are clinically appropriate and best treated by a GP will give patients faster and easier access to Medicare eligible MRI services. The package also includes \$18.4 million over four years to increase the number of Medicare eligible MRI units from 125 to 208 by 2014-15. The bulk billing incentive for MRI services will increase from 95 per cent to 100 per cent of the Schedule Fee, to encourage the provision of services with no out of pocket costs for patients.

The Government will also provide \$1.2 million over three years for the development of clinical guidelines for diagnostic imaging services. This will assist GPs in referring patients for the most appropriate diagnostic imaging procedure. Funding for this part of the package is already included in the forward estimates.

Following consultation with the profession, the Government will not proceed with a trial for Image Only items that was announced in the 2009-10 Budget. The trial was to have considered a different rebate structure for certain x-ray procedures that do not require a specialist radiologist report.

**Establishing Quality Health Standards in Indigenous Health Services — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-3.0	-2.4	-2.5	-2.8

The Government will provide \$35.0 million over four years to continue funding support to eligible Indigenous health organisations to assist them achieve clinical and organisational accreditation. This will help Indigenous health organisations to achieve best practice care standards.

Funding for the program has already been included in the forward estimates. This measure will deliver savings of \$10.8 million over four years from 2011-12 as a number of organisations have now been accredited and have the ability to access other financial incentives from Government to maintain accreditation.

Savings from this measure will be redirected to support other Government priorities.

### Health and Ageing portfolio — administrative efficiencies

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	26.3	-14.0	-30.1	-38.8
Various Agencies	-	2.0	0.6	0.3	0.3
Total	-	28.3	-13.5	-29.8	-38.5

The Government will streamline and improve program delivery in the Health and Ageing portfolio to better respond to emerging health priorities. A large number of existing programs in the portfolio will be replaced by 20 new or expanded funds, with no reduction in program funding. This will enable more efficient program management and better targeting of available resources.

These changes follow a review of administrative arrangements in the portfolio which deliver reductions in administrative costs.

This measure provides net administrative savings of \$53.5 million over four years which will be redirected to support other Government priorities.

### Health and Hospitals Fund — Regional Priority Round

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	66.6	95.5	192.2	265.8
Department of Health and Ageing	-	43.4	104.5	116.0	85.0
Total	-	110.0	200.0	308.2	350.8

The Government will provide \$1.8 billion over six years from the Health and Hospitals Fund (HHF) to support the development of health infrastructure in regional areas.

The Commonwealth will expand and modernise key health infrastructure including hospitals across Australia to improve the provision of health care in regional areas. Funding will be provided for a range of health services including elective surgery capacity, enhanced sub-acute care services and emergency department facilities, improved access to dental services, renal dialysis units, mental care facilities, primary care infrastructure and Indigenous health care infrastructure.

The Government will provide \$1.33 billion for 63 projects across Australia. This provides new funding of \$1.0 billion over five years (including \$265.5 million in 2015-16) for new projects. All funded projects have been deemed eligible for funds by the independent HHF Advisory Board. Funding of \$315.0 million (including \$81.4 million in 2015-16) for two of the projects, the Royal Hobart Hospital and Port Macquarie Base Hospital, has already been included in the forward estimates.

The Government will also provide \$475.0 million to fund a further Regional Priority Round from the HHF. This funding has been placed in the contingency reserve and will be provided once specific projects are determined at the end of this second round.

This delivers on the Government's agreement with the Member for Lyne and the Member for New England. Further information on specific projects to be funded can be found in the publication *Health Overview – Delivering Better Hospitals, Mental Health and Health Services* of 10 May 2011.

**Healthy and active ageing — Ambassador for the Ageing program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-0.1	-0.2	-0.2	-0.2

The Government will provide \$1.1 million over four years to continue the Ambassador for the Ageing program. The Ambassador will support a healthy, independent older population by participating in major events such as the International Day of Older Persons, Seniors Weeks and exhibitions across Australia to inform older Australians about Australian Government services and support.

This measure continues the 2008-09 Budget measure *Health and Hospitals Reform – Aged Care – National Elderly Commissioner – Ambassador for Ageing*.

Savings from this measure will be redirected to support other Government priorities.

**Hearing Services Program — better targeted services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	3.9	-25.0	-35.8	-79.4
<i>Related capital (\$m)</i>					
<i>Department of Health and Ageing</i>	-	2.5	4.0	4.0	3.5

The Government will introduce reform to the Australian Government Hearing Services Program to deliver more responsive and better targeted services, resulting in a net save of \$122.3 million over four years.

The measure will deliver savings by extending the period for the reissuing of client vouchers from two years to three years. This will better align client services with clinical need. People with a clinical need can be reassessed within the three years and access services earlier if they are eligible. Service delivery will be improved through the introduction of electronic processing systems.

Savings from this measure will be redirected to support other Government priorities.

### **Hearing Services Program — improved access to hearing services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	5.3	11.7	14.1	16.7

The Government will provide an additional \$47.7 million over four years to improve access to services under the Australian Government Hearing Services Program.

The Government will address current pressures in the Community Service Obligations (CSO) component by adjusting program funding to provide for population growth and increased take up of implantable technology such as cochlear devices. Access to the CSO component of the program will be expanded to include young adults aged between 21 and 25 inclusive, to ensure that eligible hearing impaired young Australians receive support while they are studying, training or establishing their careers.

See also the related savings measure titled *Hearing Services Program – better targeted services*.

### **Human Papillomavirus Vaccination Program Register**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	3.5	3.7	3.8	4.0

The Government will provide \$15.0 million over four years to maintain the *Human Papillomavirus (HPV) Vaccination Program Register*, which has been established to monitor vaccinations of females meeting certain eligibility criteria, and support the existing ongoing *National HPV Vaccination Program*. This will help ensure young women receive the full three doses required.

The register will generate reminder letters and overdue reports, and enable individuals to be recalled in the event that booster doses are required in the future. Reminder letters will improve awareness and understanding of the need to complete the HPV vaccine course and for ongoing cervical screening.

**Life Saving Drugs Program — funding for Soliris® (eculizumab)**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	9.9	27.4	30.1	32.9	35.6

The Government has added Soliris® (eculizumab) to the Life Saving Drugs Program for the treatment of paroxysmal nocturnal haemoglobinuria (PNH), a rare blood disorder, at an estimated cost of \$135.9 million over five years.

PNH is a rare, progressive and life-threatening blood disorder that causes premature red blood cell death. Soliris® has been made available to those eligible under approved treatment guidelines.

Further information can be found in the press release of 1 January 2011 issued by the Minister for Health and Ageing.

**Life Saving Drugs Program — revised arrangements for efficient funding of Fabrazyme®**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	1.0	0.8	0.8	0.8	0.8

The Government will implement alternative arrangements for the funding of agalsidase beta (Fabrazyme®) a medicine listed on the Life Saving Drugs Program (LSDP). The new arrangements deliver a lower level of savings than the *Mid-Year Economic and Fiscal Outlook 2010-11* measure titled *Life Saving Drugs Program – changes to listing for Fabrazyme®*, and have been negotiated and agreed with the drug sponsor.

The cost of Fabrazyme® to the Government will be reduced and Fabrazyme® will no longer be subsidised for patients newly diagnosed with Fabry disease. New patients will instead have access to subsidised agalsidase alfa (Replagal®).

These arrangements align with a review and recommendation by the Pharmaceutical Benefits Advisory Committee of the comparative efficacy and safety of Replagal® and Fabrazyme®.

Both Fabrazyme® and Replagal® have been listed on the LSDP since 2004.

As the new arrangements deliver a lower level of savings than the 2010-11 MYEFO measure, they have a cost to the budget of \$4.2 million over five years, including \$1.0 million in 2010-11.

### Maintaining seasonal and pandemic influenza surveillance

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	1.0	1.0	1.0	1.0

The Government will provide \$4.1 million over four years to continue, on an ongoing basis, the Australian Government's program of national influenza surveillance systems established in response to pandemic (H1N1) 2009. The program was announced in the *Mid-Year Economic and Fiscal Outlook 2009-10* measure *Swine flu (H1N1 influenza virus) pandemic response*.

This includes monitoring of influenza-like illnesses in hospitals and intensive care units, and data collection, to provide early warning of influenza outbreaks.

### Medicare Benefits Schedule — enhanced management framework

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	5.6	5.7	-	-

The Government will provide \$11.4 million over two years to expand the role of the Medical Services Advisory Committee (MSAC), and to conduct rolling reviews of the quality, safety and fee levels of items listed on the Medicare Benefits Schedule (MBS). This proposal will expand MSAC's capacity and provide for reviews of existing MBS items on a rolling basis. These reviews will consider the clinical quality and appropriateness of MBS items and fees.

MSAC advises the Minister for Health and Ageing on evidence relating to the safety, effectiveness and cost-effectiveness of new and revised medical technologies and procedures. The advice is used to inform decisions about whether these services should be subsidised through the MBS.

### Medicare Benefits Schedule — new and revised listings

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	3.1	5.5	6.2	6.8
Department of Veterans' Affairs	-	0.2	0.3	0.4	0.4
Department of Human Services	-	0.1	0.1	..	0.1
Medicare Australia	0.1	-	-	-	-
Total	0.1	3.4	5.9	6.6	7.2

The Government will amend the Medicare Benefits Schedule and Veterans' Benefits for new and revised listings since the *Mid-Year Economic and Fiscal Outlook 2010-11*, at a cost of \$23.2 million over five years.

The amendments to the Medicare Benefits Schedule include:

- revision of ten items to broaden access to Positron Emission Tomography (PET) scans. PET scans aid the diagnosis of a variety of diseases, especially cancer, as well as monitor the progress of tumours;
- addition of a new test for HIV infected patients who are about to commence or change their schedule of antiretroviral therapy;
- creation of a new item for Computed Tomography for the Coronary Arteries (CTCA). The new item will allow a more accurate analysis of the coronary arteries, without the use of invasive procedures; and
- addition of an item to provide delivery of Botox® injections to treat upper limb focal spasticity for juvenile cerebral palsy patients.

Further information will be available in the summary of changes included in the Medicare Benefits Schedule issued by the Department of Health and Ageing when the amendments take effect.

**Medicare Benefits Schedule — pathology services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-64.0	-90.5	-109.3	-142.1

The Government will introduce reforms to funding pathology service items through the Medicare Benefits Schedule to achieve efficiencies while maintaining the sustainability of the pathology sector. The Pathology Funding Agreement sets out an agreed range of Government outlays for the sector over the next five years. Predictable growth in Government outlays will improve sustainability for the sector. These arrangements will provide savings of \$419.0 million over the forward estimates, and more than \$550.0 million over the life of the five year Agreement.

This measure also includes funding of \$7.9 million to support the creating of a more transparent fee mechanism for setting pathology rebates, developing decision support tools for pathology ordering, creating a national framework for genetic testing, projects to examine the demography and capacity of the pathology workforce, and establishment of committees to manage ongoing elements of the Agreement.

Further information can be found in the press release of 11 April 2011 issued by the Minister for Health and Ageing.

Savings from this measure will be redirected to support other Government priorities.

**National Bowel Cancer Screening Program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	32.5	34.5	35.3	36.4

The Government will provide \$138.7 million over four years to continue the *National Bowel Cancer Screening Program*. This will provide all Australians aged 50, 55 and 65 years the opportunity to undergo bowel cancer screening using a faecal occult blood test.

This program aims to reduce morbidity and mortality from bowel cancer, and associated treatment costs, through detection and treatment of disease at an early or pre-cancerous stage. Currently, approximately 80 Australians die each week from this disease and fewer than 40 per cent of bowel cancers are detected early.

**National Cord Blood Collection Network — funding to support Cord Blood Banks for people with leukaemia, lymphoma and other life threatening diseases**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-1.5	0.2	0.4	0.4

The Government will reform the funding arrangement for the National Cord Blood Collection Network (AusCord) to enable the periodic upgrade and replacement of equipment, reducing the amount of Commonwealth funding required in 2011-12 by \$1.5 million but with additional funding to be provided annually on an ongoing basis.

AusCord, which is jointly funded by the States and Territories, collects, processes and stores stem cells ready for transplantation to individuals with leukaemia, lymphoma, and other similar life threatening diseases.

The revised arrangements will also support the implementation of new banking and collection arrangements used by AusCord to increase the clinical value of the Australian-sourced inventory, and reduce dependence on overseas registries and other sources of stem cells such as bone marrow.



### National Diabetes Services Scheme — removing inconsistencies in access to needles

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	0.6	0.7	0.8	0.9

The Government will provide \$3.1 million over four years to extend access, from 1 July 2011, to needles and syringes through the National Diabetes Services Scheme (NDSS) for patients with type 2 diabetes who require injectable non-insulin blood glucose lowering medications, such as Byetta® (exenatide). Byetta® was listed on the Pharmaceutical Benefits Scheme from 1 August 2010.

Under the current guidelines, access to needles and syringes through the NDSS is restricted to patients with insulin dependent diabetes only.

The NDSS aims to ensure that people with diabetes have timely, reliable and affordable access to products and services that help them effectively self-manage their condition.

### National Health and Hospitals Network — General practice and primary care — coordinated diabetes care — deferral

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-
Department of Veterans' Affairs	-	-	-	-	-
Medicare Australia	-	-	-	-	-
Total	-	-	-	-	-

The Government will defer the implementation of the 2010-11 Budget measure *National Health and Hospitals Network – General practice and primary care – coordinated diabetes care*, pending the outcome of a pilot program to trial the proposed design and patient outcomes of the original measure.

This measure will provide savings of \$448.4 million over four years from 2010-11. The savings from this measure were included as a 'decision taken but not yet announced' in the *Mid-Year Economic and Fiscal Outlook 2010-11*.

Further information can be found in the press release of 12 November 2010 issued by the Minister for Health and Ageing.

See also the related expense measure titled *Coordinated diabetes care – pilot*.

### National Health Reform Agreement — change in payment arrangements

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	80.0	40.0	-120.0	-	-
Department of Health and Ageing	-	-	-	-	-
Total	80.0	40.0	-120.0	-	-

The Government will bring forward \$80.0 million from 2011-12 to 2010-11 and \$120.0 million from 2012-13 to 2011-12 for elective surgery and emergency department payments under the National Partnership Agreement on Improving Public Hospital Services, changing these from reward payments to facilitation payments.

The facilitation payments will assist in reducing emergency department waiting times and help ensure elective surgery patients are treated within clinically recommended times.

### National Immunisation Program — addition of Prevenar 13®

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.1	0.3	-	-	-
Department of the Treasury	-	-0.6	-0.8	-0.8	-0.8
Total	0.1	-0.3	-0.8	-0.8	-0.8

The Government will list Prevenar 13® on the National Immunisation Program (NIP), which will provide a saving of \$2.5 million over five years. Prevenar 13® provides additional protection against 13 strains of pneumococcal disease, and will replace the existing NIP pneumococcal vaccine, Prevenar®, which protects against seven strains. A three-dose course of Prevenar 13® will be given at two, four and six months of age; a fourth dose may also be given to medically at risk children at 12 months of age.

This measure supports preventive health by providing the Prevenar 13® vaccine free of charge to eligible consumers through the NIP. Further information can be found in the press release of 25 February 2011 issued by the Minister for Health and Ageing.

See the related expense measure *National Immunisation Program – Prevenar 13® Vaccine – catch up program*.

**National Immunisation Program — listing of Menitorix®**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.1	0.2	-	-	-

The Government will provide \$0.3 million for administrative costs associated with listing Menitorix® under the National Immunisation Program (NIP). This vaccine will replace the Haemophilus influenzae type B vaccine and Neisseria meningitidis (meningococcal C) vaccine, which are currently scheduled as individual doses for 12 month olds. This will reduce the total number of injections that need to be administered for up to 280,000 children each year.

This measure supports preventive health by providing the Menitorix® vaccine free of charge to eligible consumers through the NIP. Further information can be found in the press release of 25 February 2011 issued by the Minister for Health and Ageing.

**National Immunisation Program — Prevenar 13® vaccine — catch up program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	29.3	10.4	0.2	-
Department of Health and Ageing	0.1	0.6	..	-	-
Total	0.1	29.9	10.5	0.2	-

The Government will provide \$40.7 million over four years to fund a catch up program for 12-35 month olds, providing access free of charge to the Prevenar 13® vaccine through the National Immunisation Program. Prevenar 13® protects against 13 strains of pneumococcal disease, and will replace an existing pneumococcal vaccine, Prevenar®.

A single supplementary dose of Prevenar 13® will be provided to children aged between 12 and 35 months who have completed their primary vaccination course for protection against pneumococcal disease with the Prevenar® vaccine, to ensure these children can also benefit from the improved vaccine. The catch up program will be available for one year, from 1 October 2011 to 30 September 2012.

This complements the listing of Prevenar 13® on the National Immunisation Program. See the related expense measure titled *National Immunisation Program – addition of Prevenar 13®*.

**National Medical Stockpile — strengthening management arrangements**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	4.3	2.4	-	-
<i>Related capital (\$m)</i>					
Department of Health and Ageing	-	0.1	-	-	-

The Government will provide \$6.7 million over two years to strengthen the inventory planning, logistics and information management systems of the National Medical Stockpile. This includes \$1.2 million in 2011-12 to safely dispose of expired stock.

The National Medical Stockpile was created in 2002 as a strategic reserve of medications and medical equipment to respond to potential mass casualty emergencies or health disasters.

**National Mental Health Reform — leadership in mental health reform — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-

The Government will provide \$64.1 million over five years (including \$13.4 million in 2015-16) to continue national evaluation, accountability and reporting mechanisms in mental health. This continues the 2009-10 Budget measure *Leadership in mental health reform – continuation and further efficiency*.

This measure will continue to build the national mental health evidence base, strengthen accountability and transparency, lead improvements in service quality and outcomes, and support national peak bodies and stakeholders. The Government will provide \$56.8 million over five years (including \$11.9 million in 2015-16) for the continuation of these activities.

The remaining \$7.3 million over five years (including \$1.5 million in 2015-16) will be redirected to the budget measure *Mental Health – National Reform – establishment of a National Mental Health Commission*.

The provision of the \$64.1 million over five years (including \$13.4 million in 2015-16) is already included in the forward estimates.

This measure is part of the Government's *National Mental Health Reform* package.

### National Mental Health Reform — Better Access Initiative — rationalisation of allied health treatment sessions

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	-0.1	-0.2	-0.3	-0.4
Department of Health and Ageing	-	-12.5	-26.3	-34.6	-44.3
Total	-	-12.6	-26.5	-34.9	-44.6

The Government will revise the number of allied health treatment services available to patients under the Better Access initiative. Under the new arrangements, patients will be able to access up to six subsidised mental health services through the Medicare Benefits Schedule (MBS). An additional four MBS subsidised mental health services will be available to patients who require additional assistance.

The new arrangements will ensure that the Better Access initiative is more efficient and better targeted by limiting the number of services that patients with mild or moderate mental illness can receive, while patients with advanced mental illness are provided more appropriate treatment through programs such as the Government's Access to Allied Psychological Services program.

This measure will deliver savings of \$174.6 million over five years (including \$55.9 million in 2015-16) to be redirected to other mental health priorities. This measure is part of the Government's *National Mental Health Reform* package.

### National Mental Health Reform — Better Access Initiative — rationalisation of GP mental health services

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	-0.2	-0.4	-0.4	-0.4
Department of Health and Ageing	-	-49.9	-80.1	-85.0	-90.5
Total	-	-50.1	-80.5	-85.4	-90.9

The Government will introduce a two tiered rebate for Mental Health Treatment Plans delivered by General Practitioners (GPs) through the Better Access to Psychiatrists, Psychologists and General Practitioners (Better Access) initiative to adjust the level of rebate to better reflect the time taken to deliver the service.

The revised rebates are modelled on the current structure for GP consultations, with a standard rebate for services taking between 20 and 39 minutes, and a higher rebate for those services taking 40 minutes or more. The rebates for GP Mental Health Treatment Plans will remain higher for those GPs who have completed Mental Health Skills Training. Rebates for other mental health services provided by GPs will also be amended to reflect the changes in the rebates for Mental Health Treatment Plans.

This measure will deliver savings of \$405.9 million over five years (including \$98.9 million in 2015-16), to be redirected to other mental health priorities as part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — coordinated care and flexible funding for people with severe and persistent mental illness**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-25.4	35.5	69.1	117.6

The Government will provide \$549.8 million over five years (including \$192.4 million in 2015-16) to develop a single assessment framework and provide better coordinated care for people with severe and persistent mental illness who have complex care needs.

Care services will be coordinated through Medicare Locals and Non-Government Organisations. Under this measure, services for people who meet the assessment criteria will be provided, in consultation with the individual and their family, through a tailored multidisciplinary care plan. The 2010-11 Budget measure *National Health and Hospitals Network – Mental health – flexible care packages for patients with severe mental illnesses* will be expanded to provide additional services.

The net cost of this measure is \$343.8 million over five years (including \$146.9 million in 2015-16), with the remaining costs of \$206.1 million over five years (including \$45.5 million in 2015-16) to be met through the consolidation of existing elements of the *Mid-Year Economic and Fiscal Outlook 2010-11* measure *Mental Health – Taking Action to Tackle Suicide – Providing more frontline services and support for those at greater risk of suicide* and the 2010-11 Budget measure *National Health and Hospitals Network – Mental health – flexible care packages for patients with severe mental illnesses*.

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — Early Psychosis Prevention and Intervention Centre model — further expansion**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	2.2	22.3	44.3	70.2
Department of Health and Ageing	-	0.7	0.7	0.6	0.6
Total	-	2.9	23.0	44.9	70.8

The Government will provide \$222.4 million over five years (including \$80.8 million in 2015-16) to establish up to 12 additional Early Psychosis Prevention and Intervention Centres (EPPIC) in partnership with states and territories, bringing the total number of centres to up to 16.

EPPICs provide an integrated and comprehensive psychiatric service to help address the needs of people aged 15-24 with emerging psychotic disorders. Services provided include early intervention and clinical treatment.

This builds on the 2010-11 Budget measure, *National Health and Hospitals Network – Mental health – expanding the Early Psychosis Prevention and Intervention Centre model*.

This measure is part of the Government's *National Mental Health Reform* package.

### **National Mental Health Reform — establishment of a National Mental Health Commission**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	3.3	6.8	6.7	6.9
Department of Health and Ageing	-	-1.9	-4.3	-4.3	-4.3
Total	-	1.4	2.6	2.4	2.6
<i>Related capital (\$m)</i>					
Department of the Prime Minister and Cabinet	-	0.6	-	-	-

The Government will provide \$32.0 million over five years (including \$7.0 million in 2015-16) to establish a National Mental Health Commission. The Commission will be established as an Executive Agency within the Prime Minister's portfolio.

The Commission will independently monitor, assess and report on how the system is performing as well as provide advice on mental health policy and programs. Some functions currently performed by the Department of Health and Ageing, including the administering of the Annual National Report Card on Mental Health and Suicide Prevention, will be transferred to the Commission.

The Government will redirect \$19.8 million over five years (including \$4.5 million in 2015-16) from the 2009-10 Budget measure *Leadership in mental health reform – continuation and further efficiency* (\$7.3 million) and from the *Mid-Year Economic and Fiscal Outlook 2010-11* measure *Mental Health – Taking Action to Tackle Suicide – Providing more frontline services and support for those at greater risk of suicide* (\$12.5 million). The net impact of this measure will be at a cost of \$12.2 million over five years (including \$2.5 million in 2015-16).

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — establishment of a single mental health online portal**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	1.9	2.9	3.0	3.3

The Government will provide \$14.4 million over five years (including \$3.3 million in 2015-16) to help establish a single mental health online portal, to enable consumers to more easily identify and access services. The portal will also provide online training and support to General Practitioners, Indigenous health workers and other clinicians delivering mental health services.

The e-mental health portal will provide consumers with access to a suite of online assistance at a range of treatment levels. Health professionals will have access to information, training and resources that will assist them in delivering treatment and mental health services.

This measure will build on existing initiatives in online services and is part of the Government's *National Mental Health Reform* package

**National Mental Health Reform — expansion of Access to Allied Psychological Services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	16.1	31.1	43.7	53.1

The Government will provide \$205.9 million over five years (including \$61.9 million in 2015-16) to expand funding for the Access to Allied Psychological Services program. The expansion, through Medicare Locals, will provide services to children and their families, Aboriginal and Torres Strait Islander people, and people from hard to reach locations with a particular focus on lower socioeconomic areas. Medicare Locals will coordinate services at a local level by integrating primary care services with other community based support for people with mental illness.

Medicare Locals will also receive funding to employ part-time child liaison officers, who will liaise with specialised child allied mental health professionals, schools and children's services to improve the quality of care.

This builds on the *Mid-Year Economic and Fiscal Outlook 2010-11* measure, *Mental Health – Taking Action to Tackle Suicide – Providing more frontline services and support for those at greater risk of suicide*.

This measure is part of the Government's *National Mental Health Reform* package.



### National Mental Health Reform — expansion of Support for Day to Day Living in the Community program

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	2.4	4.1	4.2	4.4

The Government will provide an additional \$19.3 million over five years (including \$4.2 million in 2015-16) to the existing *Support for Day to Day Living in the Community* program to support an estimated 3,650 additional people with severe and persistent mental illness per year.

The *Support for Day to Day Living in the Community* program provides structured activities such as cooking, shopping and social outings where the individual can participate in social rehabilitation and gain independent living skills.

This measure is part of the Government's *National Mental Health Reform* package.

### National Mental Health Reform — expansion of youth mental health

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	13.5	22.5	34.9	61.4

The Government will provide \$197.3 million over five years (including \$65.0 million in 2015-16) to establish 30 new *headspace* sites, and provide additional funding to existing sites and the *headspace* National Office.

The *headspace* program provides community-based support and assistance to Australians aged 12 to 25 with, or at risk of, mental illness.

This measure builds on the 2010-11 Budget measure *National Health and Hospitals Network – Mental health – more youth friendly services* and will bring the total number of *headspace* sites to 90 to achieve national coverage. When all sites are fully operational, they will provide services to an estimated 72,000 young people per year.

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — health and wellbeing checks for three year olds**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	1.0	6.6	0.9	1.3
Department of Human Services	-	-	..	-	-
Total	-	1.0	6.7	0.9	1.3

The Government will provide \$11.0 million over five years (including \$1.1 million in 2015-16), to expand the existing four year old health check to include consideration of emotional wellbeing and development, and to bring forward the check to three years of age.

The program will also fund the establishment of a time limited National Expert Group on childhood mental health to develop and provide advice relating to the three year old health check and training requirements for health providers.

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — National Partnership Agreement on Mental Health<sup>(a)</sup>**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	21.4	43.5	44.3	45.0
Department of Health and Ageing	-	0.5	..	..	0.1
Department of Families, Housing, Community Services and Indigenous Affairs	-	0.5	..	..	0.1
Total	-	22.3	43.6	44.4	45.1

(a) Yearly profiles are indicative distributions only. The specific funding profile will be agreed following negotiations with the States and Territories.

The Government will provide \$201.3 million over five years (including \$46.0 million in 2015-16) to provide incentives to states and territories to address major service gaps in their mental health services including accommodation, emergency departments and community-based crisis support.

A National Partnership agreement will be negotiated with states and territories to improve access and quality of services for people with mental illnesses. The specific funding profile will be settled following these negotiations.

States and territories will be able to access this funding pool through participation in a competitive process. The Government will also seek co-investments from states and territories to leverage greater investment in mental health..

This measure is part of the Government's *National Mental Health Reform* package.

**National Mental Health Reform — research funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-
National Health and Medical Research Council	-	-	-	-	-
Total	-	-	-	-	-

The Government will provide \$26.2 million over five years (including \$5.4 million in 2015-16) through the National Health and Medical Research Council for mental health research priorities. A consultation process managed by the Department of Health and Ageing will establish priorities for mental health research funding.

The research will be coordinated by the National Health and Medical Research Council, which will meet the costs from within its existing resourcing.

This measure is part of the Government's *National Mental Health Reform* package.

**Pharmaceutical Benefits Scheme — amendment to the listing of ciprofloxacin for flood affected areas**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.1	-	-	-	-

The Government amended, for the period January to March 2011, the listing of ciprofloxacin on the Pharmaceutical Benefits Scheme, at a cost of \$73,000 in 2010-11.

Ciprofloxacin is an antibiotic used to treat severe bacterial infections. This listing was amended in response to the floods in January 2011, to ensure patients received appropriate treatment in any medical setting (as opposed to hospitals only) to treat skin or soft tissue infections associated with exposure to contaminated flood waters.

The temporary amendment to this listing followed advice from the Pharmaceutical Benefits Advisory Committee.

Further information can be found in the press release of 20 January 2011 issued by the Acting Minister for Health and Ageing.

**Pharmaceutical Benefits Scheme — biological disease-modifying antirheumatic drugs — amendments to more cost-effective arrangements**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	nfp	nfp	nfp	nfp	nfp
<i>Related revenue (\$m)</i>					
<i>Department of Health and Ageing</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has amended the 2010-11 Budget measure *Pharmaceutical Benefits Scheme – biological disease-modifying antirheumatic drugs – more cost-effective arrangements*, by bringing the start date forward from 1 December 2010 to 1 August 2010, resulting in further savings to the Budget. In line with the 2010-11 Budget measure, these arrangements will only apply to biological disease-modifying antirheumatic drugs used in the treatment of rheumatoid arthritis.

Price reductions have been achieved through price agreements negotiated between the Government and the drug manufacturers that allow for offsets to the gross cost of these drugs.

**Pharmaceutical Benefits Scheme — extension and amendments to listings from 1 March 2011**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.2	0.6	0.6	0.6	0.6
Department of Veterans' Affairs	0.1	0.2	0.2	0.2	0.2
Total	0.3	0.8	0.9	0.9	0.9
<i>Related revenue (\$m)</i>					
<i>Department of Health and Ageing</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has agreed to extend and amend the listings of certain drugs on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 March 2011, at a cost of \$3.7 million over five years.

The extension and amendments are:

- Velcade® (bortezomib) for the treatment of relapsed multiple myeloma, a cancer of the bone marrow. A pricing agreement negotiated between the Government and the drug manufacturer allows for offsets to the gross costs of Velcade®.
- Stelara® (ustekinumab) for the treatment of chronic plaque psoriasis, a chronic inflammatory disorder that can affect tissues and organs.

- Pentasa® (mesalazine) for the treatment of Ulcerative Colitis and Crohn’s disease, an inflammatory disease of the intestines.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

**Pharmaceutical Benefits Scheme — improving sustainability through enhanced post-market surveillance**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	0.2	-1.0	-2.1	-4.0
Department of Veterans' Affairs	-	..	..	..	..
Total	-	0.2	-1.0	-2.1	-4.0

The Government will provide \$25.8 million over four years to enhance post-market surveillance of Pharmaceutical Benefits Scheme (PBS) and Repatriation Pharmaceutical Benefits Scheme (RPBS) medicine use. This is expected to result in savings of \$32.7 million over four years through improved prescribing and utilisation of medicines, and assist in the ongoing sustainability of the PBS and RPBS.

A process will be established to provide evidence-based advice through research and analysis to inform cost-effectiveness reviews of medicines and medicine use. Education and feedback will be provided to consumers, medical practitioners, pharmacists and governing bodies on effective prescribing and use of medicines to enhance adherence to clinical guidelines.

Data sets obtained through the Department of Veterans' Affairs' Medicines Advice and Therapeutics Education Services program will also be used to deliver the measure.

This measure is expected to provide net savings of \$6.8 million over four years. Savings from this measure will be redirected to support other Government priorities.

**Pharmaceutical Benefits Scheme — new and extensions to listings from 1 February 2011**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	21.3	54.0	57.9	58.4	57.7
Department of Veterans' Affairs	0.6	1.9	2.2	2.4	2.4
Department of Human Services	-	0.7	0.7	0.8	0.8
Medicare Australia	0.3	-	-	-	-
Total	22.3	56.6	60.8	61.6	60.9
<i>Related revenue (\$m)</i>					
Department of Health and Ageing	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has agreed to a number of new, and extensions to, listings on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 February 2011, at a cost of \$262.2 million over five years. This includes funding for administering payments through Medicare Australia.

New listings include:

- Avodart® (dutasteride), at a cost of \$77.1 million over five years, for the treatment of benign prostatic hyperplasia (BPH) in men. BPH is a non-cancerous enlargement of the prostate.
- Vidaza® (azacitidine), at a cost of \$124.2 million over five years, for the treatment of myelodysplastic syndromes (MDS). MDS is a group of blood disorders where the bone marrow is unable to effectively produce one or more types of blood cell (red blood cells, white blood cells and/or platelets). A pricing agreement negotiated between the Government and the drug manufacturer allows for offsets to the gross cost of Vidaza®.
- The addition of a 60mg vial size for Herceptin® (trastuzumab). The 60mg vial will reduce the wastage of Herceptin® enabling prescribers to more closely match the total volume of the product to the required dose for each patient. This PBS listing will generate savings of \$42.5 million over five years from 1 February 2011.

Extensions to listings include:

- A maximum 12 week course of Nicorette®, Nicabate P® or Nicotinell® patches (nicotine transdermal patches) for eligible patients, at a cost of \$54.5 million over five years. Nicotine transdermal patches were previously subsidised through the PBS only for Aboriginal and Torres Strait Islander patients.

- An additional 12 week course of Champix® (varenicline) is available to eligible patients, at a cost of \$48.9 million over five years. This additional course would be prescribed to patients who successfully stop smoking following an initial 12 week course of Champix® and where a healthcare professional considers a patient requires additional support to remain abstinent. This is in addition to the initial 12 week course of Champix® currently subsidised through the PBS.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

Further information can be found in the press release of 9 December 2010 issued by the Minister for Health and Ageing.

### Pharmaceutical Benefits Scheme — new listing from 1 July 2011

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	8.3	9.8	9.8	9.0
Department of Human Services	-	0.1	0.1	0.1	0.1
Department of Veterans' Affairs	-	0.1	0.1	0.1	0.1
Total	-	8.5	10.1	10.1	9.2
<i>Related revenue (\$m)</i>					
Department of Health and Ageing	-	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has agreed to the listing of Xolair® (omalizumab) on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 July 2011, at a cost of \$37.9 million over four years. This includes funding for administering payments through Medicare Australia.

Xolair® is an effective add-on treatment for patients with severe allergic asthma who require periodic hospitalisation because their condition is not adequately controlled by other PBS-listed medicines. Each patient requires approximately 12 prescriptions per year resulting in an annual cost to the PBS and RPBS of approximately \$4,973 per patient.

A pricing agreement negotiated between the Government and the drug manufacturer allows for offsets to the gross cost of Xolair®.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

**Pharmaceutical Benefits Scheme — new listing from 1 May 2011**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.6	4.1	9.1	14.6	19.4
Department of Veterans' Affairs	0.1	0.2	0.3	0.4	0.4
Total	0.6	4.3	9.4	15.0	19.9
<i>Related revenue (\$m)</i>					
<i>Department of Health and Ageing</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has agreed to the listing of Duodopa® (levodopa with carbidopa) on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 May 2011, at a cost of \$49.2 million over five years.

Duodopa® is used for the treatment of advanced Parkinson disease. Each patient requires approximately seven prescriptions per year resulting in an annual cost to the PBS and RPBS of approximately \$141,231 per patient.

A pricing agreement negotiated between the Government and the drug manufacturer allows for offsets to the gross cost of Duodopa®.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

Further information can be found in the press release of 25 February 2011 issued by the Minister for Health and Ageing.

**Pharmaceutical Benefits Scheme — new listings from 1 April 2011**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	3.1	15.6	18.4	19.6	21.2
Department of Veterans' Affairs	0.3	0.3	0.3	0.4	0.4
Department of Human Services	-	0.1	0.1	0.1	0.1
Medicare Australia	..	-	-	-	-
Total	3.4	16.0	18.9	20.1	21.7
<i>Related revenue (\$m)</i>					
<i>Department of Health and Ageing</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>	<i>nfp</i>

The Government has agreed to a number of new listings on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 April 2011, at a cost of \$80.1 million over five years. This includes funding for administering payments through Medicare Australia.



New listings include:

- Nplate® (romiplostim), at a cost of \$73.0 million over five years, for the treatment of chronic idiopathic thrombocytopenic purpura (ITP), a rare blood disorder that leads to extensive bleeding. Each patient requires approximately 12 prescriptions per year resulting in an average annual cost to the PBS and RPBS of approximately \$85,322 per splenectomised patient and \$65,353 per non-splenectomised patient. A pricing agreement negotiated between the Government and the drug manufacturer allows for offsets to the gross cost of Nplate®.
- Galvumet® (vildagliptin with metformin), at a saving of \$1.4 million over five years, for the treatment of adults with type 2 diabetes. Galvumet® is a combination product which contains a lower dose of insulin than other available products. Each patient requires approximately 12 prescriptions per year resulting in an annual cost to the PBS and RPBS of approximately \$1,019 per patient.
- Epiduo Gel® (adapalene with benzoyl peroxide), at a cost of \$8.4 million over five years, is a topical gel used for the treatment of severe uncontrolled acne. Each patient requires approximately seven prescriptions per year resulting in an annual cost to the PBS and RPBS of approximately \$210 per patient.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

Further information can be found in the press release of 25 February 2011 issued by the Minister for Health and Ageing.

### Pharmaceutical Benefits Scheme — new listings from 1 June 2011

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	..	-0.1	-0.1	-0.1	-0.1
Department of Health and Ageing	..	-1.2	-1.3	-1.6	-1.8
Total	0.0	-1.2	-1.4	-1.7	-1.9

The Government has agreed to a number of new listings on the Pharmaceutical Benefits Scheme (PBS) and the Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 June 2011. These medicines will displace other more expensive PBS-listed medicines, at a saving of \$6.2 million over five years.

New listings include:

- Twynsta® (telmisartan with amlodipine), at a saving of \$5.6 million over five years, for the treatment of patients with high blood pressure that is not adequately controlled with either telmisartan or amlodipine when used alone. Each patient requires approximately 12 prescriptions per year resulting in an average annual cost to the PBS and RPBS of approximately \$452 per patient.
- Phenoxyethylpenicillin-AFT® (phenoxyethylpenicillin), at a saving of \$0.6 million over five years, for the treatment of infections in infants and children. Each patient requires approximately one prescription per course resulting in an average cost to the PBS and RPBS of approximately \$20 per patient.

General consumers will pay a \$34.20 co-payment per prescription and concession card holders will pay a \$5.60 co-payment per prescription.

### Pharmaceutical Benefits Scheme — price increases to currently listed medicines

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	0.5	1.9	1.8	1.8	1.9
Department of Veterans' Affairs	..	..	..	..	..
Total	0.5	1.9	1.8	1.9	1.9

The Government has agreed to price increases for certain medicines listed on the Pharmaceutical Benefits Scheme (PBS) and Repatriation Pharmaceutical Benefits Scheme (RPBS) from 1 April 2011, at a cost of \$7.9 million over five years.

These price increases are for:

- Avanza SolTabon® (mirtazapine) for the treatment of episodes of major depression; and
- Ospolot® (sulthiame) for the treatment of epilepsy that has proved resistant to other commonly prescribed anti-epileptic medicines.

These price increases were recommended by the Pharmaceutical Benefits Pricing Authority (PBPA). The PBPA is an independent non-statutory body that reviews the price of products supplied under the PBS and vaccines on the National Immunisation Program (NIP).

Further information can be found in the press release of 25 February 2011 issued by the Minister for Health and Ageing.

**Primary care — continuation of incentives to improve access to after-hours care**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-
Medicare Australia	-	-	-	-	-
Total	-	-	-	-	-

The Government will provide \$49.9 million over two years from 2010-11 to extend incentives to general practices to support after-hours care. Tier 1 of the Government's Practice Incentives Program After-Hours Incentive, which had been due to terminate on 1 July 2011, will be extended until 1 July 2013. This funding will support general practices to provide more after-hours primary health care, and reduce pressure on emergency departments.

Funding for this measure was included as a 'decision taken but not yet announced' in the *Mid-Year Economic and Fiscal Outlook 2010-11*.

Further information can be found in the media release of 1 December 2010 issued by the Minister for Health and Ageing.

**Primary Care — redirection of the domestic violence referral points project**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Families, Housing, Community Services and Indigenous Affairs	-	2.1	2.1	2.1	2.2
Department of Human Services	-	0.2	-	-	-
Medicare Australia	0.1	-	-	-	-
Department of Health and Ageing	-	-4.8	-5.3	-5.4	-5.5
Total	0.1	-2.6	-3.2	-3.2	-3.3

The Government will redirect funding for the domestic violence referral points project to anti-domestic violence programs in the Families, Housing, Community Services and Indigenous Affairs (FaHCSIA) portfolio.

The Department of Families, Housing, Community Services and Indigenous Affairs will create a new program to improve support services for women in regional, rural and remote communities by training a range of primary health care workers to better recognise and assist victims of domestic violence. Consolidation of the program in the FaHCSIA portfolio will help realise administrative efficiencies.

This measure will provide savings of \$12.2 million over five years which will be redirected to support other Government priorities, delivering on the Government's commitment to responsible economic management.

### Primary Health Care — Medicare Locals and after hours care

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	16.7	33.8	-3.2	-2.3

The Government will provide \$45.1 million over four years to bring forward the establishment date for 15 Medicare Locals to 1 January 2012.

This measure also provides for the fast-tracking of reforms to after hours GP services by funding each Medicare Local to plan and arrange for the provision of after hours services in their region.

Further information can be found in the press release of 11 February 2011 issued by the Prime Minister.

### Regional health and aged care — dedicated unit

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-

The Government will establish a dedicated unit within the Department of Health and Ageing to provide advice to the public on regional health and aged care matters. This unit will also provide advice to other Australian Government agencies to ensure that regional health and aged care issues are understood and considered in future policy development.

The cost of this measure will be met from within the existing resources of the Department of Health and Ageing.

This measure delivers on the Government's 'Commitment to Regional Australia' agreement with the Member for Lyne, and the Member for New England.

**Rural Health — Medical Specialist Outreach Assistance Program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-

The Government will provide \$12.0 million over four years to continue funding for the Medical Specialist Outreach Assistance Program.

The Medical Specialist Outreach Assistance Program improves access to specialist health services in rural and remote areas. Under the program, payments are made to visiting specialists for travel and accommodation and other expenses associated with providing outreach services.

Provision for this funding has already been included in the forward estimates.

**Specialist Obstetrician Locum Scheme — continuation of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	-	-	-	-

The Government will provide \$2.0 million in 2011-12 to continue funding for the Specialist Obstetrician Locum Scheme (SOLS). The SOLS subsidises the wages and travel costs of general practitioner and specialist obstetrician locums working in rural and regional areas and is aimed at increasing access to obstetric services in rural areas. The scheme is administered by the Royal Australian and New Zealand College of Obstetricians and Gynaecologists on behalf of the Government.

Provision for this funding has already been included in the forward estimates.

## HUMAN SERVICES

### Building Australia's Future Workforce — Community Innovation through Collaboration

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	4.2	12.3	11.3	10.4

The Government will provide \$38.2 million over four years to support the implementation and delivery of innovative local programs in 10 targeted locations. This measure will boost engagement, capability and workforce participation among disadvantaged target groups.

The measure includes a \$25.0 million Local Solutions Fund which will be available for the Commonwealth to deliver innovative local services and programs jointly with the state, territory and local governments, not-for-profit and private sectors. The measure will also fund Service Coordinators and Community Based Facilitators in each location. The Service Coordinators will be based in Centrelink offices and will ensure that all employment and social participation initiatives are accessible to Centrelink clients. Facilitators will be based in leading community organisations and will collaborate with Service Coordinators to ensure clients needs are being met and are supported to meet their obligations.

### Building Australia's Future Workforce — connection interviews and jobseeker workshops

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	4.0	4.8	4.4	4.4
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	0.3	-	-	-

The Government will provide \$18.0 million over four years for Centrelink to deliver additional assistance for job seekers to find employment. Under this measure, Centrelink and Job Services Australia providers will conduct joint interviews with disadvantaged job seekers who have not met their job search obligations. These interviews will improve information sharing and joint servicing approaches between Centrelink and employment service providers.

The measure will also provide for Centrelink Job Seeker Workshops to be introduced in around 40 sites as a standard component of employment services arrangements from 2012. The workshops will target job-ready job seekers in the first 13 weeks of their unemployment and will provide practical assistance to support job search efforts.

### **Building Australia's Future Workforce — improved services — tailored support for job seekers**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	3.8	4.1	5.5	6.1
<i>Related capital (\$m)</i>					
Department of Human Services	-	-	-	-	-

The Government will provide \$20.2 million over four years to expand current trials of *Local Connections to Work*, which provide integrated support to disadvantaged job seekers. Of this funding, an amount of \$0.7 million in capital will be met from within the existing resources of the Department of Human Services.

The funding will enable Department of Human Services staff to assist long term unemployed people in areas of disadvantage to identify and overcome barriers to economic participation. The funding will increase the number of locations delivering the service from nine sites in 2010-11 to 24 sites by 2014-15. A comprehensive evaluation of the measure will be undertaken to inform future policy development.

Under this measure, job seekers needing assistance will be able to access Australian, state and local government services, employment service and education providers and community welfare organisations from their local Centrelink office. These services may include financial assistance, advocacy, housing, employment, health support, education and counselling. Accessing these services from one location will help job seekers to obtain the assistance they need to overcome their barriers to participation.

### **Centrelink — call centre supplementation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	51.0	-	-	-

The Government will provide \$51.0 million in 2011-12 to ensure Centrelink is able to meet demand arising from customers making increased use of call centres. The measure will also support the capacity of Centrelink's call centres to respond to emergencies and natural disasters.

### **Fraud prevention and compliance — improving compliance with income reporting**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	3.2	2.1	1.6	2.6
Department of Veterans' Affairs	-	..	-1.1	-1.2	-0.7
Department of Education, Employment and Workplace Relations	-	-2.2	-1.0	-1.0	-1.0
Department of Families, Housing, Community Services and Indigenous Affairs	-	-3.9	-12.9	-18.8	-20.1
Total	-	-2.8	-13.0	-19.5	-19.2
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	1.1	-	-	-

The Government will provide \$11.4 million over four years to help prevent social welfare recipients from accumulating debt due to under-reporting of income from their managed investments.

The measure will provide Centrelink and the Department of Veterans' Affairs with the capability to match customer data with Annual Income Investment Report data provided by the Australian Taxation Office. These data comparisons will ensure that Centrelink has updated details for customer income from investments such as shares and unit trusts. This will reduce the risk of customers under-reporting their income, and lower the rate at which debts arise from overpayment. These steps will be accompanied by an education strategy to remind customers of their obligations to declare investment information to Centrelink.

This measure is expected to provide net savings of \$53.4 million over four years.

Savings from this measure will be redirected to support other Government priorities.

### **Service Delivery Reform — improving access — claiming Medicare benefits online**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	1.2	0.9	-0.9	-1.7

The Government will provide \$6.3 million over four years to improve access to Medicare Australia claiming by allowing customers to lodge a number of Medicare Benefits Schedule general practitioner claims online. The service also provides a feedback channel for customers to consult with the Department of Human Services on how the service could be improved. The new online service will allow people to lodge claims outside business hours and will pay benefits into the customer's nominated bank account within three working days.



The measure will reduce the time taken to process Medicare claims and generate savings of \$6.7 million over four years, resulting in a net saving of \$0.4 million over the four years.

Further information can be found in the press release of 17 March 2011 issued by the Minister for Human Services.

### **Service Delivery Reform — improving access — extending services through Medicare and Centrelink one-stop-shops**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	8.1	9.0	9.2	1.4
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	-	-	-	-

The Government will provide \$107.5 million over four years to continue the progressive co-location of 520 Centrelink and Medicare Australia shop fronts. Of this funding \$65.8 million in capital, will be met from within the existing resources of the Department of Human Services.

Co-location will involve the expansion of existing office space to accommodate additional services or the merging of a small number of existing shop fronts (around 61 sites) into existing or new premises. This will generate savings of \$14.0 million over four years through a reduction in property costs and will only occur where an alternate service location is available.

This initiative will improve access to government services by expanding the range of services available in any one location. It will also provide a platform for the future co-location of other Commonwealth, state and territory agencies.

Further information can be found in the press release of 18 November 2010 issued by the Minister for Human Services.

### **Service Delivery Reform — improving access — extension of rural mobile services and outreach support for the homeless**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	2.7	4.8	8.0	8.9
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	-	-	-	-

The Government will provide \$35.6 million over four years to improve access to Centrelink and Medicare Australia services for socially or geographically isolated people.

Funding of \$23.3 million (including \$11.1 million of capital costs to be met from within the existing resources of the Department of Human Services) will be provided to continue two mobile offices, and support a third mobile office from 2013-14, to expand the Rural Mobile Office Service. Trained Department of Human Services staff will provide a range of services for people living in regional areas of Australia where there are no Centrelink offices and in areas affected by natural disasters. The service will also facilitate customer access to other Australian, state and local government initiatives from one location.

A further \$12.4 million will be provided for an additional 20 Community Engagement Officers and 13 social workers (from 2012-13) to extend the Homelessness and Social Inclusion Service for people who are, or at risk of becoming homeless. The measure will significantly increase the level of services to this vulnerable group including assisting people to access income support options and connect to local community services that offer accommodation assistance and other support.

**Service Delivery Reform — improving access — single web and telephone service**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	11.8	5.7	4.6	3.8
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	-	-	-	-

The Government will provide \$38.7 million over four years to complete the transition to a single portfolio website and telephone number. Of this funding an amount of \$9.1 million in capital will be met from within the existing resources of the Department of Human Services.

The funding will support the continued development of a single portfolio website which will include personalised web browsing to allow customers to find information that is relevant to their personal circumstances.

The single portfolio telephone number will be enhanced with a fully automated voice recognition service. The initial phase of the single portfolio telephone and website initiative was launched in December 2010.

This initiative will ensure access to information and services is more convenient, and make it easier for customers to manage their interactions with the Department of Human Services. Streamlining the portfolio communication network will generate savings of \$3.8 million over four years.

## Service Delivery Reform — improving portfolio business — improving online services

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	41.5	25.2	15.6	21.4
Department of Families, Housing, Community Services and Indigenous Affairs	-	1.3	1.4	1.4	1.4
<b>Total</b>	<b>-</b>	<b>42.8</b>	<b>26.5</b>	<b>17.0</b>	<b>22.8</b>
<i>Related capital (\$m)</i>					
<i>Department of Families, Housing, Community Services and Indigenous Affairs</i>	<i>-</i>	<i>0.7</i>	<i>-</i>	<i>-</i>	<i>0.2</i>
<i>Department of Human Services</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>	<i>-</i>
<i>Total</i>	<i>-</i>	<i>0.7</i>	<i>-</i>	<i>-</i>	<i>0.2</i>

The Government will provide \$157.6 million over four years to enhance and develop information communication technologies (ICT) that gives customers the choice to manage their Centrelink, Medicare Australia and Child Support Agency accounts and transactions online. Of this funding an amount of \$47.7 million in capital will be met from within the existing resources of the Department of Human Services.

The enhanced online functionality will allow customers to:

- access all of their portfolio accounts through a single and secure logon facility; and
- share their information across the portfolio in a single transaction ('tell us once').

The Department of Human Services will also conduct a trial to determine the ICT requirements needed to enable staff to view a consenting customer's accounts. This capability is designed to provide customers and staff with a complete picture of a customer's interactions across the portfolio so that services can be matched to changing customer needs.

Customers will be able to choose whether to access information and services online, in person or by post. The Department of Human Services will continue to work closely with the Office of the Australian Information Commissioner so that customers have adequate levels of control and choice over the use of their information.

Funding of \$6.4 million will be provided to the Department of Families, Housing, Community Services and Indigenous Affairs to maintain an ICT interface with the Human Services portfolio to ensure the continuity of data exchanges.

**Service Delivery Reform — improving portfolio business — integrated business operation and workflow management system**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	-41.6	-98.8	-100.2	-100.7

The Government will put in place a new organisational structure for the Human Services portfolio that amalgamates the business operations of Medicare Australia, Centrelink and Child Support Agency and redesigns the way work is managed and distributed. The new business structure will provide more efficient delivery of services to customers and generate net savings of \$341.3 million over four years.

The enhanced workflow management system will optimise the distribution of work across the Human Services portfolio. The connected system will improve processing time by allocating work to the next available staff member, regardless of their physical location. It will also optimise customer support by allowing staff to readily provide customers with up-to-date information on the status of their transactions. Customers will be kept informed of the progress of their transactions via an automated notification system. Customers will also be able to track the status of their own transactions online.

**Service Delivery Reform — improving portfolio business — simplifying and automating online services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	-6.3	-23.9	-47.5	-62.8

The Government will improve customer interactions with Centrelink, Medicare Australia and the Child Support Agency by simplifying and automating portfolio services and business processes. This reform will support the development of an online automation service that will make it easier and more convenient for customers when applying for services and notifying the portfolio agencies of a change to their circumstances.

The reform will generate net savings of \$140.4 million over four years by redesigning forms to make them clearer and more concise, and expanding online customer services such as:

- completing and submitting forms securely online;
- updating customer contact details using improved, more accurate technology; and
- allowing nominees to register and manage a customer's service arrangements more easily.

Efficiencies will be generated by reducing the amount of processing associated with paper based notifications, forms and letters. The measure will also enhance data exchanges with third party organisations to streamline business reporting on customer income and assets.

Customers will still be able to choose whether they complete and lodge forms securely online or continue to submit completed paper forms in person or by post.

### **Service Delivery Reform — improving services — increased support for people needing assistance**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	11.3	18.1	21.9	21.6
Department of Education, Employment and Workplace Relations	-	0.4	0.4	0.4	0.4
Total	-	11.7	18.5	22.3	22.0

The Government will provide \$74.4 million over four years to trial a new approach to delivering human services that better supports people who have difficulty self-managing their access to government services. Department of Human Services staff will be trained to identify people needing assistance and to match those needs with appropriate services within the portfolio and the local community. The level of support and assistance offered will vary depending on customers' needs, from simple training or information referral to intensive support that involves the coordination of multiple appointments with government and local community services.

The measure will focus on early intervention and assisting people to become able to self-manage their needs and access government services in the future. There will be a staged approach to the roll-out of the trial, with 44 service locations rolled-out by 2013-14 across all states and territories. Ten of these locations will be priority sites from the Building Australia's Future Workforce package. A comprehensive evaluation will be undertaken to inform future policy development.

Funding of \$1.6 million over four years will be provided to the Department of Employment, Education and Workplace Relations to work closely with the Department of Human Services during the implementation and evaluation of the trial.

**Service Delivery Reform — improving services — involving users and the community in designing improved service delivery**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	4.6	4.6	1.9	1.9

The Government will provide \$13.0 million over four years to improve the design and delivery of human services based on consultation, feedback and testing by the users of those services, as well as the broader community.

**Service Delivery Reform — integrating the portfolio — corporate integration**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	65.6	40.9	18.5	12.4
Department of Finance and Deregulation	-	0.1	0.1	0.1	0.1
Total	-	65.7	41.0	18.6	12.5
<i>Related capital (\$m)</i>					
<i>Department of Human Services</i>	-	-	-	-	-

The Government will provide \$297.1 million over four years to facilitate the administrative and physical integration of Medicare Australia, Centrelink and Human Services into a single department. Of this funding an amount of \$89.8 million, including \$58.8 million in capital, will be met from within the existing resources of the Department of Human Services.

The initiative will put in place a change management program which will establish a range of strategies to assist staff in the integrated workplace, including business process redesign, job redesign and tailored training programs. It will also support internal and external communication to inform staff and customers of the benefits and changes associated with portfolio integration. A new building will be constructed to accommodate national office staff.

The integration will generate savings of \$69.5 million over four years through efficiencies and process improvements associated with amalgamating and transforming existing policies, systems, products and processes relating to the human resources, corporate and financial areas.

The measure will also provide \$0.4 million over four years for the Department of Finance and Deregulation to undertake Gateway Assurance Reviews.

### Service Delivery Reform — integrating the portfolio — information and communications technology integration

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Human Services	-	10.6	3.0	-10.2	-32.0
<i>Related capital (\$m)</i>					
Department of Human Services	-	-	-	-	-

The Government will provide \$373.6 million over four years to integrate the information and communications technology (ICT) infrastructure of Medicare Australia, Centrelink and the Child Support Agency. Of this funding, an amount of \$295.4 million, including \$205.3 million in capital, will be met from within the existing resources of the Department of Human Services.

The initiative will deliver a:

- single shared ICT gateway linking the separate portfolio networks;
- single integrated security management system to protect sensitive information across payment systems;
- new data recovery centre to backup customer data in the event of a system failure;
- single consolidated data management system; and
- common staff portal, desktop and email system to enable faster and more efficient operations.

ICT integration will generate savings of \$106.8 million across the portfolio by streamlining core processing, storage infrastructure and support services, resulting in a net saving for the initiative of \$28.5 million over four years.

## IMMIGRATION AND CITIZENSHIP

### Afghanistan Passport and Visa Issuing System Capacity Building Project Phase III

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	6.1	3.7	-	-

The Government will provide \$9.7 million over two years for Phase III of the Afghanistan Passport and Visa Issuing System Capacity Building Project to ensure that passports issued meet international standards.

This measure is an element of the Memorandum of Understanding that the Government of Australia, the Government of the Islamic Republic of Afghanistan, and the United Nations High Commissioner for Refugees signed on 17 January 2011.

Funding for this measure will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no net impact on the budget position.

This measure is part of the Government's commitment to increase Australia's overseas development assistance over the long term.

Further information can be found in the press release of 17 January 2011 issued by the Minister for Immigration and Citizenship.

### Border Security — initiatives to address irregular population flow in source and transit countries

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	7.4	14.3	11.6	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	..	..	..	-

The Government will provide \$33.3 million over three years to strengthen cooperation with the South East Asian and Pacific regions to respond to irregular migration.

Of this, \$23.8 million over three years will be provided to continue the Regional Cooperation Agreement with Indonesia where the Department of Immigration and Citizenship provides funding to the International Organization for Migration (IOM) to provide practical support, such as accommodation, food and emergency medical assistance to irregular migrants intercepted in Indonesia. This work also arranges voluntary repatriation of irregular migrants.



Funding of \$4.9 million will also be provided in 2011-12 and 2012-13 to the IOM to provide technical assistance to the Sri Lankan Department of Immigration and Emigration to enhance the capacity of the Sri Lankan passport issuance process through the introduction of biometrics.

Funding of \$28.7 million will be offset from the provision for expanded aid funding held in the Contingency Reserve and therefore has no impact on the budget position. This measure is part of the Government's commitment to increase Australia's overseas development assistance over the long term.

Funding of \$4.6 million will also be provided to continue positions in the region to enable enhanced cooperation with regional governments and international organisations. These positions will assist to build capacity within the region to manage irregular migration and to develop a regional framework for the management and resolution of protection issues.

The measure is expected to lead to a negligible increase in revenue over three years as result of the tax treatment of the income and benefits received by deployed officers posted overseas.

This measure is part of the Australian Government's response to people smuggling.

#### **Border Security — reintegration assistance program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-	-	-	-

The Government will provide \$7.0 million in 2011-12 to continue the Reintegration Assistance Program established in 2010.

The Reintegration Assistance Program supports the voluntary return of asylum seekers to their countries of origin. The program provides in-country skills training, employment assistance and small business start up programs delivered by the International Organisation for Migration, an international intergovernmental organisation.

The cost of this measure will be met from within the existing resourcing of the Department of Immigration and Citizenship.

**Department of Immigration and Citizenship — grant program efficiencies**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-1.7	-1.7	-1.8	-1.8

The Government has identified savings of \$7.0 million over four years through efficiencies within the Department of Immigration and Citizenship's administration of grants for the *Community Settlement Services and Diversity* and *Social Cohesion* programs.

This measure will reduce the administrative costs of these grant programs without reducing the funding allocated to these grants.

Savings from this measure will be redirected to support other Government priorities.

**Department of Immigration and Citizenship — reduction in funding to corporate support, policy and program design and service delivery functions**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-29.7	-47.6	-51.5	-69.4

The Government will redirect funding for corporate support, policy and program design and service delivery functions within the Department of Immigration and Citizenship to meet emerging priorities. Savings will be achieved by reducing expenditure on corporate support, policy and program design and service delivery functions. This measure will provide savings of \$198.2 million over four years.

Savings from this measure will be redirected to support other Government priorities.

**Humanitarian Migration Program — increase of 4,000 places**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Various Agencies	-	30.5	45.4	61.5	79.0

As a key component of the bilateral agreement with Malaysia, the Government will increase the *Humanitarian Migration Program* by an additional 4,000 places over four years at a cost of \$216.4 million.

This will increase the average annual planning level to 14,750 for each year from 2011-12 to 2014-15, which is an additional 1,000 places per annum. These additional places will only be open to those already residing in Malaysia.

The bilateral arrangement is part of the Regional Cooperation Framework (RCF) agreed to at the Fourth Bali Process Ministerial Conference on 30 March 2011.

Further information on the bilateral agreement can be found in the joint statement of 7 May 2011 issued by the Prime Minister of Australia and the Prime Minister of Malaysia and the joint press release of 7 May 2011 issued by the Prime Minister of Australia and the Minister for Immigration.

For further information see the related expense measure *Regional Cooperation Framework – Transfer of Irregular Maritime Arrivals to Malaysia*.

**Initiatives to Increase Migration to Regional Australia**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-	-	-	-

The Government will provide \$4.8 million over four years to implement initiatives that encourage migration to regional Australia.

The Department of Immigration and Citizenship's current regional outreach network and information activities will be expanded to include: an information strategy to market visa products to regional employers; a series of expos; and an increase to the existing outreach officer network to enable officers to work closely with State and Territory governments, local councils and regional chambers of commerce and industry.

The Government has also made a number of changes to the Employer Sponsored Program stream of the 2011-12 Migration program to encourage people with relevant skills to migrate to regional Australia. For the first time, the program will specify the number of places allocated to the Regional Sponsored Migration Scheme component, making 16,000 places available under the Employer Sponsored Program.

The Government is also reforming the criteria for the Regional Sponsored Migration Scheme and the Employer Nominated Scheme with a view to streamlining and simplifying the pathway to permanent residency for Temporary Business (Long Stay) (Subclass 457) visa holders.

This measure will also encourage migration to regional areas by allocating the highest priority for processing visas to applications made under the Regional Sponsored Migration Scheme and the Regional (Residence) visa.

The cost of this measure will be met from within the existing resources of the Department of Immigration and Citizenship.

### Migration Program — allocation of places for 2011-12

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Various Agencies	-	86.3	190.6	289.8	387.2
<i>Related revenue (\$m)</i>					
<i>Australian Taxation Office</i>	-	63.0	214.8	382.4	569.6
<i>Australian Customs and Border Protection Service</i>	-	0.7	2.2	3.7	5.4
<i>Department of Immigration and Citizenship</i>	-	-26.6	-27.3	-36.1	-37.0
<i>Total</i>	-	37.1	189.7	350.0	538.0

The Government will increase the 2011-12 Migration Program to 185,000 places, up from 168,700 places for 2010-11. The program will comprise 125,850 skill stream places, 58,600 family stream places and 550 special eligibility places.

The increase in the skill stream will assist in meeting emerging skills shortages, particularly in regional Australia. For the first time, the program will specify the number of places allocated to the Regional Sponsored Migration Scheme component of the Employer Sponsored Program and increase it to 16,000 — a 60 per cent increase. The increase in the family stream reflects the ongoing demand for family stream visas. A strong family migration program is also an important factor in attracting and retaining skilled migrants.

See also the related expense measure titled *Initiatives to Increase Migration to Regional Australia*.

The net impact on the fiscal balance is expected to be an increase of \$160.9 million over four years.

### Migration Review Tribunal — Refugee Review Tribunal — changes to application fees

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Migration Review Tribunal and Refugee Review Tribunal	-	3.4	3.5	3.5	3.5
<i>Related revenue (\$m)</i>					
<i>Migration Review Tribunal and Refugee Review Tribunal</i>	-	3.5	3.5	4.1	4.1

The Government will provide an additional \$13.9 million over four years to the Migration Review Tribunal and Refugee Review Tribunal (MRT-RRT). The additional funding is required to effectively manage the increase in caseload and case complexity.

The costs of the measure will be offset by changing the fee structure of the MRT-RRT. The change to the fee structure will involve an initial 10 per cent increase and an ongoing biennial adjustment in line with changes in the Consumer Price Index.

**National Accreditation Authority for Translators and Interpreters — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	0.6	-	-	-

The Government will provide \$0.6 million in 2011-12 to the National Accreditation Authority for Translators and Interpreters (NAATI). This measure will supplement the base funding of the Authority to ensure it can continue to deliver on its objectives while a review on its future governance and funding arrangements is undertaken.

NAATI sets national standards for translators and interpreters. It is jointly owned by the Commonwealth and state and territory governments who contribute some \$1.1 million annually to NAATI's revenue base (of which the Government contributes 50 per cent). The remainder of NAATI's revenue base is funded through testing fees.

**New Skilled Migration Points test**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-	-	-	-

The Government will implement a new General Skilled Migration Points test to assess independent skilled migrants. The new test realigns the points test to better meet Australia's long term economic requirements and is in line with Government policy to reform the Skilled Migration Program to deliver the skills Australia needs.

The new points test is proposed to take effect from 1 July 2011, subject to commencement of supporting legislation and will apply to anyone lodging an application from 1 July 2011.

The cost of this measure will be met from within the existing resources in the Department of Immigration and Citizenship.

Further information can be found in the press release of 11 November 2010 issued by the Minister for Immigration and Citizenship.

**Refugee Status Determinations for offshore entry persons — streamlined processes**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	48.8	50.7	-	-
Federal Magistrates Court of Australia	-	2.0	2.0	2.1	2.1
Total	-	50.8	52.7	2.1	2.1
<i>Related capital (\$m)</i>					
<i>Department of Immigration and Citizenship</i>	-	..	-	-	-

The Government will provide \$107.7 million over four years to support the new process for determination of refugee status for offshore entry persons. This measure is part of the commitment made by the Government in response to the High Court decision that confirmed the availability of judicial review for offshore entry persons. The measure will provide:

- \$26.1 million over two years to the Department of Immigration and Citizenship for internal and external legal expenses associated with anticipated judicial review of refugee status determinations;
- \$8.2 million over four years to the Federal Magistrates Court for two additional Federal Magistrates and their support staff to assist with the increased workloads. Approximately \$2.1 million per year will be ongoing funding for the Federal Magistrates Court; and
- \$73.4 million over two years for the Independent Protection Assessment Office including an increase in the number of reviewers, to expedite the processing of refugee status applications under the Protection Obligation Determination process which has been developed in response to the High Court decision.

Further information can be found in the press release of 7 January 2011 issued by the Minister for Immigration and Citizenship.

## Regional Cooperation Framework — Transfer of Irregular Maritime Arrivals to Malaysia

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	28.8	18.2	15.6	13.3

The Government will provide \$75.9 million over four years to provide support and maintenance for irregular maritime arrivals transferred to Malaysia under the bilateral arrangement with Malaysia. Under the bilateral arrangement, 800 irregular maritime arrivals arriving in Australia will be transferred to Malaysia for refugee status determination to limit the incentives for people to arrive in Australia by boat. In return, Australia will resettle a total of 4,000 refugees currently in Malaysia.

The bilateral arrangement is part of the Regional Cooperation Framework (RCF) agreed to at the Fourth Bali Process Ministerial Conference on 30 March 2011.

This measure, along with other Government border security initiatives, are part of the Government's comprehensive approach to addressing people smuggling by working with countries in our region.

Further information on the bilateral agreement can be found in the joint statement of 7 May 2011 issued by the Prime Minister of Australia and the Prime Minister of Malaysia and the joint press release of 7 May 2011 issued by the Prime Minister of Australia and the Minister for Immigration.

For further information see the related expense measure *Humanitarian Program-Increase of 4,000 places*.

### Skilled Migrant Selection Model

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	2.6	0.3	0.3	0.3
<i>Related capital (\$m)</i>					
<i>Department of Immigration and Citizenship</i>	-	2.4	-	-	-

The Government will provide \$5.9 million over four years to reform the application process for permanent Skilled Migration applicants through the implementation of a new Skilled Migrant Selection Model. The model builds on and concludes the current series of reforms to the skilled migration program.

The principle objective of the model is to improve the efficiency and effectiveness of the skilled migrant selection process by ensuring that places are allocated to the best candidates across a wide variety of occupations.

The model will be a two stage process. Potential applicants will first submit their claims for a skilled visa through an online Expression of Interest (EOI). Applicants may then be invited by the Commonwealth Government, approved employers or State and Territory governments to make an application for a visa.

The Skilled Migrant Selection Model is proposed to take effect from 1 July 2012 subject to commencement of supporting legislation.

### **Temporary Business (Subclass 457) Visa Program — improved processing**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	3.1	2.3	2.3	2.3

The Government will provide \$10.0 million over four years to enhance the *Temporary Business (Long Stay) (Subclass 457) Visa Program* and improve visa processing times. This measure aims to improve visa processing times from around four weeks to around two weeks, through opening a new processing site in Brisbane and increasing the number of processing staff.

This measure will allow employers to gain more timely access to overseas labour for genuine skill vacancies which cannot be filled from the Australian labour market.

The government will also introduce Regional Migration Agreements (RMAs) and Enterprise Migration Agreements (EMAs). RMAs will allow local authorities to negotiate and coordinate access to overseas labour for employers in the region. They will recognise the particular skilled migration needs of that area while fostering local training initiatives.

EMAs will streamline the Department of Immigration and Citizenship's (DIAC's) negotiation arrangements, allowing major resource projects with capital expenditure of \$2 billion and a peak workforce of 1,500 workers to gain prompt access to overseas labour for genuine skills vacancies which cannot be filled from the Australian labour market.



**The People of Australia — Australia's Multicultural Policy**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	-	-	-	-	-
Australian Sports Commission	-	-	-	-	-
Total	-	-	-	-	-

The Government will provide \$4.7 million over four years to implement the People of Australia – Australia's Multicultural Policy. The policy was developed in response to the Australian Multicultural Advisory Council's recommendations provided to Government in mid 2010.

The policy celebrates and values the benefits of Australia's diversity, maintains social cohesion and responds to intolerance and discrimination.

The Government has committed to three new initiatives in support of the policy, being the establishment of a new independent Australian Multicultural Council to advise on multicultural policy; a Multicultural Youth Sports Partnership Program administered by the Australian Sports Commission to connect youth from diverse backgrounds through sport and active recreation activities; and a National Anti-Racism Partnership, which will design and deliver an anti-racism strategy.

The cost of this measure will be met through existing departmental resources committed to the Australian Multicultural Advisory Council: from the reallocation of funds from the Diversity and Social Cohesion Program; and from savings identified by the Australian Sports Commission.

Further information can be found in the press release of 17 February 2011 issued by the Minister for Immigration and Citizenship.

## INFRASTRUCTURE AND TRANSPORT

### Airport building controllers — increased funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	2.6	2.6	2.6	2.6
<i>Related revenue (\$m)</i>					
<i>Department of Infrastructure and Transport</i>	-	3.5	3.5	3.5	3.5

The Government will provide \$10.4 million over four years to ensure public safety is maintained in infrastructure development at airports on Commonwealth land. Airport building controllers engaged by the Commonwealth ensure buildings at airports comply with the Building Code of Australia and other applicable building standards. The increase in funding is the result of higher levels of building activity at airports and increased contracting rates.

The cost of this measure will be offset by an increase in the building application fees paid by developers at the airports, which will bring rates in line with those prevailing in the industry.

### Infrastructure Australia — expansion

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	9.0	9.0	9.0	9.0

The Government will provide \$36.0 million over four years to continue and strengthen the activities of Infrastructure Australia (IA). This will ensure the continued capability of IA to review national infrastructure priorities, assess projects and provide advice on infrastructure financing and reforms that promote productive investment in Australian infrastructure.

This measure will provide a \$2.5 million per annum increase in IA's funding to enable IA to develop more comprehensive infrastructure project and priority assessments, including through a top-down analysis of nationally significant infrastructure needs. It will also enable IA to develop further opportunities for private investment in nationally significant infrastructure and to continue its reform work, including on the National Ports Strategy and the National Freight Network.

**Nation Building — additional funding for the Pacific Highway**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	131.0	99.0	220.0	-400.0
Department of Infrastructure and Transport	-	-	-	-	-
<b>Total</b>	-	131.0	99.0	220.0	-400.0

The Government will provide an additional \$1.02 billion as a further contribution towards the duplication of the Pacific Highway.

Of the contribution, \$700 million had been previously provisioned for in the Budget, with \$400 million brought forward from 2014-15 to 2011-12 (\$81.0 million), 2012-13 (\$99.0 million) and 2013-14 (\$220.0 million) to accelerate planning, route assessment and other works.

An additional \$50 million has been provided in 2011-12 Budget, and a further \$270 million has been redirected, with the agreement of the New South Wales Government, from the New South Wales allocation of the Nation Building Program.

Additional funding for the Pacific Highway is conditional on the New South Wales Government also making an appropriate contribution to the cost of this work.

**Nation Building — rail infrastructure — Moreton Bay Rail Link**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	30.0	20.0	83.0	-192.0
Department of Infrastructure and Transport	-	-	-	-	-
<b>Total</b>	-	30.0	20.0	83.0	-192.0
<i>Related capital (\$m)</i>					
<i>Department of Infrastructure and Transport</i>	-	-	-	-	-
<i>Department of the Treasury</i>	-	-	-	-	-
<i>Total</i>	-	-	-	-	-

The Government will bring forward funding of \$133.0 million for the Moreton Bay Rail Link project from 2014-15 to be spent from 2011-12 to 2013-14. The \$1.15 billion project is jointly funded by the Australian Government (\$742.0 million), the Queensland Government (\$300.0 million) and Moreton Bay Regional Council (\$105.0 million). Construction of the project is expected to begin in 2012 and be completed by 2016. The Commonwealth's contribution was to have been paid from 2014-15. The funding includes \$59.0 million in 2015-16.

This measure delivers on the Government's election commitment.

### Nation Building Program — F3 to Sydney Orbital feasibility study — deferral

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of the Treasury	-	-	-	-150.0	-
Total	-	-	-	-150.0	-

The Government will defer its contribution to a feasibility study into the F3 to Sydney Orbital project until 2015-16. This will reduce expenses by \$150.0 million in 2013-14.

Savings from this measure will be redirected to support other Government priorities.

### Nation Building Program 2 — Constitution Avenue

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-42.0

The Government will reduce the funding provision for the Nation Building Program 2 held in the Contingency Reserve by \$42.0 million in 2014-15 in order to offset the cost of providing a grant to the Australian Capital Territory (ACT) Government for the redevelopment of Constitution Avenue.

The grant to the ACT Government is a gift to celebrate the Centenary of Canberra as the nation's capital. See also the related expense measure titled *Centenary of Canberra – a gift to the national capital*.

### National Transport Regulators — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Maritime Safety Authority	-	4.4	5.6	-	-
Department of the Treasury	-	3.2	1.6	-	-
Australian Transport Safety Bureau	-	2.3	4.9	-	-
Department of Infrastructure and Transport	-	-	-	-	-
Total	-	10.0	12.1	-	-
<i>Related capital (\$m)</i>					
Australian Transport Safety Bureau	-	0.1	3.1	-	-

The Government will provide \$25.2 million over two years to establish national regulators for heavy vehicles, rail safety and maritime safety, and for an expanded rail and national maritime safety investigatory function.

Of this funding, \$4.8 million will be provided for the Commonwealth's contribution to continue the project implementation teams for the national heavy vehicle regulator, which was established in Queensland, and the national rail safety regulator, established in South Australia. State and territory governments will contribute to this activity according to the National Transport Commission formula. The Australian Maritime Safety Authority will receive \$10.0 million to undertake maritime safety regulation responsibilities for all commercial vessels, and the Australian Transport Safety Bureau will receive \$10.4 million to establish a national investigation framework for rail and maritime safety.

National transport regulation reform is part of the national partnership agreement reached by the Council of Australian Governments (COAG) to deliver a seamless national economy.

Further information about the COAG agreement to implement national transport regulation reforms can be found in the COAG Communiqués of 2 July 2009 and 7 December 2009.

**Natural Disaster Recovery and Rebuilding — deferral of other infrastructure projects**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of Finance and Deregulation	-	-	-	-	-
Department of the Treasury	-118.2	-369.0	-295.0	-27.8	190.0
Total	-118.2	-369.0	-295.0	-27.8	190.0

The Government will defer three infrastructure projects in Victoria and New South Wales to make funds available for rebuilding after the natural disasters in 2010-11.

This measure will defer spending beyond the forward estimates of \$620 million, comprising:

- \$500 million for the Victorian Regional Rail Link;
- \$20 million for the Princes Highway East (Traralgon to Sale); and
- \$100 million for the North Sydney Freight Line.

Funding for the upgrade of the Princes Highway between Traralgon to Sale will recommence in 2013-14, the Victorian Regional Rail project funds will be paid in 2015-16, and the Northern Sydney Freight Corridor rail project will be paid from 2014-15.

Funds made available from this measure will be used to meet the costs of supporting those individuals, businesses and local communities in areas affected by natural disasters that occurred in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister and the press release of 8 February 2011 issued by the Minister for Infrastructure and Transport.

### **Natural Disaster Recovery and Rebuilding — reinstatement of infrastructure projects in Queensland**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of the Treasury	-4.3	-31.3	-349.2	-76.9	136.3
Total	-4.3	-31.3	-349.2	-76.9	136.3

The Government will now proceed to fund the following five Bruce Highway projects which were announced by the Prime Minister on 27 January 2011 to be deferred to offset the impact of natural disaster recovery measures in Queensland:

- duplication of Vantassel Street to Flinders Highway (\$75.0 million);
- realign and raise the Bruce Highway from Sandy Corner to Collinsons Lagoon (\$40.0 million);
- Burdekin Road Safety Audit Projects (\$20.0 million);
- Cabbage Tree Creek to Carman Road (\$64.7 million); and
- the Caboolture to Caloundra upgrade (\$85.7 million).

The Government will utilise savings of \$325.4 million within the National Partnership Agreement on implementation of the Nation Building Program in Queensland, 2009-2014 to offset the cost of reversing the decision to defer these projects. This follows advice from the Queensland Government that it has identified reduced funding requirements for the Ipswich Motorway Upgrade – Dinmore to Goodna project and the Bruce Highway – Cooroy to Curra Section B project, and that this funding will not be required for the Queensland Government to successfully complete these projects.

The Government will still proceed to defer \$40.0 million of funding allocated for the Gairloch Floodway project, as announced by the Prime Minister on 27 January 2011, as the Queensland Government has advised that this project has been superseded in light of ongoing planning work.

The \$285.4 million savings realised in the Nation Building Program in Queensland will remain available to it, with \$85.4 million deferred to 2015-16 and \$200.0 million deferred to 2016-17.

**Natural Disaster Recovery and Rebuilding — withdrawal of funding for O-Bahn city access project**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of the Treasury	-27.1	-28.9	-	-	-
Total	-27.1	-28.9	-	-	-

The Government will withdraw funding of \$56.0 million for the O-Bahn city access project in South Australia.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

**Regional Aviation Access Program — airstrip upgrades — extension**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	14.0	14.0	-	-

The Government will provide \$28.0 million over two years to extend the program of aviation safety upgrade works at remote and isolated airstrips across Australia. Under the program, grants are generally provided to aerodrome owners for aviation upgrades on a co-funding basis, although grants of up to 100 per cent of the cost may be provided for works at identified remote Indigenous communities.

The upgrades will help ensure that the remote communities served by these airstrips have access to passenger transport services, as well as medical services and essential supplies. They also help to ensure compliance with Civil Aviation Safety Authority’s runway standards.

**Regional Infrastructure Fund — administration**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	1.8	1.9	1.9	2.0
Department of the Treasury	-	-1.8	-1.9	-1.9	-2.0
Total	-	-	-	-	-

The Government will provide \$7.6 million over four years for the Department of Infrastructure and Transport to administer the Regional Infrastructure Fund, with funding from 2014-15 subject to the passage of the Minerals Resource Rent Tax. An initial allocation from the Regional Infrastructure Fund of \$400 million will assist state governments in the delivery of the following road projects:

- Gateway WA (Western Australia);
- Blacksoil Interchange (Queensland);
- Townsville Ring Road (Queensland);
- Peak Downs Highway (Queensland);
- Upgrade of the Intersection of the Bruce and Capricorn Highways (Queensland);
- Gladstone Port Access Road (Queensland);
- Scone Level Crossing Study (New South Wales); and
- Mackay Ring Road Study (Queensland).

Provision of this funding has already been included in the forward estimates.

This measure delivers on the Government's election commitments.

**Regional Infrastructure Fund — Mackay Ring Road**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of the Treasury	9.5	-2.0	-2.0	-5.5	-
Total	9.5	-2.0	-2.0	-5.5	-

The Government will bring forward \$9.5 million to 2010-11 for the Mackay Ring Road study to develop a detailed business case and to establish a preferred route and alignment, cost and construction timelines. This payment will be made from the Regional Infrastructure Fund.



**Regional Infrastructure Fund — Scone Level Crossing**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	-	-	-	-
Department of the Treasury	1.8	-1.0	-0.8	-	-
Total	1.8	-1.0	-0.8	-	-

The Government will bring forward \$1.8 million to 2010-11 for the Scone Level Crossing study for planning work necessary to build an overpass for the rail line on the New England Highway in Scone in New South Wales. This payment will be made from the Regional Infrastructure Fund.

**Sustainable Australia — major urban renewal**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Infrastructure and Transport	-	10.0	10.0	-	-

The Government will provide \$20.0 million over two years to help improve the planning and design of the outer suburbs and major regional centres that are experiencing population growth pressures and housing and transport affordability cost pressures. The program will seek to improve the capacity of regional cities to undertake strategic planning in line with the Council of Australian Governments (COAG) agreed criteria. The program will also support the development of demonstration projects within capital cities that drive innovation and urban renewal through working in partnership with the Council of Capital City Lord Mayors.

Projects to be considered for funding will include the planning, feasibility assessment and/or design for:

- demonstration projects that facilitate innovative residential developments that promote housing affordability, adaptable and accessible housing and improve access to services and public transport;
- projects that create or enhance mixed use precincts that optimise public transport use such as the creation of transit malls and the re-development of significant public spaces;
- strategic plans for major regional cities with populations greater than 100,000 in line with the COAG criteria for capital city strategic planning systems; and
- identifying and protecting critical infrastructure corridors, sites and buffers.

### Sustainable Australia — managed motorways

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	20.0	20.0	20.0	-
Department of Infrastructure and Transport	-	0.4	0.5	0.5	-
Total	-	20.4	20.5	20.5	-

The Government will provide \$61.4 million over three years to fund smart infrastructure technologies to reduce congestion and improve traffic demand management and the overall efficiency of the transport network in major cities.

Managed motorways use system control through integrating data collection sensors and control tools to improve real time management of motorways to secure a higher and more consistent level of motorway performance. This results in travel time savings, improved reliability and reduced greenhouse gas emissions.

An initial set of projects that would be eligible for funding have been identified by Infrastructure Australia:

- Victoria: M1 West Gate Freeway (Western Ring Road to Williamstown Road) – an upgrade of this section to a level 3 Intelligent Transport System (ITS). The Nation Building program is currently funding an upgrade of the M80, in Melbourne, to ITS level 3. This project would complement the M80 upgrade and close a gap in the network which is projected to have the highest volumes of freight in Australia.
- New South Wales: M4 (Western Motorway) in Sydney – feasibility/project development funding for the introduction of a managed motorway system, including ramp metering and potential freight prioritisation, on this existing motorway.
- Queensland: Gateway Motorway (Nudgee to Bruce Highway) – to introduce pole mounted variable speed limits, ramp signalling, travel time signs and variable message signs on a significant freight route.
- Western Australia – feasibility funding and trials of technology including ramp metering, to test the benefits of a managed motorway concept and program.

All projects will be jointly funded by the Commonwealth and the relevant state and territory government. Funding will be subject to state and territory governments signing National Partnership Agreements on the establishment of Single National Jurisdictions for heavy vehicles, interstate rail operations and maritime regulation.

## INNOVATION, INDUSTRY, SCIENCE AND RESEARCH

### Australia-China Science and Research Fund — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	2.0	4.0	3.0	-

The Government will provide \$9.0 million over three years to establish the Australia-China Science and Research Fund as part of a targeted science and research collaboration strategy with China. The fund will assist collaboration between Australian and Chinese scientists by providing support for building bilateral research relationships, linking Australian and Chinese research institutions and researchers, and supporting collaborative research activities.

### Australian Nuclear Science and Technology Organisation — additional funding for decommissioning activities

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Nuclear Science and Technology Organisation	-	2.5	4.2	1.0	1.0

The Government will provide \$8.7 million over four years to continue the decommissioning of the National Medical Cyclotron at Camperdown and the ongoing maintenance of the safe enclosure period of the High-Flux Australian Reactor at the Lucas Heights Science and Technology Centre.

This measure builds on support for decommissioning in previous budgets.

### Buy Australian at Home and Abroad

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	5.1	9.5	10.1	9.8

The Government will provide \$34.4 million over four years to encourage better linkages between major projects in the resources sector and capable Australian firms. This includes:

- \$12.1 million over four years to expand the Supplier Advocates Program to engage an additional four supplier advocates to target sectors where capability gaps and opportunities are identified;
- \$15.5 million over four years to expand the Enterprise Connect program by engaging an additional 11 business advisers and increasing the number of tailored advisory services implementation grants and group development projects;

- \$4.4 million over four years to expand the Supplier Access to Major Projects program to position an industry capability specialist in the procurement team of some of Australia’s major resources sector projects to ensure that the capabilities of local suppliers are appropriately represented; and
- \$2.5 million over four years to establish a Resources Sector Supplier Advisory Forum (the Forum) and to employ a Resources Sector Supplier Envoy to maximise the participation of Australian firms in the resources sector. The Forum will comprise representatives from major resources companies, manufacturers, mining technology firms and unions.

### **Collaborative Research Networks — redirect funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-	-	-10.3	-10.4

The Government will achieve savings of \$20.7 million over two years from the Collaborative Research Networks (CRN) program.

Funding will remain available to continue to provide assistance to encourage less research-intensive higher education institutions to develop their research capability by teaming up with other institutions with established research expertise.

This measure delivers on the government’s election commitment.

### **Cooperative Research Centres — redirect funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-2.5	-9.6	-14.2	-7.1

The Government will redirect \$33.4 million over four years from the Cooperative Research Centres (CRC) program.

The CRC program delivers economic, environmental and social benefits to Australia by supporting research partnerships between publicly funded researchers and end-users to address major challenges that require medium to long term collaborative efforts.

A component of the savings (\$26.3 million over three years to 2013-14) delivers on the Government’s election commitment.

**Enterprise Connect — redirect funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-2.0	-2.0	-2.0	-

The Government will achieve savings of \$6.0 million over three years from the Enterprise Connect program. Funding of \$101.3 million over four years will remain available to continue to provide assistance for the program.

Enterprise Connect offers support and advice to Australian small and medium enterprises. This includes the provision of business reviews and grant assistance to implement recommendations flowing from business reviews.

Savings from this measure will be redirected to support other Government priorities.

This measure delivers on the Government's election commitment.

**National Construction Code — increased funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	1.8	1.6	1.6	1.5

The Government will provide \$6.5 million over four years to increase its contribution to support the implementation of the National Construction Code (NCC) as agreed by the Council of Australian Governments and to continue the Australian Building Codes Board's ongoing code development activities. The funding will also support the continued integration of the plumbing and building codes into the NCC to reduce regulatory overlap and move towards nationally consistent regulation in the building and construction industry.

This measure will increase total Commonwealth funding to \$11.5 million over five years, from 2010-11, matching the contribution from the state and territory governments to a combined total of \$23.0 million over five years.

**Natural Disaster Recovery and Rebuilding — capping the Liquefied Petroleum Gas Vehicle Scheme**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-41.4	-24.6	-30.0	-

The Government will cap the number of grants under the Liquefied Petroleum Gas (LPG) Vehicle Scheme to 25,000 claims per annum for the remaining three years of the program. The cap will commence on 1 July 2011 and will provide savings of \$96.0 million to be redirected to the Government’s contribution towards rebuilding natural disaster affected regions.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

**Natural Disaster Recovery and Rebuilding — cessation of the Green Car Innovation Fund**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-40.9	-7.5	-102.3	-102.9	-180.6

The Government will close the Green Car Innovation Fund (GCIF) program and redirect funding to the Government’s contribution to the reconstruction efforts following the Queensland floods and other priority spending measures. Closure of the GCIF will provide savings of \$601.0 million over the life of the program, including \$434.2 million over the forward estimates. Sufficient funding remains in the forward estimates to meet current contractual commitments.

Savings of \$401.0 million will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild. The remaining saving of \$200.0 million delivers on the Government’s election commitment and will be redirected to support other Government priorities.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

### Natural Disaster Recovery and Rebuilding — not proceeding with the Cleaner Car Rebate Scheme

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-	-	-	-

The Government will not proceed with implementing the Cleaner Car Rebate Scheme. Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

A provision of \$429.7 million over the forward estimates, which was included in the Contingency Reserve for the cost of this scheme in the *Mid-Year Economic and Fiscal Outlook 2010-11*, has been removed, resulting in a positive budget impact.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

### Science for Australia's Future — inspiring Australia

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	7.0	7.0	7.0	-

The Government will provide \$21.0 million over three years for the Science for Australia's Future program to support the implementation of Inspiring Australia, a national strategy for science engagement. The program aims to enhance the level of societal understanding and engagement with science, as well as to encourage young Australians to study science and pursue science-related careers.

The Government will retarget existing programs to meet the costs from the Enterprise Connect initiative (\$6.0 million), the Cooperative Research Centres program (\$7.5 million) and the Collaborative Research Networks program (\$7.5 million).

See also the related savings measures titled *Enterprise Connect – redirect funding*, *Cooperative Research Centres – redirect funding* and *Collaborative Research Networks – redirect funding* in the Innovation, Industry, Science and Research portfolio.

This measure delivers on the Government's election commitment.

**Small Business Support Line — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	1.7	1.7	1.7	1.8

The Government will provide \$7.1 million over four years to continue the Small Business Support Line service. The service provides advice to small businesses, including those in regional and remote areas of Australia, on issues such as: obtaining finance; cash flow management; retail leasing; personal stress and hardship counselling; and promotion and marketing. The support line will refer small businesses to specialist advisers for more complex and detailed advice.

**South-East South Australian Innovation and Investment Fund — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	3.0	7.0	-	-

The Government will provide \$10.0 million over two years to establish the South-East South Australian Innovation and Investment Fund. The fund will be established in partnership with the South Australian Government, which will contribute a further \$7.0 million, and will focus on manufacturing and manufacturing services to help create new sustainable jobs and opportunities for the region.

The fund is being established in response to Kimberly Clark Australia’s decision to restructure its South Australian operations, which resulted in job losses. The Government is also supporting displaced workers through Centrelink and Job Services Australia.

Further information can be found in the press release of 25 January 2011 issued by the Minister for Innovation, Industry, Science and Research.

**Square Kilometre Array Radio Telescope — supporting the Australia-New Zealand bid**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	8.9	11.8	10.0	9.5

The Government will provide \$40.2 million over four years to support the joint Australia-New Zealand bid to host the Square Kilometre Array (SKA) radio telescope. The SKA will comprise many thousands of antennas, across a range of at least 3,000 kilometres, which will be utilised for research into areas of fundamental astronomy and astrophysics by domestic and international scientists. Announcement of the successful site is expected in 2012, with construction to commence in 2016.



Funding of \$6.3 million will be provided to support promotion and diplomatic efforts, development of a site proposal, and negotiation with stakeholders. The Government will also provide \$34.0 million for the project pre-construction phase, subject to the Australia-New Zealand bid being successful, with provision for this funding made in the Contingency Reserve.

**Tasmanian Information and Communication Technologies Centre — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Commonwealth Scientific and Industrial Research Organisation	-	2.7	4.0	4.0	4.0

The Government will provide \$20.0 million over five years (including \$5.3 million in 2015-16) to continue the Tasmanian Information and Communication Technologies (ICT) Centre. In addition, the Commonwealth Scientific and Industrial Research Organisation will provide a matching funding contribution of \$20.0 million.

The funding will be utilised to develop, manage and operate the Tasmanian ICT Centre to provide long-term support and growth for the ICT innovation base in Tasmania. The centre undertakes activities in research fields such as sensor networks, data management and robotics. The centre also supports research training and education activities, and fosters linkages and networks with the ICT industry, the education sector and relevant research organisations in Tasmania and beyond.

**WaterMark Certification Scheme — administrative arrangements**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-	-	-	-	-

The Government will provide \$3.6 million over four years to transfer administrative responsibility for the WaterMark Certification Scheme (WaterMark) from Standards Australia to the Australian Building Codes Board (ABCB), subject to the scheme operating on a full cost-recovery basis.

WaterMark is a plumbing products certification scheme that helps ensure only safe and effective plumbing products are installed by licensed plumbers. The objective of the scheme is to mitigate the potential risk to public health and safety from poor quality or faulty plumbing products.

Transition costs of \$0.6 million will be met from within the existing resourcing of the ABCB Special Account and \$3.0 million will be recovered from revenue derived from a combination of licence fees and product levies.

## PARLIAMENT

### Parliament — additional operational support

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the House of Representatives	-	1.0	1.0	0.5	0.5
Department of the Senate	0.3	0.5	0.5	-	-
Department of Parliamentary Services	-	0.3	0.3	-	-
Total	0.3	1.9	1.9	0.5	0.5

The Government will provide \$5.1 million over five years for additional support for the operation of Parliament. This includes \$1.0 million over two years for the Department of the House of Representatives and \$0.7 million over two years for the Department of Parliamentary Services for additional staffing, Hansard, broadcasting and security costs arising from additional scheduled sitting hours in the House of Representatives and the Main Committee over the life of the 43rd Parliament.

The Government will also provide additional funds to support the establishment of new Parliamentary committees:

- \$2.1 million over four years to the Department of the House of Representatives to support the Joint Committee on the National Broadband Network. The Committee will provide reports to Parliament and to shareholder Ministers every six months until the National Broadband Network is completed; and
- \$1.4 million over three years to the Department of the Senate to support the Joint Select Committee on Gambling Reform that was established on 30 September 2010. The Committee is due to present its final report by no later than 30 June 2013.

Further information on the Joint Select Committee on Gambling Reform can be found in the press release of 30 September 2010 issued by the Minister for Families, Housing, Community Services and Indigenous Affairs.

**Parliamentary Budget Office**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Parliamentary Budget Office	-	6.0	6.1	6.7	6.2
Department of Parliamentary Services	-	-	-	-0.5	-
Total	-	6.0	6.1	6.2	6.2

The Government will provide \$24.9 million over four years to establish a Parliamentary Budget Office (PBO). The PBO will be headed by a statutory officer, the Parliamentary Budget Officer.

The PBO will be established as a new entity and will provide Parliament with independent advice and policy analysis on the Budget, fiscal policy and the financial impacts of policy proposals.

The Government will redirect \$0.5 million in 2013-14, provided to the Parliamentary Library to assist in development of policy by non-government parties, to the PBO to allow it to perform a similar function. This measure delivers on the Government's commitment to establish a PBO as part of the *Agreement for a Better Parliament: Parliamentary Reform*.

## PRIME MINISTER AND CABINET

### Active After-School Communities program — extension

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Sports Commission	-	21.8	22.1	-	-

The Government will provide \$43.9 million over 2011-12 and 2012-13 to continue the Active After-School Communities program for one calendar year until December 2012. The Active After-School Communities program provides funding to around 2,000 primary schools and 1,300 out-of-school-hours care services to deliver quality sport and other structured physical activity programs.

### Australian Sports Commission — administrative savings

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Sports Commission	-	-	-	-1.4	-1.4

The Government will achieve savings of \$2.8 million over two years from 2013-14 through reduced administrative costs for the Australian Sports Commission.

Savings from this measure will be redirected to support other Government priorities.

### Commonwealth Ombudsman — scrutiny of processing of refugee claims

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Office of the Commonwealth Ombudsman	-	-	-	-	-

The Government will provide \$0.9 million over two years to the Office of the Commonwealth Ombudsman (OCO) to sustain its independent scrutiny of the Department of Immigration and Citizenship's processing of refugee claims made by irregular maritime arrivals. The cost of this measure will be met from within the existing resources of the OCO.

### Contemporary Music Touring Program

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	0.4	0.4	0.4	0.4

The Government will provide \$1.6 million over four years to continue funding for the Contemporary Music Touring Program. This program provides grants of up to \$15,000 to enable professional artists to perform contemporary music in regional and remote Australia, where this would otherwise be commercially unviable.

### Council of Australian Governments — additional resources to support the COAG reform agenda

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	1.6	1.6	1.6	1.6

The Government will provide \$6.5 million over four years to the Department of the Prime Minister and Cabinet to maintain support for the delivery of the Council of Australian Governments (COAG) reform agenda.

This measure continues funding provided in the 2010-11 Budget measure titled *Council of Australian Governments reform agenda – additional funding*.

### Enhancements from the Review of the Australian Independent Screen Production Sector

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Screen Australia	-	2.5	3.5	3.5	3.5
Australian Taxation Office	-	-2.5	-1.5	-0.5	-0.5
Total	-	-	2.0	3.0	3.0

The Government will provide \$43.0 million to the Australian Taxation Office (ATO) and \$13.0 million to Screen Australia over four years from 2011-12 for a package of enhancements to the film tax offsets program including: lowering the threshold of the Producer Offset to \$500,000; providing direct funding for low budget (under \$500,000) documentaries in place of the Producer Offset; increasing the rate of the Location Offset from 15 per cent to 16.5 per cent; increasing the Post, Digital and Visual Effects Offset from 15 per cent to 30 per cent; permitting some additional screen production costs to be claimed as Qualifying Australian Production Expenditure (QAPE) under the film tax offsets; allowing television series to benefit from the Producer Offset for the first 65 broadcast hours (replacing the current 65 episode limit); and providing funds to Screen Australia to commission a screen industry survey by the Australian Bureau of Statistics.

These changes will be partly offset by \$48.0 million in savings over four years from 2011-12 by removing the Goods and Services Tax (GST) amounts from QAPE for the film tax offsets and increasing the minimum expenditure thresholds for documentaries to \$500,000 in production (from the current threshold of \$250,000).

The measure is in response to the findings of the 2010 Review of the Australian Independent Screen Production Sector.

The measure is jointly administered by Screen Australia and the ATO.

### Get Reading! — reduced funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	-0.4	-0.4	-0.4	-0.4

The Government will achieve savings of \$1.6 million over four years from the Get Reading! program. The Get Reading! Program, an annual promotion of books and reading, will be delivered in a more cost-effective way, including utilising digital technology and e-publishing.

### Illicit Drugs in Sport and the Sport Anti-Doping programs — savings

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-1.7	-1.6	-1.2	-1.1	-

The Government will achieve savings of \$5.6 million over four years from 2010-11 from the testing and research components of the Illicit Drugs in Sport (IDIS) program and the research component of the Sport Anti-Doping program. The savings from the IDIS will be limited to those testing and associated result management components for which there is currently no demand.

Savings from this measure will be redirected to support other Government priorities.

### National Archives Preservation Facility

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Finance and Deregulation	-	-	-	0.1	0.1
National Archives of Australia	-	-	-	-0.1	-0.1
Total	-	-	-	-	-

The Government will provide funding to the National Archives of Australia (NAA) to address long-term requirements for additional archives preservation and storage capacity. The funding will allow the NAA to lease a new preservation and storage facility and to refurbish existing facilities.

There is no net impact on the Budget over the forward estimates period as costs will be fully absorbed by the NAA until 2014-15. The NAA will receive \$0.5 million in 2015-16, \$15.7 million in 2016-17, \$8.2 million in 2017-18 and \$8.4 million in 2018-19, an additional \$4.2 million a year for 10 years from 2019-20 to 2028-29.

As part of this measure, the Department of Finance and Deregulation will receive \$0.3 million over four years from 2013-14 to fund Gateway reviews of the project. This will be fully offset by a reduction in funding for the NAA. The Government's Gateway Review Process provides quality assurance to ensure that the objectives of major government projects are achieved.

### **New Support for the Arts**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	1.0	1.5	2.5	2.5

The Government will provide \$10.0 million over five years (including \$2.5 million in 2015-16) in additional support for Australian art work. The Australia Council will fund new artistic works, presentations and fellowships focussing on areas including support for young and emerging artists, the creation of new Australian work and additional presentations to Australian audiences.

This measure delivers on the Government's election commitment.

### **New Zealand earthquake — contribution to recovery effort**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	5.0	-	-	-	-

The Government will donate \$5.0 million in 2010-11 to the New Zealand Red Cross earthquake appeal to help with the earthquake recovery effort in New Zealand.

Further information can be found in the press release of 23 February 2011 issued by the Prime Minister.

### **Supporting football in the lead up to the 2015 Asian Cup**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	10.8	4.6	4.2	8.8	14.2
Australian Sports Commission	-0.2	-1.1	-1.1	-1.1	-1.1
Total	10.6	3.5	3.1	7.7	13.1

The Government will provide up to \$38.0 million to the organisation and staging of the 2015 Asian Football Confederation Asian Cup and to ensure the sustainability of football in the lead up to the event. This includes \$23.9 million in funding will be held in the contingency reserve subject to the finalisation of the costs of the Local Organising Committee (LOC). The States and Territories that are hosting games will also be contributing to the costs.

A taskforce will also be established within the Department of the Prime Minister and Cabinet at a cost of \$4.6 million over five years to coordinate the Commonwealth's role in supporting the 2015 Asian Cup and to work with the Football Federation Australia (FFA), the LOC, Commonwealth agencies and state and territory governments.

This measure is partially offset by administrative savings of \$4.6 million over five years from the Australian Sports Commission.

### United States Studies Centre — contribution

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Prime Minister and Cabinet	-	0.6	0.6	0.6	-
Office of National Assessments	-	-0.1	-0.1	-0.1	-
Department of Foreign Affairs and Trade	-	-0.2	-0.2	-0.2	-
Department of Defence	-	-0.3	-0.3	-0.3	-
Total	-	0.0	0.0	0.0	-

The Government will provide \$2.0 million over three years to the United States Studies Centre at the University of Sydney for a three-year study entitled 21st Century Australia-United States Alliance. The study will focus on collaboration between Australian and United States institutions in the areas of an emerging Asia, cyber security, energy security and climate change, trade and investment, and education and innovation. The study will inform policy discussion on the Alliance.

The cost of this measure will be met from within the existing resources of the Department of the Prime Minister and Cabinet, Office of National Assessments, Department of Defence and the Department of Foreign Affairs and Trade.



## REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT

### Centenary of Canberra — a gift to the national capital

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	27.0	25.0	5.0	5.0
Department of Regional Australia, Regional Development and Local Government	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>27.0</b>	<b>25.0</b>	<b>5.0</b>	<b>5.0</b>

The Government will provide a gift to the ACT Government to commemorate the Centenary of Canberra in 2013, at a cost of \$62.0 million over four years.

A contribution will be provided for the redevelopment of Constitution Avenue. This will provide for practical and enduring benefits to the community of Canberra. It will complete the final component of the Parliamentary Triangle.

A further contribution will be provided for the development of the National Arboretum Canberra. This will assist in the completion of this nationally significant project in partnership with the ACT Government.

See also the related expense measure titled *Centenary of Canberra – contribution to a joint national program*.

### Centenary of Canberra — contribution to a joint national program

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	2.6	2.0	1.0	-
Department of Regional Australia, Regional Development and Local Government	-	0.1	0.1	0.1	-
<b>Total</b>	<b>-</b>	<b>2.7</b>	<b>2.2</b>	<b>1.1</b>	<b>-</b>

The Government will make a contribution of \$6.0 million over three years to a joint national program of activities with the ACT Government to celebrate the Centenary of Canberra in 2013. These activities include cultural, sporting and civic awareness events and will engage communities across Australia to celebrate the centenary of the role of Canberra as the nation's capital.

See also the related expense measure titled *Centenary of Canberra – a gift to the national capital*.

**Community Infrastructure Grants — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	-	-	-	-

The Government will provide \$49.0 million in 2011-12 under the Community Infrastructure Grants program as a contribution for the following projects:

- local roads and a timber bridge replacement package for the Greater Taree City Council;
- the Mid-North Coast Aviation Plan for business expansion and airport access expansion at Taree, Port Macquarie and Kempsey Airports; and
- the upgrade of Bucketts Way at Krumbach, the main regional road between Gloucester and Taree.

The cost of this measure will be met from within existing resources by redirecting \$49.0 million in 2011-12 from the Regional Development Australia Fund to the Community Infrastructure Grants program.

This measure supports the Government’s objectives for regional Australia.

**Department of Regional Australia, Regional Development and Local Government — additional resourcing**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	2.3	17.0	11.3	9.6	9.6

The Government will provide \$49.8 million over five years to strengthen the Government's engagement with regional Australia by increasing the resourcing for the Department of Regional Australia, Regional Development and Local Government.

This measure includes funding for:

- ongoing improvement in the management of grant funding programs;
- improved regional policy development, implementation and evaluation capacity; and
- implementation of specific policy commitments, including constitutional recognition of local government.

This funding is in addition to the funding provided at the *Mid-Year Economic and Fiscal Outlook 2010-11* to establish the Department of Regional Australia, Regional Development and Local Government in line with the Government's Commitment to Regional Australia.

This measure delivers on the Government's 'Commitment to Regional Australia' agreement.

### Local government payments — accelerating payments

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	536.6	-536.6	-	-	-

The Government will pay the first instalment of the expected 2011-12 local government financial assistance grants of \$536.6 million to local councils in 2010-11 so they have immediate use of these funds. This will provide local governments with additional flexibility and assist them in responding to the widespread natural disasters in 2010-11 and other pressures.

### MyRegion website — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	2.0	0.8	0.7	0.7

The Government will provide \$4.2 million over four years to establish and maintain an interactive MyRegion website. This website will aim to provide information about regional Australia, including transport infrastructure, health and aged care, education, social services, communications and the environment. The website will enable users to download data for further analysis and will provide them with an opportunity to make enquiries and provide feedback to Government using social media technologies.

This measure delivers on the Government's 'Commitment to Regional Australia' agreement.

### Natural Disaster Recovery and Rebuilding — assistance to Queensland local governments

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	-	-	-	-
Department of the Treasury	213.6	-	-	-	-
Total	213.6	-	-	-	-

The Government will provide \$213.6 million in 2010-11 as part of its response to the natural disasters in Queensland. The funding will assist Queensland local governments in the recovery and rebuilding process and includes:

- \$109.1 million in additional funding for the Brisbane City Council;
- \$60.0 million to assist in the repair and rebuilding of public utilities;
- \$7.5 million to restore local government marine infrastructure in the Cassowary Coast region; and
- \$37.0 million to help rural and regional councils cover the cost of workers necessary for the recovery, repair and rebuilding of local infrastructure.

This includes funding for the cost of a Ferry Terminal Design Competition for Brisbane City.

These funds will be paid as part of the National Partnership Agreement for Natural Disaster Reconstruction and Recovery.

This measure is one of a range of actions taken by the Government to support individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press releases of 26 February 2011 and 15 April 2011 issued jointly by the Deputy Prime Minister and the Queensland Treasurer and the Deputy Prime Minister and the Queensland Premier, respectively.

**Natural Disaster Recovery and Rebuilding — National Disaster Recovery Taskforce and the Reconstruction Inspectorate — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	1.4	6.9	3.2	-	-

The Government will provide \$11.5 million over three years to establish the National Disaster Recovery Taskforce and the Reconstruction Inspectorate.

The Reconstruction Inspectorate will oversee reconstruction with a particular focus on high value, complex contracts, to provide assurance that value for money is being achieved in the expenditure of both Commonwealth and state funds during the recovery phase.

The Taskforce will assess spending on recovery and reconstruction to ensure consistency with the Natural Disaster Relief and Recovery Arrangements. The Taskforce will work to ensure a strategic approach is taken to reconstruction and recovery efforts, and to leverage effort across government and the private and not-for-profit sectors. It will also support the Inspectorate, including by providing secretariat services.

The work of the Taskforce and the Inspectorate will be completed in 2012-13.

Further information can be found in the press release of 7 February 2011 issued by the Prime Minister.

**Natural Disaster Recovery and Rebuilding — Priority Regional Infrastructure Program — reallocation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	-50.0	-125.0	-125.0	-50.0

The Government will reallocate \$350.0 million over four years from the Priority Regional Infrastructure Program to support flood recovery efforts in regional Australia. The funding will be allocated under the Natural Disaster Relief and Recovery Arrangements.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

### **Norfolk Island Government — financial assistance**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	4.2	-	-	-	-

The Government will provide \$6.4 million in 2010-11 to enable the Norfolk Island Government to continue to provide essential services to its population. This financial assistance includes \$6.1 million that will be made available under an agreement committing the Norfolk Island Government to work with the Commonwealth Government to implement improvements to Norfolk Island's financial framework, public sector governance and accountability arrangements. The remaining \$0.3 million is to fund a study that will enable the Commonwealth Government to make more informed decisions relating to the long term sustainability of the Norfolk Island economy. Funding of \$2.2 million will be met from within the existing resources of the Department of Regional Australia, Regional Development and Local Government.

### **Port Macquarie indoor sports stadium upgrade — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	1.4	1.4	-	-

The Government will provide \$2.8 million over two years as a contribution towards an upgrade of the Port Macquarie indoor sports stadium in New South Wales.

This measure supports the Government's objectives for regional Australia.

**Regional Development Australia committees — additional resourcing**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	5.2	4.9	5.0	5.1

The Government will provide \$20.3 million over four years to the Department of Regional Australia, Regional Development and Local Government for regional policy development and enhanced regional engagement through Regional Development Australia (RDA) committees.

Of this funding, \$13.0 million over four years will be used to strengthen RDA committees by providing training and development opportunities to RDA committee members, facilitating ongoing engagement at state and national levels and enabling consultations on emerging regional priority issues. This funding is in addition to the ongoing funding of \$15.0 million per annum provided to the RDA committees. The remainder of the funding will provide operational support to the RDA committees through initiatives such as national forums, sitting fees, web engagement and inter-governmental agreements.

This measure delivers on the Government's 'Commitment to Regional Australia' agreement.

**Restoration of the Port of Karumba seawall — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	2.0	-	-	-

The Government will provide \$2.0 million in 2011-12 as a contribution towards the restoration of the Port of Karumba seawall in Queensland.

This measure supports the Government's objectives for regional Australia.

### Riverstone Football and Sporting Precinct Community Infrastructure Initiative

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	2.0	5.0	1.0	-

The Government will provide \$8.0 million over three years to Football NSW as a contribution towards the construction of a world class football and sporting precinct at Riverstone West in Sydney.

Football NSW plans for the precinct include a range of facilities such as sports grounds, indoor training facilities, offices and accommodation.

This measure will provide important social, economic and community benefits for the people of Blacktown, and for football in New South Wales.

This measure delivers on the Government's election commitment.

### South Australian local roads — continuation of supplementary funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	17.0	17.4	17.7	-

The Government will provide \$50.9 million over three years to continue the supplementary funding to councils in South Australia for local roads support. This funding is in addition to the funds provided for local roads in South Australia through the Australian Government's Financial Assistance Grants program.

Further funding of \$1.2 million will be provided for a review into the equity and efficiency of the total current funding provided by the Australian Government for local government through the Financial Assistance Grants program. The review is expected to be completed in 2012-13.



**Sustainable Australia — promoting regional living**

Expense (\$m)

	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	2.6	4.3	4.4	0.1

The Government will provide \$11.5 million over four years to support non-capital cities to conduct targeted marketing strategies to promote the benefits and opportunities of living and working in regional cities. Funding will be provided via competitive grants and the strategies will be developed in accordance with the regional cities' detailed future growth plans.

Australia has a number of regional cities that are well placed to support a growing population and that offer good employment, housing and educational opportunities. Regional cities will be required to demonstrate partnerships with, and secure funding from, other levels of government, business and community groups to complement the funding available through this measure.

## RESOURCES, ENERGY AND TOURISM

### A Cleaner Future for Power Stations

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	0.5	1.8	0.8	0.9	-

The Government will provide \$3.9 million over four years from 2010-11 to expand the Energy Efficiency Opportunities Program to include the electricity generation sector and to allow the Department of Resources, Energy and Tourism to develop new emissions and Carbon Capture and Storage-ready standards for all new coal-fired power stations.

This measure includes \$3.1 million for the expansion of the Energy Efficiency Opportunities Program (\$0.5 million in 2010-11, \$1.0 million in 2011-12, \$0.8 million in 2012-13 and \$0.9 million in 2013-14). The program encourages large energy-using businesses to improve their energy efficiency by requiring them to identify, evaluate and report publicly on cost effective energy savings opportunities. Funding of \$0.8 million in 2011-12 will be provided to determine the scope and application of best practice standards for power stations.

This measure delivers on the Government's election commitment.

### Australian Centre for Renewable Energy — redirection of funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	1.0	-7.3	-7.7	0.9	1.0

The Government will redirect \$18.1 million over two years (\$9.1 million per annum in 2011-12 and 2012-13) from program funding for the Australian Centre for Renewable Energy (ACRE) to support delivery of renewable energy programs within the Resources, Energy and Tourism portfolio. Of this amount, \$6.0 million over five years from 2010-11 will be provided to support program delivery by ACRE.

ACRE will now administer programs totalling \$480.6 million over five years from 2011-12. ACRE promotes the development, commercialisation and deployment of renewable energy technologies through a commercial investment approach.

Savings from this measure will be redirected to support other Government priorities.

**Carbon Capture and Storage Flagships — reduction and deferral of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Innovation, Industry, Science and Research	-100.0	-	-	-	-
Department of Resources, Energy and Tourism	-	-17.1	-97.1	-90.7	-116.0
Total	-100.0	-17.1	-97.1	-90.7	-116.0

The Government will reduce funding for the Carbon Capture and Storage Flagships program. This will provide savings of \$420.9 million over five years from 2010-11 to be redirected to other priorities including the establishment of a National CO<sub>2</sub> Infrastructure Plan. Funding of \$260.0 million will be restored to the program beyond the forward estimates (\$75.0 million in 2015-16, \$135.0 million in 2016-17 and \$50.0 million in 2017-18).

The savings include a reduction of \$100.0 million in 2010-11 in funding for carbon capture and storage research infrastructure projects under the Education Investment Fund.

This measure also delivers on the Government's election commitment to redirect \$75.0 million per annum in 2012-13 and 2013-14 from the Carbon Capture and Storage Flagships program.

The program will now provide funding of \$1.6 billion, including \$100.0 million under the Education Investment Fund.

Savings from this measure will be redirected to support other Government priorities.

See also the related expense measure titled *National CO<sub>2</sub> Infrastructure Plan – establishment*.

**Connecting Renewables — Connecting to the Grid — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	0.5	0.5	0.5	-

The Government will provide \$1.4 million over three years to the Department of Resources, Energy and Tourism to support the design phase of the Connecting Renewables – Connecting to the Grid program. The program provides assistance for the connection of remote renewable energy sources to the electricity network.

This measure builds on the \$1.0 billion over ten years provided in the *Mid-Year Economic and Fiscal Outlook 2010-11*.

### Emerging Renewables — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	0.2	0.7	0.6	0.4	0.1

The Government will provide \$104.2 million over five years to support the development of emerging Australian renewable energy technology, especially in the areas of geothermal energy and ocean energy technology. The program will be administered by the Australian Centre for Renewable Energy.

Funding for the \$102.2 million grant component of this measure (\$15.0 million in 2011-12, \$30.0 million in 2012-13, \$40.0 million in 2013-14 and \$17.2 million in 2014-15) has already been included in the forward estimates and will be met from within the existing resourcing of the Department of Resources, Energy and Tourism (\$62.2 million) and from the funding provision for the Renewable Energy Future Fund (\$40.0 million).

This measure delivers on the Government's election commitment.

### Ethanol Production Grants Program — extension

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	37.7	-	-	-
Australian Taxation Office	-	-37.7	-	-	-
Total	-	-	-	-	-

The Government will extend the Ethanol Production Grants Program until 30 November 2011 in conjunction with delaying the alternative fuel taxation arrangements. The program provides grants to Australian manufacturers of ethanol to offset the excise paid on domestically produced ethanol.

The cost of extending the program of \$37.7 million in 2011-12 will be offset by an equivalent reduction in expenses for the Australian Taxation Office. This reflects a corresponding delay in the commencement of the new arrangements. The new arrangements will be administered by the Australian Taxation Office from 1 December 2011.

See also the related revenue measure titled *Alternative fuels – delayed introduction of taxation and other changes* in the Treasury portfolio.

**Global Carbon Capture and Storage Institute — reduction in funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-15.0	-30.0	-	-

The Government will reduce funding for the Global Carbon Capture and Storage Institute. This will provide savings of \$45.0 million over two years from 2011-12.

Savings from this measure will be redirected to support other Government priorities.

This measure delivers on the Government's election commitment.

**Montara Commission of Inquiry — implementation of the Government response**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	2.1	2.9	1.9	1.4	-

The Government will provide \$8.4 million over four years to implement its response to the *Report of the Montara Commission of Inquiry* of 18 June 2010. The funding will support additional actions to improve the regulation of the offshore petroleum (oil and gas) industry, including the development of a wells compliance and monitoring framework and the assessment of Commonwealth legislation applicable to the Montara oil spill.

This measure also delivers on the Government's election commitment to host an international conference in Australia of legislators, regulators and industry to learn from both the Montara and Gulf of Mexico incidents.

**National CO<sub>2</sub> Infrastructure Plan — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	17.1	22.1	15.7	6.0

The Government will provide \$60.9 million over four years to support the establishment of a National CO<sub>2</sub> Infrastructure Plan. The plan includes four main elements:

- a multi-basin CO<sub>2</sub> storage exploration and appraisal program to facilitate long-term CO<sub>2</sub> storage hubs;
- acquisition of significant pre-competitive offshore and onshore CO<sub>2</sub> storage data in basins in New South Wales, Victoria and Western Australia;

- a National CO<sub>2</sub> Drilling Rig Deployment Strategy; and
- a National CO<sub>2</sub> storage and Transport Infrastructure Assessment.

The plan forms part of the Government’s Clean Energy Initiative, announced in the 2009-10 Budget.

Funding for the measure will be redirected from the Carbon Capture and Storage Flagships program.

See also the related savings measure titled *Carbon Capture and Storage Flagships – reduction and deferral of funding*.

**National Low Emissions Coal Initiative — reduction in funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-2.5	-3.6	-2.3	-2.4	-2.1

The Government will reduce funding for the National Low Emissions Coal Initiative. This will provide savings of \$12.8 million over five years.

The National Low Emissions Coal Initiative supports the development and deployment of technologies to reduce emissions from coal use. The program will now provide funding of \$149.7 million over four years from 2011-12.

Savings from this measure will be redirected to support other Government priorities.

**Natural Disaster Recovery and Rebuilding — redirection of Solar Flagships funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-75.0	-50.0	100.0	-125.0

The Government will redirect \$150.0 million from the Solar Flagships program over the forward estimates period to the *Natural Disaster Recovery and Rebuilding* package of measures. Total program funding will remain unchanged, with \$150.0 million to be restored beyond the forward estimates to better match the expected spending profile of the program.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

**Natural Disaster Recovery and Rebuilding — reduction and deferral of funding for the Carbon Capture and Storage Flagships program**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-109.6	-18.2	-	-122.2

The Government will redirect funding from the Carbon Capture and Storage (CCS) Flagships program over the forward estimates period to assist with the rebuilding of flood-affected regions across Australia. Funding for the program will be reduced by a total of \$250.0 million across the forward estimates period, with \$160.0 million of this amount to be re-phased to beyond the forward estimates.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

**Natural Disaster Recovery and Rebuilding — reduction and deferral of funding for the Global Carbon Capture and Storage Institute**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-60.0	-35.0	20.0	20.0

The Government will redirect funding from the Global Carbon Capture and Storage Institute over the forward estimates period to assist with the rebuilding of flood affected regions across Australia. Funding for the Institute will be reduced by a total of \$55.0 million over the forward estimates, with \$5.0 million of this amount to be re-phased beyond the forward estimates.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

**Renewable Energy Venture Capital Fund — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	0.9	-46.0	-24.2	16.6	16.5

The Government will provide \$108.7 million over 14 years to support the development and commercialisation of renewable energy technologies by making early-stage equity investments that leverage private funds.

Of this amount, \$8.7 million (including \$4.9 million beyond the forward estimates) will be provided to support delivery of the program by the Australian Centre for Renewable Energy. The \$100.0 million grant component of this measure (\$13.0 million in 2011-12, \$15.0 million in 2012-13, \$16.0 million per annum in 2013-14 and 2014-15, and \$40.0 million beyond the forward estimates) will be met from the existing funding provision for the Renewable Energy Future Fund (\$60.0 million in 2011-12 and \$40.0 million in 2012-13).

This measure delivers on the Government’s election commitment.

**Solar Flagships — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-	-50.0	-170.0	-

The Government will reduce funding for the Solar Flagships program by \$220.0 million over two years from 2012-13. Funding for the program will be restored beyond the forward estimates (\$110.0 million per annum in 2015-16 and 2016-17).

Savings from this measure will be redirected to support other Government priorities.

This measure delivers on the Government’s election commitment.



### United States — Australia Solar Research Collaboration initiative — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-	-	-	-	-

The Government will provide \$50.0 million over four years to support joint projects with the United States designed to reduce the cost of solar energy technologies. The funding will support new research on advanced solar technology projects, and exchange programs and research scholarships focussed on affordable solar energy solutions. The initiative will build on existing collaboration between researchers in the two countries. The Australian Solar Institute will manage the Government's contribution to the initiative.

The cost of this measure will be met from the existing funding provision for the Renewable Energy Future Fund.

The initiative was jointly announced by the Prime Minister and the Secretary of State of the United States. Further information can be found in the press release of 7 November 2010 issued by the Prime Minister.

### Upstream Petroleum Regulatory Reform — revised arrangements

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Resources, Energy and Tourism	-8.2	..	-	-	-
<i>Related revenue (\$m)</i>					
<i>Department of Resources, Energy and Tourism</i>	-12.5	8.9	15.3	-	-
<i>Related capital (\$m)</i>					
<i>Department of Resources, Energy and Tourism</i>	7.4	5.0	-	-	-

The Government will adopt a revised model for the regulation of the upstream petroleum sector in Commonwealth waters following extensive consultation with state governments, the Northern Territory Government and industry, and consideration of the outcomes of the Montara Commission of Inquiry.

The Government will provide \$20.9 million over two years (including \$12.3 million in capital funding) for the establishment of the National Offshore Petroleum Safety and Environmental Management Authority and the National Offshore Petroleum Titles Administrator. This represents a net increase in establishment costs of \$4.1 million from the funding previously provided for the establishment of a new regulator.

The National Offshore Petroleum Safety and Environmental Management Authority will be responsible for regulation, in Commonwealth waters, of well integrity, environment plans and day-to-day operations, and will take over occupational health and safety regulation from the National Offshore Petroleum Safety Authority. The National Offshore Petroleum Titles Administrator will be established as a statutory office in the Department of Resources, Energy and Tourism to advise on title decisions, and administer titles and data in Commonwealth waters. Both entities will operate on a full cost recovery basis from 1 January 2012.

Registration fees payable by industry under the *Offshore Petroleum and Greenhouse Gas Storage (Registration Fees) Act 2006* will be retained by the Government, rather than passed on to the states and the Northern Territory, for a two year period from 1 July 2011 to meet the establishment costs. This will result in a net increase of \$11.7 million in revenue retained over three years. Ongoing cost recovery arrangements are to be addressed later in 2011.

See also the related measure titled *National Offshore Petroleum, Minerals and Greenhouse Gas Storage Regulator – establishment* in the *Mid-Year Economic and Fiscal Outlook 2009-10*.

## SUSTAINABILITY, ENVIRONMENT, WATER, POPULATION AND COMMUNITIES

### Antarctica — continuation of shipping support

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$3.4 million in 2011-12 to maintain shipping logistical support for Australia's Antarctic program.

Provision for this funding has already been included in the forward estimates.

### Antarctica — maintaining Australia's presence

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	13.2	-	-	-

The Government will provide \$13.2 million in 2011-12 to maintain functions that support Australia's presence in Antarctica. The funding will contribute to the maintenance of station operations and Antarctic science projects.

### Australia-Antarctica Airlink — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$11.7 million in 2011-12 to continue the operation of the Australia-Antarctica Airlink, a direct air connection between Hobart and Antarctica.

Provision for this funding has already been included in the forward estimates.

### Community Heritage Grants — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	4.0	4.0	-	-

The Government will provide \$8.0 million over two years for competitive grants to assist local communities to manage and conserve heritage places that are important to Australians. The program will also enable greater community access to heritage places of local and national significance.

### Environmental Stewardship Program — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	17.1	18.8	21.7	26.6

The Government will provide \$84.2 million over four years to continue the Environmental Stewardship Program. The program encourages voluntary actions by private sector land managers by providing long-term payments (for up to 15 years) to protect high value conservation assets. Participants will be selected through market based mechanisms, including reverse auctions. The program will target environmental assets across a greater geographic range using a habitat based approach which addresses habitats rather than individual species.

### Kokoda Track and region — management and protection

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$4.5 million in 2011-12 to continue to assist in the management and long-term protection of the Kokoda Track. The funding will enable the Australian Government to support the Government of Papua New Guinea to achieve the goals set out in the *Second Joint Understanding 2010-2015 between Papua New Guinea and Australia on the Owen Stanley Ranges, Brown River Catchment and Kokoda Track Region*.

The cost of this measure will be met from within the existing resourcing of AusAID.

This measure is part of the Government's commitment to increase Australia's official development assistance over the long term.

**Local environmental initiatives — mid-north coast, New South Wales**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	1.0	1.0	1.0	-

The Government will provide \$3.0 million over three years to progress local environmental initiatives on the New South Wales mid-north coast. This measure includes funding for the Cattai Wetlands – Big Swamp project, planning and works for the Lake Innes freshwater reversion program and a feasibility study into the prevention of further erosion of the Old Bar Beach.

**National Environmental Research Program — reduction in funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-3.5	-3.5

The Government will reduce funding by \$7.0 million over two years from the National Environmental Research Program.

The National Environmental Research Program will now provide funding of \$85.2 million over the next four years.

Savings from this measure will be redirected to support other Government priorities.

**National Wildlife Corridors Plan — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$10.0 million over three years (\$2.0 million in 2011-12, \$2.9 million in 2012-13 and \$5.1 million in 2013-14) to develop a National Wildlife Corridors Plan to guide future investment in conservation management. A trial will be conducted in one or more regions to test the effectiveness of the plan.

The cost of this measure will be met from the existing funding provision for the Renewable Energy Future Fund.

This measure delivers on the Government's election commitment.

**Natural Disaster Recovery and Rebuilding — Building Better Regional Cities — redirection of funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-30.0	-35.0	-35.0	-

This measure will redirect \$100.0 million of funding to re-building infrastructure in flood affected council areas, including those not originally targeted by the initiative. The remaining program funding of \$103.1 million will continue to be made available to participating councils across Australia to invest in local infrastructure projects that support new housing developments.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press release of 27 January 2011 issued by the Prime Minister.

**Natural Disaster Recovery and Rebuilding — National Rental Affordability Scheme — deferral of dwelling target**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-5.6	-15.9	-17.8	-22.9	-29.1
Australian Taxation Office	-5.9	-45.0	-52.4	-66.2	-84.2
Total	-11.6	-60.9	-70.2	-89.1	-113.3

The Government will spread the roll-out of the National Rental Affordability Scheme over a longer time period, with 35,000 funded over the forward estimates and a further 15,000 dwellings to be supported beyond the forwards.

This will provide savings of \$345.1 million over five years (\$264.3 million in underlying cash balance terms) for redirection to assist with the rebuilding of flood-affected regions across Australia.

In consultation with the relevant states, priority will be given to applications from flood-affected areas across Australia in allocating the remaining National Rental Affordability Scheme incentives under the 2013-14 target.

The scheme will continue to operate over the longer term to deliver at least the 50,000 homes provided for under the original program.

Savings from this measure will be used to meet the costs of supporting individuals, businesses and local communities affected by natural disasters in 2010-11 to recover and rebuild.

Further information can be found in the press releases of 27 January 2011 and 18 February 2011 issued by the Prime Minister.

### **Regional Marine Planning Program — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$9.7 million in 2011-12 to continue the Regional Marine Planning Program. The funding will allow completion of the planning process and support the initial implementation of the plans.

Provision for this funding has already been included in the forward estimates.

This measure delivers on the Government's election commitment.

### **Sustainable Australia — measuring sustainability**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	1.9	2.8	2.8	2.7

The Government will provide \$10.1 million over four years to enable the development of sustainability indicators for Australia and the reporting of progress against these indicators. Sustainability impact statements will also be developed to assist the Government's consideration of new policy proposals.

This measure includes the establishment of a data collection fund to support the ongoing collection of priority data and a directory of sustainability measurement to direct stakeholders to available indicators and data published in reports, databases and web sites operated by the Australian, state and local governments.

### Sustainable Australia — suburban jobs

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	4.0	32.5	42.0	21.5

The Government will provide \$100.0 million over four years to assist state and local governments to plan and provide for employment hubs to support local jobs, close to residential areas in order to reduce travel times to work and services.

It will also provide grants to companies who fund innovative ways to use the National Broadband Network to reduce travel times.

The program will focus on the outer suburbs of our major cities that are experiencing pressures from population growth and transport affordability.

### Sustainable Australia — sustainable regional development

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	8.5	9.4	8.1	3.2

The Government will provide \$29.2 million over four years to support the development of seven sustainability plans for regional and coastal high growth centres by state and local governments. The program includes a grants component that will help build the capacity of local governments to develop sustainability plans.

The sustainability plans will be assessed under the strategic assessment provisions of the *Environment Protection and Biodiversity Conservation Act 1999* and will facilitate subsequent streamlined environmental decision making under the Act for these regions.

### Tasmanian Forests Statement of Principles — support for signatories

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	0.3	-	-	-

The Government will provide \$0.3 million in 2011-12 to support signatories to the *Tasmanian Forests Statement of Principles to Lead to an Agreement* and other relevant organisations to better engage and consult with their membership in the negotiation process. Assistance will be provided to industry and environmental organisations, unions and other groups.



### Water for the Future — Driving Reform in the Murray-Darling Basin — reallocation of funds

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
National Water Commission	-	2.7	3.6	-	-
Australian Competition and Consumer Commission	-	1.7	1.7	-	-
Department of Sustainability, Environment, Water, Population and Communities	-	-4.5	-5.4	-	-
Total	-	-	-	-	-

The Government will reallocate \$9.8 million over two years from the existing Driving Reform in the Murray-Darling Basin component of the Water for the Future initiative to the National Water Commission (\$6.3 million over two years) and the Australian Competition and Consumer Commission (\$3.5 million over two years). This measure will enable these agencies to continue to meet their responsibilities under the Intergovernmental Agreement on Murray-Darling Basin Reform.

### Water for the Future — National Rainwater and Greywater Initiative — termination

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-4.5	-5.0	-5.0	-

The Government will terminate the National Rainwater and Greywater Initiative from 10 May 2011 in response to lower than expected demand. The program provided rebates of up to \$500 for households towards the cost of installing rainwater tanks and greywater systems.

The measure will provide savings of \$14.5 million over three years, while still leaving sufficient funding in 2010-11 and 2011-12 to meet remaining commitments.

Savings from this measure will be redirected to support other Government priorities.

**Water for the Future — National Urban Water and Desalination Plan — reduced funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-85.5	-	-	-

The Government will reduce funding by \$85.5 million in 2011-12 for the National Urban Water and Desalination Plan in response to lower than expected demand. The program supports desalination, recycling and stormwater harvesting projects to improve water supply security in cities with populations of over 50,000.

The plan will now provide funding of \$574.2 million over two years from 2011-12.

Savings from this measure will be redirected to support other Government priorities.

**Yellow Crazy Ants on Christmas Island — continuation of control efforts**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Sustainability, Environment, Water, Population and Communities	-	-	-	-	-

The Government will provide \$4.0 million over four years (\$0.9 million per annum in 2011-12 and 2012-13, \$1.4 million in 2013-14 and \$0.8 million in 2014-15) to continue control efforts for the Yellow Crazy Ant infestation on Christmas Island. The funding will also enable continuation of research into the development of a suitable long-term biological control agent.

The cost of this measure will be met from within the existing resourcing of the Department of Sustainability, Environment, Water, Population and Communities.

## TREASURY

### A Tax Plan for Our Future — Tax Forum

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	0.9	-	-	-
Australian Taxation Office	-0.9	-	-	-	-
Total	-0.9	0.9	-	-	-

The Government will provide \$0.9 million to the Department of the Treasury to support a two-day tax forum in 2011-12 to discuss the Australia's Future Tax System Review. The cost of this measure is fully offset by a reduction in funding for the Australian Taxation Office.

### Advisory Panel on the Economic Potential of Senior Australians

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	-	-	-	-

The Government has established an Advisory Panel on the Economic Potential of Senior Australians supported by the Department of the Treasury to ensure that the potential of older members of our community is considered in a range of policy debates.

The Panel chaired by Mr Everaldo Compton AM, will examine the benefits and opportunities that come with a larger and more active community of senior Australians. The Panel will complement the work of the Consultative Forum on Mature Age Participation, which will continue to focus on measures to promote workplace participation.

Further information can be found in the press release of 30 March 2011 issued by the Deputy Prime Minister and Treasurer.

### **Australian Accounting Standards Board and Auditing and Assurance Standards Board — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Office of the Auditing and Assurance Standards Board	-	1.1	1.1	1.1	1.1
Office of the Australian Accounting Standards Board	-	0.7	0.7	0.7	0.7
<b>Total</b>	<b>-</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>	<b>1.8</b>
<i>Related revenue (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	-	1.8	1.8	1.8	1.8

The Government will provide \$2.7 million over four years to the Australian Accounting Standards Board (AASB) and \$4.5 million over four years to the Auditing and Assurance Standards Board (AUASB) to support their activities. The AASB develops and maintains financial reporting standards for all sectors of the Australian economy and contributes to the development of global financial reporting standards. The AUASB develops standards and related guidance to enhance the relevance, reliability and timeliness of information provided to users of audit and assurance services.

Funding will be offset by increased fees levied on companies by the Australian Securities and Investments Commission.

### **Australian Consumer Law — compliance and awareness of consumer guarantees law**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Competition and Consumer Commission	-	1.6	-	-	-

The Government will provide \$1.6 million in 2011-12 to the Australian Competition and Consumer Commission to educate consumers and businesses about the new consumer guarantee laws that form part of the Australian Consumer Law reforms which commenced on 1 January 2011.

See the related expense measures *Australian Consumer Law – enforcement of consumer protection provisions* in the 2011-12 Budget, and *Implementation of Unfair Contract Terms Provisions of the Australian Consumer Law* in the 2010-11 Budget.

This measure supports the implementation of one of the 27 deregulation priorities under the Council of Australian Governments' *National Partnership Agreement to Deliver a Seamless National Economy*.

**Australian Consumer Law — enforcement of consumer protection provisions**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Competition and Consumer Commission	0.5	1.1	1.1	1.1	1.1

The Government will provide \$4.9 million over five years to the Australian Competition and Consumer Commission to implement and enforce the consumer protection and fair trade provisions of the second tranche of the Australian Consumer Law (ACL) which commenced on 1 January 2011. The ACL provides uniform national consumer laws and enhances the protection of consumers.

See also the related expense measures *Australian Consumer Law – compliance and awareness of consumer guarantees law* in the 2011-12 Budget, and *Implementation of Unfair Contract Terms Provisions of the Australian Consumer Law* in the 2010-11 Budget.

This measure supports the implementation of one of the 27 deregulation priorities under the Council of Australian Governments' *National Partnership Agreement to Deliver a Seamless National Economy*.

**Australian Energy Regulator — new consumer protection function**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Competition and Consumer Commission	-	5.4	5.4	4.2	3.6

The Government will provide \$18.6 million over four years to fund the Australian Energy Regulator's new functions under the National Energy Customer Framework (NECF). The NECF harmonises state regulation for the retail energy market and distribution sector, and includes energy-specific consumer protections such as approving retailers' hardship policies to protect consumers who experience payment difficulties.

The NECF will supersede the majority of State and Territory energy consumer laws. Jurisdictions have agreed to a target commencement date of 1 July 2012. The NECF is the last major legislative reform under the *Australian Energy Market Agreement 2004*. It is included in the implementation plan under the *National Partnership Agreement to Deliver a Seamless National Economy* as a key competition reform.

### Australian Securities and Investments Commission — additional funding

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Securities and Investments Commission	-	28.8	-	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	-	18.8	-	-	-

The Government will provide \$28.8 million in 2011-12 to the Australian Securities and Investments Commission (ASIC) to support its operations in 2011-12 pending a financial review of ASIC's to be undertaken prior to the 2012-13 Budget.

\$18.8 million of the funding will be sourced from interest revenue earned on unclaimed monies held in the *Companies and Unclaimed Moneys Special Account (CUMSA)*. This component has no net impact on the budget as the interest earned by CUMSA is not included in Australian Government revenue until a decision has been made for its expenditure.

See also the related expense measures *Global financial crisis – additional funding for regulators and the Treasury* in the *Mid-Year Economic and Fiscal Outlook 2008-09* and *Global recession – additional funding* in the 2009-10 Budget.

### Centre for International Finance and Regulation — transfer

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	2.6	4.5	4.0	1.0
Department of Education, Employment and Workplace Relations	-2.6	-4.5	-4.0	-1.0	-2.0
Total	-2.6	-1.9	0.5	3.0	-1.0

The Government will transfer responsibility for establishing and managing the Centre for International Finance and Regulation from the Department of Employment, Education and Workplace Relations to the Department of the Treasury. The Centre will provide opportunities for research into regional engagement, innovation, developments in the global financial sector and best practice financial regulation, and delivers education and training for financial regulators from Australia and the Asia Pacific region. It will also provide strategic links between academia, financial regulators, government and the finance industry.

The transfer will provide savings of \$2.0 million over the forward estimates.

See the related expense measures *Centre for International Finance and Regulation – establishment* in the 2010-11 Budget and *Centre for International Finance and Regulation – redirection of funds* in the *Mid-Year Economic and Fiscal Outlook 2010-11*.

**Commonwealth Grants Commission — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Commonwealth Grants Commission	1.0	1.0	1.0	1.0	1.0

The Government will provide \$5.0 million over five years to support the operations of the Commonwealth Grants Commission (CGC). The CGC makes recommendations to the Treasurer on the allocation among the States of the Goods and Services Tax revenue.

**Competition for Market Services**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Securities and Investments Commission	6.4	6.7	5.6	3.4	3.3
Department of Finance and Deregulation	0.1	0.1	0.1	0.1	0.1
Total	6.4	6.8	5.7	3.5	3.3
<i>Related revenue (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	-	8.0	9.1	6.6	6.2
<i>Related capital (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	0.5	3.4	0.4	0.3	-

The Government will provide \$29.9 million over five years for the Australian Securities and Investments Commission (ASIC) to implement the Competition for Market Services policy and develop new market integrity rules. The new arrangements will allow competition between markets for trading in listed shares in Australia.

The Government will also provide \$0.4 million over five years for the Department of Finance and Deregulation to undertake Gateway reviews of the project.

The funding for the measure will be offset by fees levied by ASIC.

Further information can be found in the press releases of 3 March 2011 and 29 April 2011 issued by the Assistant Treasurer and Minister for Financial Services and Superannuation.

See also the related expense measure *Supervision of Australia's financial markets – reform* in the *Mid-Year Economic and Fiscal Outlook 2009-10*.

**Competitive and Sustainable Banking — trading of Commonwealth Government Securities on a securities exchange**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Office of Financial Management	-	0.9	3.5	3.4	3.4

The Government will provide \$11.2 million over four years to the Australian Office of Financial Management to implement the trading of Commonwealth Government Securities (CGS) on a retail exchange, including the procurement of a securities exchange and stock registry facilities. Trading CGS will assist in the development of a deep and liquid corporate bond market, which provides Australian businesses with an alternative funding option to borrowing from the major banks.

Further information can be found in the *Competitive and Sustainable Banking* package, released on 12 December 2010 at [www.treasury.gov.au](http://www.treasury.gov.au).

**Competitive and Sustainable Banking System reform plan — public awareness and education campaign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	10.2	4.8	-	-	-

The Government will provide \$15.0 million over two years to the Department of the Treasury to facilitate competition by raising awareness in the community about the range of banking options available.

Further information can be found in the press release of 12 December 2010 by the Deputy Prime Minister and Treasurer, and at [www.treasury.gov.au/banking](http://www.treasury.gov.au/banking).

**Distribution of the Goods and Services Tax — Review**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	0.8	0.2	-	-

The Government will provide \$1.0 million over two years to the Department of the Treasury for a review of the distribution of the Goods and Services Tax. The Review will be led by the Hon Nick Greiner AC, the Hon John Brumby and Mr Bruce Carter. Treasury will absorb the cost of the Review Secretariat. The Review is to report in September 2012.

Further information can be found in the press release of 30 March 2011 issued by the Prime Minister and the Deputy Prime Minister and Treasurer.



**Effective Carbon Prices in Key Economies — study**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Productivity Commission	-	-	-	-	-

The Government provided the Productivity Commission with \$2.6 million in 2010-11 to undertake a study into Emission Reduction Policies, and Carbon Prices. The Commission is to report to Government by the end of May 2011. The cost of this measure will be met from the existing provision for the Renewable Energy Future Fund.

This measure was a 'decision taken but not yet announced' at the *Mid Year Fiscal and Economic Outlook 2010-11*, and delivers on the Government's agreement with the Member for New England.

Further information can be found in the press release of 15 November 2010 by the Deputy Prime Minister and Treasurer, the Minister for Climate Change and Energy Efficiency, and Assistant Treasurer.

**Enhanced macro-economic statistical capacity**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Bureau of Statistics	-	6.8	7.3	7.5	7.5
<i>Related capital (\$m)</i>					
<i>Australian Bureau of Statistics</i>	-	0.7	0.2	-	-

The Government will provide \$30.0 million over four years to improve the collection and analysis of macro-economic statistics by the Australian Bureau of Statistics. The funding will support the scope and quality of statistical outputs including the quarterly National Accounts.

**Inspector-General of Taxation — additional funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Inspector-General of Taxation	-	0.5	0.5	0.6	0.6
Australian Taxation Office	-	-0.5	-0.5	-0.6	-0.6
Total	-	-	-	-	-

The Government will provide \$2.2 million over four years to support the operations of the Inspector-General of Taxation (IGT). The IGT undertakes independent reviews of systemic tax administration issues and provides advice to the Australian Government on improving tax administration.

This funding will be fully offset by a reduction in funding provided to the Australian Taxation Office.

**Not-for-profit sector reforms — Australian Charities and Not-for-profits Commission — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	8.6	14.8	10.0	10.1
<i>Related revenue (\$m)</i>					
Australian Taxation Office	-	8.0	10.0	10.0	13.0
<i>Related capital (\$m)</i>					
Australian Taxation Office	-	1.0	9.1	-	-

The Government will provide \$53.6 million over four years for the establishment of a new independent statutory agency, the Australian Charities and Not-for-profits Commission (ACNC), by 1 July 2012 and related structural changes required to the Australian Taxation Office (ATO).

An implementation taskforce (headed by the expected Commissioner of the ACNC) will also be set up in Treasury from 1 July 2011 to ensure the ACNC is ready for operation by 1 July 2012.

The Commissioner of the ACNC will be appointed by the Government and report to Parliament through the Assistant Treasurer. The Commissioner will have sole responsibility for determining charitable, public benevolent institution, and other not-for-profit status for all Commonwealth purposes. The ACNC will also initially be responsible for providing education and support to the sector; implementing a 'report-once use-often' general reporting framework for charities; and implementing a public information portal by 1 July 2013.

From 1 July 2011, the ATO will structurally separate its role of determining charitable status from its role of administering tax concessions, in preparation for the establishment of the ACNC. The Commissioner of Taxation will retain responsibility for administering tax concessions for the not-for-profit sector.

The ATO will provide corporate service support to the ACNC in the form of information technology services, human services, financial services and other related functions.

The Government will also undertake negotiations with the States and Territories on national regulation and a new national regulator for the sector, with the aim of minimising reporting and other regulatory requirements through coordinated national arrangements.

The measure is expected to result in additional tax revenue of \$41.0 million over four years as a result of increased compliance activity to ensure that not-for-profit tax concessions are used only as intended.

This reform progresses another recommendation of the Australia's Future Tax System Review, and continues the process of tax reform started in May last year with the release of the Government's *Stronger, Fairer, Simpler* package of reforms.

See also the related revenue measures titled *Not-for-profit sector reforms – better targeting of not-for-profit tax concessions* and *Not-for-profit sector reforms – introducing a statutory definition of 'charity'*.

### **Petrol Commissioner and formal monitoring of petrol prices — continuation**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Competition and Consumer Commission	-	1.0	1.0	-	-

The Government will provide \$2.0 million over two years to continue the formal monitoring of petrol prices under Part VIIA of the *Competition and Consumer Act 2010* (formerly the *Trade Practices Act 1974*) and the role of the Petrol Commissioner.

Funding was originally provided until December 2010 in the 2008-09 Budget and continued until December 2011 in the 2010-11 Budget.

### **Stronger Super — MySuper**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Prudential Regulation Authority	-	4.3	7.5	6.5	5.9
Australian Securities and Investments Commission	-	0.8	1.1	1.3	0.5
Total	-	5.1	8.6	7.8	6.4
<i>Related revenue (\$m)</i>					
<i>Australian Prudential Regulation Authority</i>	-	5.1	10.0	8.3	6.5
<i>Related capital (\$m)</i>					
<i>Australian Prudential Regulation Authority</i>	-	-	1.4	0.5	0.1

The Government will provide \$26.2 million (including \$2.1 million in capital) over four years to the Australian Prudential Regulation Authority (APRA) and \$3.7 million over four years to the Australian Securities and Investments Commission to introduce a simple, low cost default superannuation product called MySuper.

This measure will be funded by an increase in the levy on APRA regulated superannuation funds.

For further information see the press release of 16 December 2010 by the Assistant Treasurer and Minister for Financial Services and Superannuation.

### Stronger super — self managed super funds

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	2.3	5.7	9.7	9.2	9.2
Australian Securities and Investments Commission	-	0.7	6.3	0.8	0.6
<b>Total</b>	<b>2.3</b>	<b>6.3</b>	<b>16.0</b>	<b>10.0</b>	<b>9.8</b>
<i>Related revenue (\$m)</i>					
Australian Taxation Office	-	10.0	12.0	12.0	13.0
Australian Securities and Investments Commission	-	-	1.0	0.4	0.4
<b>Total</b>	<b>-</b>	<b>10.0</b>	<b>13.0</b>	<b>12.4</b>	<b>13.4</b>
<i>Related capital (\$m)</i>					
Australian Taxation Office	1.1	1.1	1.0	1.0	-

The Government will provide \$40.2 million (including \$4.2 million in capital) over five years to the Australian Taxation Office (ATO) and \$8.4 million over four years to the Australian Securities and Investments Commission (ASIC) to implement a range of measures relating to the self managed superannuation fund (SMSF) sector. The cost of this measure will be offset by a \$30 increase to the SMSF levy with effect from the 2010-11 income year, raising \$47 million over four years, and the introduction of SMSF auditor registration fees from 1 July 2012, raising \$1.8 million over four years.

The package of SMSF reforms announced by the Government are designed to improve the operation, efficiency and integrity of this sector and increase community confidence. The reforms include: the introduction of administrative penalties that the ATO can apply in cases of non-compliance by SMSF trustees; the introduction of knowledge and competency requirements on SMSF service providers, including the registration of SMSF auditors; tightened legislative restrictions on SMSF investment in collectables and personal use assets; requiring SMSFs to value their assets at net market value and the ATO to publish valuation guidelines; the appointment of the ATO to collect and publish data on the sector; and changes to the registration and rollover processes, and illegal early release penalties to deter the use of SMSFs for illegal activity. These measures will have an ongoing unquantifiable revenue impact.

Most changes will have effect from 1 July 2012. Tighter legislative standards for investments in collectables and personal use assets will apply to new investments from 1 July 2011, with all holdings of collectables and personal use assets to comply by 1 July 2016. Amendments to the *Anti-Money Laundering and Counter-Terrorism Financing Act 2006* will have effect from 1 July 2013 and amendments to the SMSF registration and rollover processes will have effect from 1 July 2014.

For further information see the *Stronger Super Government Response to the Super System Review* announced on 16 December 2010.

**Stronger Super — SuperStream — initial funding**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	3.0	11.6	-	-	-
Department of Finance and Deregulation	0.1	0.1	0.1	0.1	0.1
Total	3.1	11.7	0.1	0.1	0.1

The Government will provide \$14.6 million over two years to the Australian Taxation Office to develop a business case and initial capital related expenditure to implement a mechanism for members to view their superannuation accounts that have been reported to the ATO and establish governance and project teams during consultation to undertake detailed design of ATO IT systems to support the SuperStream measures.

The Department of Finance and Deregulation will also receive \$0.4 million over six years from 2010-11 to undertake a Gateway review of the project.

Further information can be found in the Government Response to the Super System Review at <http://strongersuper.treasury.gov.au>.

See also the related capital measure *Stronger Super – initial funding for Self Managed Superannuation Funds Auditor registration* in the 2011-12 Budget.

**Superannuation — financial assistance grants to compensate fund members for the failure of Trio**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	55.0	-	-	-	-
<i>Related revenue (\$m)</i>					
<i>Australian Prudential Regulation Authority</i>	-	55.0	-	-	-

The Government will provide grants of financial assistance under Part 23 of the *Superannuation Industry (Supervision) Act 1993* to compensate members of four superannuation funds, formerly under the trusteeship of Trio Capital Limited, that suffered losses due to fraudulent conduct. The cost of these assistance grants will be \$55.0 million in 2010-11 and will be recovered through levies collected in 2011-12 by the Australian Prudential Regulation Authority under the *Superannuation (Financial Assistance Funding) Levy Act 1993*.

### Superannuation co-contribution — extending the pause to the indexation of the income threshold

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Taxation Office	-	-	-25.0	-25.0	-25.0

The Government will continue the freeze, for an additional year to 2012-13, of the indexation applied on the income threshold above which the maximum superannuation co-contribution begins to phase down. This measure is expected to deliver savings of \$75.0 million over three years from 2012-13.

Under the superannuation co-contribution scheme, the Government provides a matching contribution for contributions made into superannuation out of after-tax income. The matching contribution is up to \$1,000 for people with incomes of up to \$31,920 in 2010-11 (with the amount available phasing down for incomes up to \$61,920). This measure will continue to freeze these thresholds at \$31,920 and \$61,920 respectively.

### Tackling Climate Change — emissions reduction modelling — continuation

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	3.3	3.3	-	-
Australian Bureau of Statistics	-	2.8	2.8	-	-
Total	-	6.0	6.1	-	-
<i>Related capital (\$m)</i>					
Australian Bureau of Statistics	-	0.2	0.2	-	-

The Government will provide \$6.6 million over two years to the Department of the Treasury to maintain its existing capacity to model and analyse the aggregate economic, sectoral and distributional impacts of different emission reduction goals and trajectories.

The Government will also provide \$5.9 million over two years (including \$0.3 million in capital) to the Australian Bureau of Statistics to continue to produce annual Input-Output data tables used for analysing policy options.

See the related expense measure *Tackling Climate Change – Emissions Trading Scheme – design and implementation* in the 2008-09 Budget.

## VETERANS' AFFAIRS

### Australian War Memorial — additional resourcing

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian War Memorial	-	8.4	8.5	8.5	8.6

The Government will provide \$33.9 million over four years in additional resourcing to the Australian War Memorial. This will allow the Australian War Memorial to maintain its current level of activities. Additionally, this funding will provide supplementation for the anticipated increase in demand for research services, education programs and historical professional advice in the lead up to, and beyond, the Centenary of Anzac.

Further information can be found in the press release of 3 March 2011 issued by the Prime Minister.

### Compensation offsetting under the Veterans' Entitlements Act 1986

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	-	-	-	-
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	-	-	-	-

The Government will clarify offsetting rules for veteran compensation under the *Veterans' Entitlements Act 1986* (VEA), at a cost of \$2.7 million over four years. Compensation offsetting under the VEA involves a reduction in the level of a disability pension where another compensation payment has been made for the same incapacity. This clarification will ensure that offsetting continues to be applied on the basis of a person's level of incapacity.

The Department of Veterans' Affairs will also improve the administration of offsetting cases through case manager training and enhanced systems support.

The cost of this proposal will be met from within the existing resources of the Department of Veterans' Affairs.

### Department of Veterans' Affairs Grants programs — savings

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	-2.0	-2.0	-2.0	-2.0

The Government will reduce funding for the Veteran Community Grants program and the Building Excellence in Support and Training program.

The funding reduction aligns with the decline in the veteran client population and number of grant applications. This measure will provide savings of \$8.0 million over four years.

Funding of \$4.4 million per year will continue to be made available through these programs.

Savings from this measure will be redirected to support other Government priorities.

**Fraud prevention and compliance — electronic data exchange with financial institutions to improve debt recovery**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	-0.7	-2.1	-2.0	-1.8
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	0.6	-	-	-

The Government will provide \$1.7 million over four years to enable the electronic exchange of information between the Department of Veterans' Affairs (DVA) and financial institutions. DVA will be able to request and receive customer information electronically, bringing its practices into line with those already in place in Centrelink.

The changes will ensure a faster and more accurate assessment of overpayments, leading to a higher rate of identification and recovery of debts. Debts will be reduced by an estimated \$7.7 million over four years, resulting in net savings to the Government of \$6.0 million over four years.

Savings from this measure will be redirected to support other Government priorities.

**Fraud prevention and compliance — improving compliance for compensation recipients**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	0.9	-0.5	-0.6	-0.6
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	0.6	-	-	-

The Government will provide \$4.2 million over four years to prevent overpayments to Department of Veterans' Affairs' (DVA) clients who receive compensation payments from insurance companies and statutory authorities.



The measure will allow DVA client data to be matched with Centrelink data to prevent or recover any duplication of payments made by insurance companies and statutory authorities, to minimise overpayments and client debt. The measure is estimated to provide net savings of \$0.2 million over four years.

Savings from this measure will be redirected to support other Government priorities.

### Prisoner of War Recognition Supplement — establishment

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	0.1	8.4	8.1	6.1	4.5
Department of Human Services	-	0.1	..	..	..
Total	0.1	8.5	8.1	6.1	4.5
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	-	-	-	-

The Government will provide \$27.8 million over five years to further recognise the severe hardship and suffering experienced by former prisoners of war (POWs) of Japan and Europe from the Second World War, and former POWs from the Korean War.

Commencing on 20 September 2011, this measure will introduce a Prisoner of War Recognition Supplement of \$500 per fortnight for eligible former POWs. This new, non-taxable payment will complement an existing range of special benefits available to former POWs, and will not be included as assessable income for the purposes of means testing of other government payments administered by the Department of Veterans' Affairs and Centrelink.

The capital cost of \$0.5 million for this measure will be met from within the existing resources of the Department of Veterans' Affairs.

### Rationalisation of Temporary Incapacity Allowance and Loss of Earnings Allowance

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	0.2	-0.1	-0.1	-0.1
<i>Related capital (\$m)</i>					
<i>Department of Veterans' Affairs</i>	-	0.2	-	-	-

The Government will rationalise the Temporary Incapacity (TI) Allowance and Loss of Earnings (LOE) Allowance. Both allowances are paid under the *Veterans' Entitlements Act 1986* for a temporary inability to work due to a war or defence caused condition.

The TI Allowance is payable to an eligible veteran who has undergone hospital or other institutional treatment and has been off work for more than 28 days. The LOE Allowance compensates an eligible veteran for salary, wages or earnings lost due to absence from work for medical treatment, including hospitalisation. The maximum amount of compensation that an eligible veteran can receive under either one or both of these allowances is equivalent to the Special Rate of the Disability Pension.

From 20 September 2011 eligible veterans will have access to the LOE Allowance only. This will simplify the assessment of eligibility for payments and better target compensation expenditure. This provides greater simplicity for clients in understanding their entitlements.

**Rehabilitation and compensation programs — seed funding for information communication technology redesign**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	3.4	-	-	-

The Government will provide \$3.4 million in 2011-12 for a pilot program to investigate options for redesigning information communication technology (ICT) for veteran rehabilitation and compensation programs.

Current ICT arrangements for managing veteran rehabilitation and compensation programs are different for each of the three compensation Acts administered by the Department of Veterans' Affairs. More modern and sustainable ICT systems are required to effectively and efficiently meet client needs and assist with early intervention and rehabilitation.

This funding will support the preparation of a Second Pass Business Case, which will provide further project assurance on the feasibility, costs and risks associated with an ICT project of this nature, for consideration in the 2012-13 Budget.

**Veterans' Ambulance Travel Funding — changed fee arrangements — termination of measure**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	32.6	41.1	48.3	48.3	48.3

The Government will no longer proceed with the measure *Veterans' Ambulance Travel Funding – changed fee arrangements* that was announced in the 2010-11 Budget. Instead the Government will negotiate individually with each State and Territory to enhance existing arrangements for veterans' ambulance travel funding by improving data availability and transparency in pricing.

Provisions for savings from this measure were included in the forward estimates and the Contingency Reserve.

**Veterans' Pharmaceutical Reimbursement Scheme — establishment**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	5.1	8.6	8.3	8.1

The Government will provide \$30.1 million over four years to reimburse eligible veterans' out-of-pocket expenses relating to pharmaceutical prescriptions. An annual, tax-exempt payment will be provided to those veterans with qualifying service or warlike service who are in receipt of a disability compensation payment from the Department of Veterans' Affairs. The value of each individual's payment will be determined by their annual pharmaceutical usage.

This measure will address the out-of-pocket costs experienced by some veterans when their annual concessional patient pharmaceutical co-payment costs exceed the value of existing pharmaceutical assistance provided through the Pension or Veterans Supplements.

From 1 January 2012, approximately 70 000 veterans will be eligible to receive an annual and automatic reimbursement for out-of-pocket pharmaceutical costs.

This measure delivers on the Government's election commitment.

**Vietnam Veterans' Education Centre, Washington — contribution**

Expense (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Veterans' Affairs	-	1.6	0.1	1.6	-

The Government will provide \$3.3 million over three years to the Vietnam Veterans' Education Centre (the Centre) in Washington DC to commemorate Australia's contribution to the Vietnam War.

Along with preserving the memory of the Australians who served in Vietnam, the Centre will provide information regarding Australia's involvement during the conflict through the use of interpretive displays using digital technology.

This measure delivers on the Government's election commitment.

Further information can be found in the press release of 7 March 2011 issued by the Prime Minister.



## Part 3: Capital Measures

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup>**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>AGRICULTURE, FISHERIES AND FORESTRY</b>					
	<i>Department of Agriculture, Fisheries and Forestry</i>					
340	Future Post-Entry Quarantine Arrangements — initial work	-	13.7	-	-	-
	<b>Portfolio total</b>	-	<b>13.7</b>	-	-	-
	<b>ATTORNEY-GENERAL'S</b>					
	<i>Attorney-General's Department</i>					
341	Personal Property Securities Register — additional funding	-	5.7	-	-	-
	<i>Australian Customs and Border Protection Service</i>					
95	Australian Customs and Border Protection Service — savings(b)	-	-	-	-	-4.0
	<i>Australian Federal Police</i>					
97	Border Security — enhancing regional capability to combat people smuggling(b)	-	0.1	-	-	-
	<i>Australian Security Intelligence Organisation</i>					
105	National Security — Australian Security Intelligence Organisation — operating costs of new central office(b)	-5.8	0.3	5.1	0.1	0.4
	<b>Portfolio total</b>	<b>-5.8</b>	<b>6.0</b>	<b>5.1</b>	<b>0.1</b>	<b>-3.6</b>
	<b>BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY</b>					
	<i>Australian Communications and Media Authority</i>					
111	Australian Communications and Media Authority — revenue assurance project(b)	-	-	0.4	-	-
	<i>Department of Broadband, Communications and the Digital Economy</i>					
112	Digital Television Switchover — assistance(b)	-	1.0	0.9	0.6	0.2
342	National Broadband Network — revised investment	-	-	-	-	-
	<b>Portfolio total</b>	-	<b>1.0</b>	<b>1.2</b>	<b>0.6</b>	<b>0.2</b>
	<b>CLIMATE CHANGE AND ENERGY EFFICIENCY</b>					
	<i>Office of the Renewable Energy Regulator</i>					
124	Renewable Energy Target — implementation of legislative amendments(b)	0.3	4.1	0.8	0.8	0.8
	<b>Portfolio total</b>	<b>0.3</b>	<b>4.1</b>	<b>0.8</b>	<b>0.8</b>	<b>0.8</b>

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
	<b>CROSS PORTFOLIO</b>					
	<i>Various Agencies</i>					
125	Efficiency dividend — temporary increase in the rate(b)	-	-6.4	-12.0	-15.0	-19.8
	<b>Portfolio total</b>	-	<b>-6.4</b>	<b>-12.0</b>	<b>-15.0</b>	<b>-19.8</b>
	<b>DEFENCE</b>					
	<i>Department of Defence</i>					
343	C-130J Hercules — cancellation of two additional aircraft	-	-2.4	-3.8	-16.9	-88.1
343	C-17 Globemaster III Fleet — acquisition of additional aircraft	-	-	-	-	-
344	Capital investment reprogramming	-	85.2	-190.7	-336.6	-695.6
127	Increased efficiencies(b)	-	-66.1	-16.4	-3.6	-3.3
344	Royal Fleet Auxiliary Largs Bay — acquisition	-	-	-	-	-
	<b>Portfolio total</b>	-	<b>16.7</b>	<b>-211.0</b>	<b>-357.1</b>	<b>-787.1</b>
	<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS</b>					
	<i>Comcare</i>					
165	Model Work Health and Safety laws — implementation(b)	-	7.1	-	-	-
	<i>Department of Education, Employment and Workplace Relations</i>					
	<i>Building Australia's Future Workforce</i>					
132	– wage subsidy for the very long-term unemployed(b)	-	0.3	-	-	-
139	– improved access to the Language, Literacy, and Numeracy Program(b)	-	-	1.3	-	-
142	– increased obligations for very long-term unemployed job seekers(b)	-	0.7	-	-	-
147	– National Workforce Development Fund — establishment(b)	-	2.7	0.3	0.3	0.3
151	– streamlining services for jobseekers(b)	-	2.1	-	-	-
152	– transitional activities for early school leavers(b)	-	0.3	-	-	-
157	Education Services for Overseas Students — further response to the Baird Review(b)	-	3.3	-	-	-
	<i>Employment Services Arrangements</i>					
157	– Disability Employment Services in non-remote areas — continuation(b)	-	1.6	-	-	-
158	– efficiencies(b)	-	0.1	-	-	-
160	– Job Services Australia and Disability Employment Services in remote areas — contract extension and new initiatives(b)	-	..	-	-	-
161	– Job Services Australia in non-remote areas — continuation and new initiatives(b)	-	2.3	-	-	-
162	– New Enterprise Incentive Scheme — continuation and extension to Disability Employment Services job seekers(b)	-	0.7	-	-	-

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>EDUCATION, EMPLOYMENT AND WORKPLACE RELATIONS (continued)</b>						
166	National Mental Health Reform — increased employment participation for people with mental illness(b)	-	..	-	-	-
173	Schools — non-government school funding — extension(b)	-	-	-	-	-
<b>Portfolio total</b>		<b>-</b>	<b>21.3</b>	<b>1.6</b>	<b>0.3</b>	<b>0.3</b>
<b>FAMILIES, HOUSING, COMMUNITY SERVICES AND INDIGENOUS AFFAIRS</b>						
<i>Department of Families, Housing, Community Services and Indigenous Affairs</i>						
251	Service Delivery Reform — improving portfolio business — improving online services(b)	-	0.7	-	-	0.2
<i>Equal Opportunity for Women in the Workplace Agency</i>						
189	Gender Equality in the Workplace(b)	-	0.8	0.8	-	-
<b>Portfolio total</b>		<b>-</b>	<b>1.5</b>	<b>0.8</b>	<b>-</b>	<b>0.2</b>
<b>FINANCE AND DEREGULATION</b>						
<i>Department of Finance and Deregulation</i>						
340	Future Post-Entry Quarantine Arrangements — initial work	-	nfp	-	-	-
<b>Portfolio total</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>FOREIGN AFFAIRS AND TRADE</b>						
<i>AusAID</i>						
Official development assistance						
206	– Expanding aid in Indonesia and South East Asia(b)	-	1.1	0.4	-	-
207	– Expanding aid to Africa, South and Central Asia and the Middle East(b)	-	0.7	1.8	-	-
208	– sixteenth replenishment of the World Bank's International Development Association(b)	-	-	-	-	-
<i>Australian Secret Intelligence Service</i>						
201	Border Security — Combating people smuggling — enhanced intelligence capability(b)	-	0.2	-	-	-
<i>Department of Foreign Affairs and Trade</i>						
126	Afghanistan — transition of Uruzgan Province to International Security Assistance Force leadership(b)	0.2	-	-	-	-
203	National Security — Baghdad Embassy civilian security arrangements — final transition(b)	-	3.1	-	-	-
<b>Portfolio total</b>		<b>0.2</b>	<b>5.0</b>	<b>2.1</b>	<b>-</b>	<b>-</b>

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>HEALTH AND AGEING</b>						
<i>Department of Health and Ageing</i>						
219	Hearing Services Program — better targeted services(b)	-	2.5	4.0	4.0	3.5
345	Latent tuberculosis testing — continuation	-	0.5	0.5	0.5	0.5
228	National Medical Stockpile — strengthening management arrangements(b)	-	0.1	-	-	-
<b>Portfolio total</b>		-	<b>3.1</b>	<b>4.5</b>	<b>4.5</b>	<b>4.0</b>
<b>HUMAN SERVICES</b>						
<i>Centrelink</i>						
182	Building Australia's Future Workforce — supporting families with teenagers(b)	0.4	-	-	-	-
154	Child Care Rebate — additional payment option(b)	1.7	1.0	0.8	-	-
188	Family Tax Benefit Part A — more flexible advances(b)	1.6	-	-	-	-
<i>Department of Human Services</i>						
211	Aged Care — Residential aged care viability supplement — continuation and expansion(b)	-	0.2	-	-	-
Building Australia's Future Workforce						
132	– wage subsidy for the very long-term unemployed(b)	-	-	-	-	-
246	– connection interviews and jobseeker workshops(b)	-	0.3	-	-	-
247	– improved services — tailored support for job seekers(b)	-	-	-	-	-
151	– streamlining services for jobseekers(b)	-	3.2	-	-	-
182	– supporting families with teenagers(b)	-	5.5	-	-	-
183	– targeted locations income management and extension of the School Enrolment and Attendance Measure(b)	-	0.3	-	-	-
152	– transitional activities for early school leavers(b)	-	-	-	-	-
112	Digital Television Switchover — assistance(b)	-	-	0.8	-	-
188	Family Tax Benefit Part A — more flexible advances(b)	-	1.3	-	-	-
Service Delivery Reform						
249	– improving access — extending services through Medicare and Centrelink one-stop-shops(b)	-	-	-	-	-
249	– improving access — extension of rural mobile services and outreach support for the homeless(b)	-	-	-	-	-
250	– improving access — single web and telephone service(b)	-	-	-	-	-
251	– improving portfolio business — improving online services(b)	-	-	-	-	-



**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11	2011-12	2012-13	2013-14	2014-15
	\$m	\$m	\$m	\$m	\$m
<b>HUMAN SERVICES (continued)</b>					
	Service Delivery Reform				
254	-	-	-	-	-
	- integrating the portfolio — corporate integration(b)				
255	-	-	-	-	-
	- integrating the portfolio — information and communications technology integration(b)				
<b>Portfolio total</b>	<b>3.7</b>	<b>11.8</b>	<b>1.6</b>	<b>-</b>	<b>-</b>
<b>IMMIGRATION AND CITIZENSHIP</b>					
	<i>Department of Immigration and Citizenship</i>				
346	20.7	3.2	-	-	-
	Immigration detention facilities — capital				
262	-	..	-	-	-
	Refugee Status Determinations for offshore entry persons — streamlined processes(b)				
263	-	2.4	-	-	-
	Skilled Migrant Selection Model(b)				
<b>Portfolio total</b>	<b>20.7</b>	<b>5.7</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>INFRASTRUCTURE AND TRANSPORT</b>					
	<i>Australian Transport Safety Bureau</i>				
268	-	0.1	3.1	-	-
	National Transport Regulators — additional funding(b)				
	<i>Department of Infrastructure and Transport</i>				
267	-	-	-	-	-
	Nation Building — rail infrastructure — Moreton Bay Rail Link(b)				
<b>Portfolio total</b>	<b>-</b>	<b>0.1</b>	<b>3.1</b>	<b>-</b>	<b>-</b>
<b>INNOVATION, INDUSTRY, SCIENCE AND RESEARCH</b>					
	<i>IP Australia</i>				
347	-	-	-	4.4	8.4
	IP Australia — business systems replacement				
<b>Portfolio total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>4.4</b>	<b>8.4</b>
<b>PRIME MINISTER AND CABINET</b>					
	<i>Department of the Prime Minister and Cabinet</i>				
231	-	0.6	-	-	-
	National Mental Health Reform — establishment of a National Mental Health Commission(b)				
	<i>National Gallery of Australia</i>				
348	2.0	-	-	-	-
	National Gallery of Australia building refurbishment and enhancement project — additional funding				
<b>Portfolio total</b>	<b>2.0</b>	<b>0.6</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT</b>					
	<i>Department of Regional Australia, Regional Development and Local Government</i>				
349	-	13.0	21.5	9.1	-
	Border Security — Christmas Island infrastructure				
<b>Portfolio total</b>	<b>-</b>	<b>13.0</b>	<b>21.5</b>	<b>9.1</b>	<b>-</b>

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page		2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>RESOURCES, ENERGY AND TOURISM</b>						
<i>Department of Resources, Energy and Tourism</i>						
305	Upstream Petroleum Regulatory Reform — revised arrangements(b)	7.4	5.0	-	-	-
<b>Portfolio total</b>		<b>7.4</b>	<b>5.0</b>	-	-	-
<b>TREASURY</b>						
<i>Australian Bureau of Statistics</i>						
321	Enhanced macro-economic statistical capacity(b)	-	0.7	0.2	-	-
326	Tackling Climate Change — emissions reduction modelling — continuation(b)	-	0.2	0.2	-	-
<i>Australian Prudential Regulation Authority</i>						
323	Stronger Super — MySuper(b)	-	-	1.4	0.5	0.1
<i>Australian Securities and Investments Commission</i>						
319	Competition for Market Services(b)	0.5	3.4	0.4	0.3	-
350	Stronger Super — initial funding for self managed superannuation funds auditor registration	1.5	1.1	-	-	-
<i>Australian Taxation Office</i>						
34	Natural Disaster Recovery and Rebuilding — Temporary flood and cyclone reconstruction levy(c)	1.1	-	-	-	-
322	Not-for-profit sector reforms — Australian Charities and Not-for-profits Commission — establishment(b)	-	1.0	9.1	-	-
324	Stronger super — self managed super funds(b)	1.1	1.1	1.0	1.0	-
47	Tax compliance — reporting taxable payments(c)	-	-	1.4	-	-
<i>Department of the Treasury</i>						
350	Australia's International Monetary Fund Quota — increase	-	-	-	-	-
267	Nation Building — rail infrastructure — Moreton Bay Rail Link(b)	-	-	-	-	-
<b>Portfolio total</b>		<b>4.2</b>	<b>7.4</b>	<b>13.7</b>	<b>1.8</b>	<b>0.1</b>
<b>VETERANS' AFFAIRS</b>						
<i>Australian War Memorial</i>						
351	Australian War Memorial — redevelopment of the First World War galleries	-	0.5	-	-	-
<i>Department of Veterans' Affairs</i>						
327	Compensation offsetting under the <i>Veterans' Entitlements Act 1986</i> (b)	-	-	-	-	-
328	Fraud prevention and compliance — electronic data exchange with financial institutions to improve debt recovery(b)	-	0.6	-	-	-

**Table 3: Capital measures since the 2010-11 MYEFO<sup>(a)</sup> (continued)**

Page	2010-11 \$m	2011-12 \$m	2012-13 \$m	2013-14 \$m	2014-15 \$m
<b>VETERANS' AFFAIRS (continued)</b>					
328	-	0.6	-	-	-
248	-	1.1	-	-	-
329	-	-	-	-	-
329	-	0.2	-	-	-
	-	<b>2.9</b>	-	-	-
	-	<b>266.6</b>	<b>227.7</b>	-	<b>-100.0</b>
	..	<b>-0.4</b>	<b>-6.6</b>	<b>-8.0</b>	<b>-8.2</b>
	<b>32.7</b>	<b>378.5</b>	<b>54.2</b>	<b>-358.5</b>	<b>-904.7</b>

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

.. Not zero, but rounded to zero.

- Nil.

nfp not for publication.

(a) A minus sign before an estimate indicates a reduction in capital, no sign before an estimate indicates increased capital.

(b) These measures can also be found in the expense measures summary table.

(c) These measures can also be found in the revenue measures summary table.

(d) Measures may not add due to rounding.

## AGRICULTURE, FISHERIES AND FORESTRY

### Future Post-Entry Quarantine Arrangements — initial work

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Agriculture, Fisheries and Forestry	-	13.7	-	-	-
Department of Finance and Deregulation	-	nfp	-	-	-
<b>Total</b>	-	<b>13.7</b>	-	-	-
<i>Related expense (\$m)</i>					
Department of Agriculture, Fisheries and Forestry	-	5.4	-	-	-

The Government will commence initial work to upgrade Australia's post-entry quarantine facilities, including preparations to relocate existing post-entry quarantine stations as current leases expire.

The Government will provide funding to the Department of Finance and Deregulation to purchase land and undertake initial scoping and design work required to address future post-entry quarantine arrangements. The capital expenditure associated with this part of the measure is not for publication (nfp) as the negotiations will be commercial-in-confidence.

The Government will also provide \$19.1 million in 2011-12 to the Department of Agriculture, Fisheries and Forestry for urgent repair and maintenance work and other expenses at existing post-entry quarantine sites.

See also the related expense measure titled *Maintain funding for Quarantine Border Security – extension in the Agriculture, Fisheries and Forestry Portfolio*.

**ATTORNEY-GENERAL'S****Personal Property Securities Register — additional funding**

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Attorney-General's Department	-	5.7	-	-	-
<i>Related revenue (\$m)</i>					
<i>Insolvency and Trustee Service Australia</i>	-	2.0	3.0	3.0	-
<i>Related expense (\$m)</i>					
<i>Insolvency and Trustee Service Australia</i>	-	1.4	-	-	-
<i>Attorney-General's Department</i>	-	0.7	-	-	-
<i>Total</i>	-	2.2	-	-	-

The Government will provide \$7.9 million in 2011-12 (including capital of \$5.7 million) to finalise the implementation of the Personal Property Securities Register (PPSR).

The Council of Australian Governments agreed in February 2011 to delay the introduction of the PPSR until October 2011 in order to provide additional time for key industry stakeholders to transition to the new system. The additional funding will support the finalisation of the register and allow extended testing prior to commencement. The PPSR will replace existing state and territory based schemes with a national scheme.

The costs of this measure will be offset over three years from 2011-12 through an increase to the existing cost recovery arrangements of the PPSR administered by the Insolvency and Trustee Service Australia, with cost recovery charges levied on users of the service, including those registering security interests and those searching the register.

## BROADBAND, COMMUNICATIONS AND THE DIGITAL ECONOMY

### National Broadband Network — revised investment

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Broadband, Communications and the Digital Economy	-	-	-	-	-

The Government will invest \$27.5 billion in NBN Co Limited (NBN Co) to build and operate the National Broadband Network (NBN). This includes the Government's initial investment of \$4.7 billion announced in the 2009-10 Budget.

The Government has established NBN Co to build and operate the NBN to deliver high speed broadband services to all Australian premises, including homes, schools and businesses. The Government's investment towards the total capital expenditure on the NBN, estimated to be \$35.9 billion, is in accordance with NBN Co's publicly released Corporate Plan. The Government has endorsed the Corporate Plan as being compliant with NBN Co's Statement of Expectations which comprises the Government's final response to the Implementation Study.

NBN Co will be funded with Government equity until NBN Co has sufficient cash flows to support private sector debt without explicit Government support. The Government expects that during the rollout period private sector debt raised by NBN Co will complement Government equity to fund rollout activities. During the rollout, the Government will retain full ownership of NBN Co in order to achieve its policy objectives.

The Government's investment over the forward estimates is expected to be \$3,088.0 million in 2011-12, \$4,400.0 million in 2012-13, \$6,600.0 million in 2013-14 and \$4,100.0 million in 2014-15. This is in addition to \$1,712.0 million in equity provided to NBN Co in 2008-09, 2009-10 and 2010-11.

The investment does not have a direct impact on the underlying cash or fiscal balances. Any additional public debt interest cost incurred by the Government would impact on the underlying cash and fiscal balance, and is accounted for separately in the budget estimates.

Further information can be found in the joint press releases of 20 December 2010 issued by the Prime Minister, the Deputy Prime Minister and Treasurer, the Minister for Finance and Deregulation and the Minister for Broadband, Communications and the Digital Economy.

See also the related expense measures titled *National Broadband Network – implementation* and *National Broadband Network – regulatory framework* in the Broadband, Communications and the Digital Economy portfolio.

## DEFENCE

### C-17 Globemaster III Fleet — acquisition of additional aircraft

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-	-	-	-

The Government will provide \$251.9 million over four years from 2010-11 for the acquisition of an additional C-17 Globemaster aircraft and associated equipment. The aircraft is expected to be received and operational in 2011. The Government will also provide \$81.0 million over the period to 2036 for the net personnel and operating costs of the aircraft.

The opportunity to acquire a C-17 from the 2011 US Air Force production line will enable the Australian Defence Force to increase airlift capability more quickly than previously planned. The additional aircraft will strengthen Australia's heavy airlift capability for military purposes, including support to Australian and International Security Assistance Forces in Afghanistan and the Middle East. It will also enhance Australia's capacity to deliver humanitarian assistance and disaster relief within Australia and the region.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.

As a consequence of this decision the Government has cancelled the Defence Capability Plan project for the acquisition of two additional C-130J Hercules aircraft.

See also the related capital measure *C-130J Hercules – cancellation of two additional aircraft*.

### C-130J Hercules — cancellation of two additional aircraft

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-2.4	-3.8	-16.9	-88.1

The Government has agreed to cancel the acquisition of two additional C-130J Hercules aircraft. This measure will save \$111.3 million over the forward estimates and \$520.1 million over the ten years to 2020-21.

The latest Defence Capability Plan anticipated a final decision on acquisition of additional C-130J Hercules aircraft in the period 2013-2015. However, the opportunity to purchase an additional C-17 Globemaster aircraft from the 2011 United States Air Force production line has obviated the need for the acquisition of the additional Hercules aircraft. The C-17 will deliver increased lift capability earlier than planned.

See also the related capital measure titled *C-17 Globemaster III Fleet – Acquisition of additional aircraft*.

### Capital investment reprogramming

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	85.2	-190.7	-336.6	-695.6
<i>Related expense (\$m)</i>					
<i>Department of Defence</i>	-	-15.4	31.8	12.8	-172.4

The Government will reprogram funding for the Defence capital investment program to better align it with Defence's strategic requirements. This will result in savings of \$1,280.8 million over four years, to be reprogrammed beyond the forward estimates.

The reprogramming will support the Department of Defence in delivering the military capabilities set out under *Force 2030*, the 2009 Defence White Paper.

### Royal Fleet Auxiliary Largs Bay — acquisition

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Defence	-	-	-	-	-

The Government will provide \$104.0 million in 2010-11 for the acquisition of a British Bay Class amphibious ship, the Royal Fleet Auxiliary (RFA) *Largs Bay*. Following a successful bid of UK£65 million, and pending sea trials, the acquisition is expected to be finalised by the end of 2011 with the ship operational in early 2012. The Government will also provide \$73.4 million over three years commencing 2010-11 for fit-out costs and \$99.4 million over six years commencing 2011-12 for net personnel and operating costs.

The *Largs Bay* will ensure the Royal Australian Navy has the amphibious capacity it needs for operational and humanitarian support in our region in the period leading up to the arrival of the Landing Helicopter Dock ships from 2014.

The cost of this measure will be met from within the existing resourcing of the Department of Defence.



## HEALTH AND AGEING

### Latent tuberculosis testing — continuation

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Health and Ageing	-	0.5	0.5	0.5	0.5
<i>Related revenue (\$m)</i>					
Department of Health and Ageing	-	0.4	0.5	0.5	0.5
<i>Related expense (\$m)</i>					
Department of Health and Ageing	-	0.2	0.2	0.2	0.2

The Government will provide \$2.7 million over four years (including \$0.6 million in expense funding) to continue the purchase and distribution of skin tests for latent tuberculosis. The test will be used by states and territories, the Australian Defence Force as well as the private sector. Those taking the test will be required to pay, which will result in revenue of \$2.0 million over four years. This continues the program announced in the *Mid-Year Economic and Fiscal Outlook 2006-07* measure, *Latent tuberculosis skin test*.

The skin test is essential for conducting screening tests of health care workers, migrants, defence force recruits and personnel deployed overseas, as well as high risk Indigenous communities to help prevent the transfer of tuberculosis within the Australian population.

## IMMIGRATION AND CITIZENSHIP

### Immigration detention facilities — capital

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Immigration and Citizenship	20.7	3.2	-	-	-

The Government will provide \$24.0 million over two years for capital works at two sites that are to be used as new immigration detention facilities.

This measure will provide \$14.8 million to upgrade a Defence facility at Pontville, Tasmania, that is to be used as a temporary detention centre to accommodate up to 400 single men.

The Government will lease a privately built facility at Wickham Point in the Northern Territory that is to be used as an immigration detention centre. This measure provides capital funding of \$9.2 million over two years to enhance administration, medical and security amenities to ensure appropriate accommodation for irregular maritime arrivals. On completion the facility will accommodate up to 1500 single men.

The associated leasing and operating costs for the facilities will be met through resources in the Department of Immigration and Citizenship provided for this purpose.

To relieve pressure on existing detention facilities, the Government will also expand the detention accommodation at Darwin Airport Lodge by up to 400 beds by the middle of the year and will extend its use of Scherger Air Force Base.

Further information can be found in the press releases of 3 March 2011 and 5 April 2011 issued by the Minister for Immigration and Citizenship.

**INNOVATION, INDUSTRY, SCIENCE AND RESEARCH****IP Australia — business systems replacement**

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
IP Australia	-	-	-	4.4	8.4

The Government will provide \$63.4 million over 15 years, including \$37.0 million over the forward estimates, to redevelop IP Australia's core Trade Marks and Design business systems. IP Australia will replace the existing aged system with a commercial off-the-shelf case management product that will streamline processes, reduce maintenance and provide for more timely and cost effective examination and administration of intellectual property applications.

This measure will be partially funded from IP Australia's existing reserves, with a fiscal impact of \$18.3 million, including \$12.8 million over the forward estimates. The remainder of the funding will be redirected from IP Australia's existing activities and will be funded within existing resources.

## PRIME MINISTER AND CABINET

### National Gallery of Australia building refurbishment and enhancement project — additional funding

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
National Gallery of Australia	2.0	-	-	-	-

The Government will provide an additional \$2.0 million in 2010-11 to fund the completion of the National Gallery of Australia's building refurbishment and enhancement project. The Government provided additional funding of \$14.8 million for the project in the 2009-10 Budget.

## REGIONAL AUSTRALIA, REGIONAL DEVELOPMENT AND LOCAL GOVERNMENT

### Border Security — Christmas Island infrastructure

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of Regional Australia, Regional Development and Local Government	-	13.0	21.5	9.1	-

The Government will provide \$43.6 million over three years to address the increased demands on Christmas Island infrastructure for the housing of irregular maritime arrivals. The funding will deliver four projects:

- \$10.5 million to upgrade the sewerage pressure main;
- \$4.6 million to extend the Christmas Island Hospital by building a community health service wing to support provision of community health services, as well as trauma and torture counselling to asylum seekers;
- \$19.5 million to construct a fuel storage facility to consolidate storage of fuels in one location and address a greater demand for fuel as a result of increased air and maritime operations and electricity generation; and
- \$9.0 million to extend the wharf at Flying Fish Cove to improve passenger safety during disembarkation from Customs and Navy vessels.

This measure is part of the Australian Government's response to people smuggling.

## TREASURY

### Australia's International Monetary Fund Quota — increase

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Department of the Treasury	-	-	-	-	-

The Government will provide the International Monetary Fund (IMF) with additional Special Drawing Rights (SDR) of 3.3 billion (around \$5.3 billion) to increase Australia's quota, or capital subscription, in the Fund. Australia's quota will increase to SDR 6.6 billion, in line with a doubling of total IMF quotas agreed by G20 Finance Ministers and IMF Governors in late 2010.

The doubling of IMF quotas will ensure that the IMF has the resources available to maintain stability and support recovery in the global economy. It will also facilitate a redistribution of quotas to increase the influence in IMF decision making of key emerging market countries, particularly in Asia. Australia's IMF quota can be drawn on by the Fund for use in its lending to borrowing member countries.

This is a financing transaction involving an exchange of assets and will have no direct impact on the fiscal balance or underlying cash balance.

### Stronger Super — initial funding for self managed superannuation funds auditor registration

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian Securities and Investments Commission	1.5	1.1	-	-	-
<i>Related expense (\$m)</i>					
<i>Australian Securities and Investments Commission</i>	0.1	..	-	-	-

The Government will provide \$2.8 million over two years to the Australian Securities and Investments Commission to develop a second pass business case and initial capital expenditure for the development of a facility for the online registration of approved auditors of Self Managed Superannuation Funds from 1 July 2012.

Further information can be found in the Government Response to Stronger Super at <http://www.strongersuper.treasury.gov.au>.

See the related expense measure *Stronger Super – SuperStream – initial funding* in the 2011-12 Budget.

**VETERANS' AFFAIRS****Australian War Memorial — redevelopment of the First World War galleries**

Capital (\$m)	2010-11	2011-12	2012-13	2013-14	2014-15
Australian War Memorial	-	0.5	-	-	-
<i>Related expense (\$m)</i>					
<i>Australian War Memorial</i>	-	1.2	-	-	-

The Government will provide seed funding of \$1.7 million in 2011-12 for the Australian War Memorial (the Memorial) to commence planning for a new permanent exhibition on the First World War, to commemorate the Centenary of Anzac. The exhibition will showcase the Memorial's world-renowned collection, addressing themes such as Australia's involvement in the First World War, significant battles, the experiences of Australians who served, and the role of various aircraft and artillery.

This exhibition will be completed in late 2014 and will mark the Centenary of the First World War.

